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**MINISTRY OF COMMERCE, TRADE AND INDUSTRY**

**Project ID: No. P156492**

**AGRIBUSINESS AND TRADE PROJECT  
RESETTLEMENT POLICY FRAMEWORK**

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## CONTENTS

List of Tables .....	v
List of Figures .....	v
Acronyms .....	vi
EXECUTIVE SUMMARY .....	1
1. INTRODUCTION .....	6
1.1 Resettlement Policy Framework Purpose .....	6
1.2 Objectives of the Resettlement Policy Framework .....	7
1.2.1 <i>The RPF Methodology</i> .....	7
2. PROJECT DESCRIPTION .....	7
2.1 Background .....	7
2.2 Project Components .....	8
2.3 Project Financing .....	9
2.4 Expected Results .....	10
3. POLICY AND LEGAL FRAMEWORK GOVERNING RESETTLEMENT .....	10
3.1 The Zambian Legal Framework Affecting Resettlement .....	11
3.1.1 <i>Constitution of Zambia</i> .....	11
3.1.2 <i>National Resettlement Policy</i> .....	11
3.1.3 <i>Land Tenure and Delivery System in Zambia</i> .....	12
3.1.4 <i>Specific Legislation on Land</i> .....	13
3.2 World Bank Safeguard Policy on Involuntary Resettlement .....	15
3.2.1 <i>Scope of Policy</i> .....	16
3.2.3 <i>Policy Requirements</i> .....	17
3.3 Overlaps and Gaps between the Zambian Legislation and World Bank Po 4.12 .....	18
3.3.1 <i>Overlaps</i> .....	18
3.3.2 <i>Gaps</i> .....	18
3.3.3 <i>Measures to Close the Gaps</i> .....	18
4. PRINCIPLES AND STRATEGIES GUIDING RESETTLEMENT IN THE ATP .....	19
4.1 Principles to Guide Resettlement .....	19
4.2 RPF Strategies .....	20
5. RESETTLEMENT ACTION PLAN PREPARATION, REVIEW AND APPROVAL .....	20
5.1 Compliance with National Resettlement Policy Framework .....	20
5.2 Scope of Resettlement Action Plans .....	21
5.3 Population Displacement Estimates and Categories of Affected People under the ATP .....	22

5.3.1	<i>Categories of People likely to be displaced</i> .....	22
5.3.2	<i>Analysis of Methods to be applied in Identifying displaced People</i> .....	22
5.3.3	<i>Records of displaced People</i> .....	22
5.4	Steps in Preparing Resettlement Action Plans .....	23
5.4.1	<i>Preliminary Assessments of a Sub-Project</i> .....	23
5.4.2	<i>Preliminary Information</i> .....	23
5.4.3	<i>Socio-economic Baseline Census</i> .....	23
5.4.4	<i>Development of the Resettlement Action Plans (RAPs)</i> .....	
5.5	Resettlement Action Plan Types and Contents .....	24
5.5.1	<i>Abbreviated Resettlement Action Plan</i> .....	24
5.5.2	<i>Resettlement Action Plan Contents</i> .....	24
5.6	Resettlement Action Plan Approval Process .....	25
5.7	Implementation and Monitoring of Resettlement Action Plans .....	26
6.	<b>ELIGIBILITY CRITERIA FOR DEFINING VARIOUS CATEGORIES OF AFFECTED PERSONS</b> .....	27
6.1	Principles of Developing Eligibility Criteria .....	27
6.2	Determination of Cut-Off Date for Compensation .....	27
6.3	Description of Categories of Affected People and Type of Losses .....	28
6.3.1	<i>Affected Individuals</i> .....	28
6.3.2	<i>Affected Households</i> .....	28
6.3.3	<i>Affected local community</i> .....	28
6.3.4	<i>Vulnerable Households</i> .....	28
6.4	Entitlements Related to Additional Impacts .....	29
6.5	Entitlements and Compensation Matrix .....	29
7.	<b>ASSET VALUATION</b> .....	32
7.1	Valuation Practice in Zambia .....	32
7.2	Land Tenure Systems and the Valuation of Immovable Assets in Zambia .....	32
7.3	Valuation Methods in Zambia .....	32
7.4	Purpose of Valuation .....	33
7.5	Basis of Valuation .....	33
7.6	Methods for Inventorying Assets in Zambia .....	34
7.7	Overview of World Bank Recommended Valuation Method .....	35
7.8	Resettlement Policy Framework Asset Valuation Guidelines .....	35
8.	<b>COMPENSATION FOR RESETTLEMENT</b> .....	36

8.1 Compensation Guidelines .....	36
8.2 Types of Compensation Payments .....	36
8.3 Types of Compensation .....	37
9. ORGANISATIONAL PROCEDURES FOR THE DELIVERY OF ENTITLEMENTS .....	38
9.1 Consultation and Public Participation.....	38
9.2 Notification of Land and Other Asset Holders .....	39
9.3 Documentation of Holdings and Assets.....	39
9.4 Arrangements on Compensation and Preparation of Contracts .....	39
9.5 Compensation Payments .....	39
10. DESCRIPTION OF THE IMPLEMENTATION PROCESS, LINKING RESETTLEMENT IMPLEMENTATION TO CIVIL WORKS .....	39
11. PROGRAMS TO IMPROVE OR RESTORE LIVELIHOODS AND STANDARDS OF LIVING.....	40
11.1 Micro-Financial Support.....	40
11.2 Skills Development and Training .....	40
12. DESCRIPTION OF COMPLAINTS AND GRIEVANCE REDRESS MECHANISMS .....	40
13. BUDGET AND FUNDING ARRANGEMENTS .....	42
14. STAGES AND MECHANISMS FOR CONSULTATION WITH, AND PARTICIPATION OF AFFECTED PEOPLE IN PLANNING, IMPLEMENTATION AND MONITORING OF THE RAP.....	43
14.1 Stages of Consultation .....	43
14.2 Mechanisms for Consultation .....	43
15. ARRANGEMENTS FOR MONITORING AND EVALUATION.....	44
15.1 Scope of Monitoring .....	44
15.1.1 Performance Monitoring.....	44
15.1.2 Impact Monitoring .....	44
15.1.3 Completion Audit .....	45
15.2 Development of Verifiable Indicators.....	45
15.3 .....	46
Rap Implementation Schedule .....	46
16. RPF AND RAP IMPLEMENTATION ARRANGEMENTS.....	47
19.1 RPF and RAP Implementation Arrangements .....	47
BIBLIOGRAPHY .....	48
ANNEXES.....	49
ANNEX 1: Elaboration of Legal Framework .....	49

ANNEX 2: Screening Format for Project Activities – Potential Resettlement.....	51
ANNEX 3: Sample Terms of Reference for Consultants Preparing Resettlement Action Plan .....	54
ANNEX 4: Sample Grievance Redress Form.....	59

**List of Tables**

Table 1: Broad Summary of Entitlements and Responsible Authority.....	30
Table 2: Example of Inventorying Assets in Zambia.....	34
Table 3: Types of Verifiable Indicators .....	45

**List of Figures**

Figure 1: Agribusiness and Trade Project Components and Financial Allocations.....	10
Figure 2: RAP Preparation and Approval Process.....	21
Figure 3 RAP Approval Process without Land Acquisition .....	26

## **Acronyms**

ATP	Agribusiness and Trade Project
BRRA	Business Regulatory Review Agency
CCPC	Competition and Consumer Protection Commission
DDCC	District Development Coordinating Committee
DLGA	Department of Local Government Administration
DMMU	Disaster Management and Mitigation Unit
DPPH	Department(s) of Physical Planning and Housing
ESMF	Environment and Social Management Framework
GRZ	Government of the Republic of Zambia
GVD	Government Valuation Department
IBRD	International Bank for Reconstruction and Development
IDA	International Development Agency
IVSC	Valuation Standards Committee
M&E	Monitoring and Evaluation
MA	Ministry of Agriculture
MCTI	Ministry of Commerce, Trade and Industry
MSME	Micro, Small and Medium Enterprise
NGOs	Non-Governmental Organisations
OVI	Objectively Verifiable Indicator
OVP	Office of the Vice President
PAP	Project affected People
PIU	Project Implementation Unit
RPF	Resettlement Policy Framework
RAP	Resettlement Action Plan
RDA	Road Development Agency
SME	Small and Medium Enterprise
WB	World Bank
ZABS	Zambia Bureau of Standards
ZACCI	Zambia Association of Chambers of Commerce, Trade and Industry
ZAM	Zambia Association of Manufacturers
ZDA	Zambia Development Agency
ZNFU	Zambia National Farmers Union
ZWMA	Zambia Weights and Measures Agency



## **EXECUTIVE SUMMARY**

### **Introduction**

This Resettlement Policy Framework (RPF) has been prepared as an instrument to be used in the implementation of the Agribusiness and Trade Project (ATP) where issues of resettlement arise. It is intended to address all economic and social impacts of project implementation where people are displaced and will inform the formulation of Resettlement Action Plans (RAPs). The overall aim is to as much as possible avoid displacement or disturbances of people and livelihoods, and implement necessary measures to mitigate negative impacts to people.

The RPF will be publicly disclosed by the Ministry of Trade, Commerce and Industry, and the World Bank at project appraisal. Should any initiatives under the ATP result in resettlement impact as defined in this RPF, people affected will be consulted and an RAP will be produced to concur with the resettlement and compensation policy, organizational arrangements and design criteria as set out in this RPF, to meet the needs of the people who may be affected by the program.

The preparation of this RPF has largely been undertaken on the basis of secondary data from within the Zambian Government and the World Bank to gain insight into the World Bank and Zambian policy and legal framework on resettlement related issues. Reference has also been made to similar frameworks prepared for projects supported by the World Bank in Zambia.

### **Project Description**

The ATP will be supported by the World Bank through a concessionary credit facility from the International Development Agency (IDA) amounting to forty million United States Dollars (US\$ 40m) with possibility of additional financing.

The Ministry of Commerce, Trade and Industry has been identified as the focal point Ministry for Government in the formulation and implementation of the project, while the focus and implementation structures of the project will require continuous engagement with various government ministries, agencies and private sector players.

The project will support interventions aimed at linking producers to markets and supporting other bottlenecks along the related value chains. As such the projects will have the following three sub-components as areas of support:

- (a) Market Linkages in Agribusiness;
- (b) Strengthening the Regulatory and Institutional Framework for Agribusiness and Trade; and
- (c) Project Management and Monitoring and Evaluation as a supporting component.

### **Policy and Legal Framework Governing Resettlement**

The RPF has discussed relevant Zambian Laws related to land administration, ownership, land use, valuation, compensation, entitlement and procedures for grievance redress include the Zambian Constitution, the Land Acquisition Act, the Agricultural lands Act, the Public Roads Act, the Arbitration Act, the Environmental Protection and Pollution Central Act, the Wildlife Act, the Local Government Act, the Town and Country Planning Act, the Land Survey Act, and the Land Convention of Titles Act etc.

The RPF has also discussed the scope and policy requirements of the World Bank Safeguard Policy on Involuntary Resettlement.

Where there are gaps in the Zambian law and policy with regard to resettlement, the provisions of the World Bank Policy on resettlement shall apply.

### **Objectives, Principles Terms under the RPF**

The overall objective of the RPF is to provide guidance on how to deal with issues relating to land acquisition, compensation and resettlement during the implementation of the ATP while specific objectives are as follows:



- (a) to minimise, as much as possible, acquisition of land for implementation of project sub-components, where such acquisition will result in adverse social impacts;
- (b) to ensure that where land acquisition is necessary, this is executed as sustainable programs to enable people share in the project benefits,
- (c) to ensure meaningful consultation with people to be affected or displaced; and
- (d) to provide assistance that will mitigate or restore the negative impacts of ATP implementation on the livelihoods of people affected in order to improve their livelihoods or at least restore to pre-project levels.

The RPF has been prepared in line with Zambian Laws and Policies that superintend over various aspects of resettlement and recognize the World Bank Policies governing resettlement in project design and implementation. This is bearing in mind that development projects may result in involuntary resettlement giving rise to economic, social and environmental risks resulting in production systems being respectively affected.

The following principles will guide resettlement in the ATP:

- The RPF applies to all components under the project, whether or not they are funded in whole or part by the Bank.
- The RPF applies to any activities, regardless of funding agency, deemed to be associated with the project.
- The policy applies to displaced persons regardless of the total number involved, severity of the impact, ethnicity, race or colour, whether or not they have legal right or claim to the land they are occupying, and those who may not be protected through the Zambian compensation legislation.
- Where feasible, involuntary resettlement and land acquisition should be avoided or minimized by exploring all viable alternatives.
- Where relocation or loss of shelter occurs, measures to assist displaced persons should be implemented in accordance with a plan of action for resettlement and compensation.
- The planning and implementation of the resettlement process should be conducted in a consultative manner with those to be displaced.
- Absence of legal title to land should not be a basis for denying compensation and Resettlement assistance.
- Displacement or restriction to access should not occur before necessary measures for resettlement and compensation are in place. Apart from compensation, these measures should include provision of other assistance required for relocation, prior to displacement, and preparation and provision of settlement sites with adequate basic facilities.
- The displaced must be relocated to areas with basic amenities like schools, potable water, health facilities, etc.
- All affected persons and entrepreneurs or institutions should be assisted to restore their incomes and livelihood sources to at least pre-resettlement levels. Particular attention will be paid to the needs of the elderly, women and children, the handicapped, and the landless, among other vulnerable groups.
- Wherever possible, those impacted by involuntary resettlement should be considered for employment in various project activities including construction works and provision of other services.
- Vulnerable groups such as the elderly and women-headed households should be entitled to a special benefit package in addition to compensation entitlement.

It has been emphasised in the RPF that implementation of the ATP will deliberately seek to minimise displacement and resettlement of people.

### **Resettlement Action Plans**

The RPF requires the preparation of RAPs for sub-projects being set in locations that are likely to result in displacement and therefore resettlement of affected persons. The need for consultation with all affected stakeholders at all stages of preparation of sub-projects and RAPs has been emphasised as a requirement in this RPF.

The following steps will be followed in preparation of RAPs:

- Screening for land acquisition impacts Process,
- Carrying out the affected areas' socio-economic census, land and asset inventory,
- Development of Resettlement Action Plans (RAPs),
- RAPs Review and Approval by Relevant Authorities,
- Implementation of the RAPs,
- Monitoring of the RAPs implementation.

Preliminary assessments and undertaking of socio-economic baseline census are required to provide information that will assist in determining the cut-off date, period of registration of claims and valuation of land and immovable assets.

Where more than two hundred people are expected to be affected in terms of displacement, then a RAP should be prepared and its content include the following:

- (a) Definition and public disclosure of cut-off date,
- (b) Provision of project information to affected people,
- (c) Census of affected people and their affected assets,
- (d) Identification of policy entitlements related to impacts through the census and surveys and presented in a sub-project specific entitlement matrix,
- (e) Description of compensation and other measures, (e.g. resettlement assistance like transport, etc., and rehabilitation measures like job opportunities),
- (f) Development of the RAP including time-bound implementation plan,
- (g) Budget,
- (h) Consultation with the affected community and approval of the RAP by the Zambian Authorities,
- (i) Institutional responsibilities for implementation of the RAP, and
- (j) Arrangements for monitoring and evaluation of the RAP.

The implementation of the RAP should be monitored and the MCTI will take the lead on internal monitoring, while an external monitoring will be undertaken by a monitoring agency/department designated to carry out external monitoring of ATP.

Where less than two hundred people are expected to be affected in terms of displacement, then an Abbreviated RAP should be prepared and must include:

- a) Consultations with displaced people about acceptable alternatives,
- b) Timetable,
- c) Budget,
- d) Institutional responsibility for implementation and procedures for grievance redress,
- e) Arrangements for monitoring and implementation.

### **Eligibility Criteria for Defining Various Categories of Affected Persons**

Affected persons have been categorised as follows:

- (a) An individual who loses assets or investments, property and land, access to economic and natural resources due to the project activities, regardless of whether he/she hold legal land title.

- (b) Household(s), if one or more of its/their members are affected by the sub project activities through either loss of land, property, access etc. by the activities of the project,
- (c) Local community, if the project activities will affect the communities' socioeconomic conditions or the cohesion of its social fabric, and.
- (d) Vulnerable Households – Vulnerable households may have different land needs from most households or need unrelated to the amount of land available to them.

Payment of compensation and other entitlements and assistance will be made to Project Affected Person (PAP) households and individuals according to the following principles:

- (a) Compensation shall be provided prior to displacement;
- (b) Compensation will be at least full replacement value and the compensation policy and its processes shall be perceived by the PAPs as being full, fair and prompt;
- (c) Preference will be given to land-based resettlement strategies for persons whose livelihoods are land based;
- (d) Whenever replacement land is offered, it will be land of equivalent value, in terms of the combination of productive potential, locational advantages and other factors.
- (e) Where sufficient land is not available at reasonable price, non-land based options, in consultation with PAPs, centred on opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost;
- (f) Taking of land and related assets may take place only after compensation has been provided and resettlement sites, new houses, related infrastructure, public services and moving allowances have been provided to displaced persons;
- (g) Assistance may include support in the form of food, temporary accommodation, medical assistance, employment referrals or priority employment in project activities. The assistance is meant to help them cope with the displacement caused by the programme; and
- (h) Compensation and other assistance shall be provided prior to displacement preparation and provision of resettlement sites with adequate facilities.

### **Valuation and Compensation**

Zambia has a well-established valuation system which uses four methods namely comparative, investment, residual and depreciated replacement cost method. This RPF provides for the application of the Zambian Valuation Methods and compensation in relation to involuntary resettlement.

Programmes to improve or restore Livelihoods and standards of living for Project affected persons will include making arrangements for the provision of micro financial support and skills development to the PAPs.

### **Grievance Redress Mechanisms**

Affected individuals and households will have been informed of the process for expressing their dissatisfaction and seeking redress by the time the RAPs are approved. The grievance redress methods in Zambia include the Local Government Organs method, and the access to the Local Courts system, while Arbitration is provided for as a possible first step.

### **Implementation Arrangements**

The project will be implemented under the overall responsibility of MCTI through the Project Implementation Unit (PIU). The PIU will oversee the implementation of project activities, fiduciary management, monitoring and evaluation (M&E), and reporting.

The Steering Committee shall be responsible, among other things, for policy guidance of overall Project implementation, providing policy guidance to the project, ensuring inter-agency coordination of the Project, reviewing the annual work plans, and approving Budgets. The Committee will also consider issues to do with resettlement during the course of the project if they arise. In such cases,

other relevant government departments will be co-opted into the steering committee since it is envisaged that such cases are unlikely to arise.

## **1. INTRODUCTION**

The Government of the Republic of Zambia (GRZ) recognizes that agribusiness and trade offer an opportunity for economic diversification and job creation in Zambia with an impact on poverty through more and better jobs, increased farm incomes and increased productivity. The Ministry of Commerce, Trade and Industry (MCTI), on behalf of the GRZ and working with other key Ministries such as Agriculture and Livestock and Fisheries, has taken a leading role in the development of agribusiness and trade.

A key intervention in these efforts to diversify the economy will be through the Agribusiness and Trade Project (ATP) which GRZ is planning to finance with a credit facility from the International Development Association (IDA) and International Bank for Reconstruction and Development (IBRD) of the World Bank. The project aims to contribute to increased private sector investments, firm growth and employment in agribusiness.

In implementing the ATP, the Government recognises the need to take into account the environmental and social impacts of the different interventions in under the project. MCTI has therefore prepared this a Resettlement Policy Framework (RPF) as well as the Environmental and Social Management Framework (ESMF), both of which will provide a unified process for addressing all environmental and social safeguard issues of the project. The frameworks will prescribe the process from the preparation, through review and approval to implementation of the sub-projects that will ensure that the substantive concerns of all World Bank (WB) safeguard policies and relevant Zambian policy and legal frameworks will be adequately addressed.

Further, in line with the World Bank's Involuntary Resettlement Policy OP 4.12, the Zambian Government is required to prepare the Resettlement Policy Framework (RPF) to be disclosed before project appraisal.

This document outlines the RPF for the ATP and covers the IDA supported interventions, wherever they will be applicable. The framework seeks to address the adverse social impacts relating to acquisition of land and the attendant resettlement-related impacts. The resettlement principles, organizational arrangements and design criteria for the resettlement of affected persons in the course of implementation of the ATP are clarified.

The guidelines contained in this RPF are based on relevant Zambian legislation and World Bank Policy on involuntary resettlement and land acquisition, which recognizes compensation for loss of assets or income as a fundamental right of all project affected persons.

Site specific Resettlement Action Plans (RAPs), consistent with guidelines in this RPF, will be submitted to the World Bank for approval once specific information about land expropriation becomes available.

### **1.1 Resettlement Policy Framework Purpose**

The 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.

The implementation of the ATP may trigger the involuntary resettlement policy because land may be acquired for sub-project activity purposes and affected persons will need to be compensated for loss of land, crops, housing or homes. For instance, the project may support construction of infrastructure facilities to support farmer producer groups, small businesses and other recipients of the different sub-projects. Such infrastructure could include support for construction of market places, storage facilities or other small-scale initiatives. Each initiative is not expected to exceed the total cost of US\$30,000. This could potentially affect assets of people such as communal grazing land, location of business facilities or displace some people.

This Resettlement Policy Framework (RPF) has therefore been prepared to appropriately deal with matters such as the necessity for land acquisition, compensation and resettlement of people affected by the implementation of the sub-projects. When this occurs, the provisions of the National Resettlement Policy, other relevant policies and laws such as the Lands Act Cap 184 and Land Acquisition Act of Cap 189, as well as the World Bank Operational Policy, OP 4.12 on Involuntary Resettlement laws will be triggered.

## **1.2 Objectives of the Resettlement Policy Framework**

The overall objective of the RPF is to provide guidance on how to deal with issues relating to land acquisition, compensation and resettlement during the implementation of the ATP.

The specific objectives of the RPF are as follows:

- (e) to minimise, as much as possible, acquisition of land for implementation of project sub-components, where such acquisition or project related activities will result in adverse social impacts;
- (f) to ensure that where land acquisition is necessary, this is executed as sustainable programs to enable people share in the project benefits,
- (g) to ensure meaningful consultation with people to be affected or displaced; and
- (h) to provide assistance that will mitigate or restore the negative impacts of ATP implementation on the livelihoods of people affected in order to improve their livelihoods or at least restore to pre-project levels.

### **1.2.1 The RPF Methodology**

The preparation of this RPF has largely been undertaken on the basis of secondary data from within the Zambian Government and the World Bank to gain insight into the World Bank and Zambian policy and legal framework on resettlement related issues. Reference has also been made to similar frameworks prepared for projects supported by the Bank in Zambia.

Relevant stakeholders have been consulted during the World Bank Missions undertaken in preparation of the Agribusiness and Trade Project. The RPF will be disclosed upon appraisal and disseminated to key stakeholder institutions that may play a role in resettlement activities, should such cases arise during implementation of the project.

## **2. PROJECT DESCRIPTION**

### **2.1 Background**

The Zambian Government is committed to diversifying the economy from over reliance on traditional outputs from the mining sector for employment, foreign exchange and income generation. This is reflected in various policy, legal and institutional frameworks that have been created to promote production and job creation in various sectors of the economy including agriculture and livestock.

The Zambian Government submitted a formal request to the World Bank for support towards its economic diversification agenda in November 2015. The Bank responded in the affirmative in December 2015 and since then up to August 2016, the Bank undertook a number of missions to have an understanding and together with the Government, elaborate on the areas of focus for the support from the World Bank. These included a scoping mission, project identification mission and a technical mission in which discussions were held with different stakeholders from the public and private sector to agree in principle on the Agri-business and Trade Project (Project Id. No. P156492). The project would be supported by the World Bank through a concessionary credit facility from the International Development Agency (IDA) amounting to forty million United States Dollars (US\$ 40m) with possibility of additional financing.

The Ministry of Commerce, Trade and Industry was identified as the focal point Ministry for Government in the formulation and implementation of the project, while the focus and implementation structures of the project require continuous engagement with various government ministries, agencies and private sector players.

The project will support interventions aimed at linking producers to markets and supporting other bottlenecks along the related value chains. The focus areas the project include:

- (a) Promoting linkages between farmers and agro processing;
- (b) Enhancing trade facilitation to boost Non Traditional Exports to the region;
- (c) Enhancing domestic trade linkages;
- (d) Improving and expanding cold chain logistics to enhance domestic and regional trade;
- (e) Promoting development of farm blocks into centres that promote primary and secondary level production;
- (f) Capacity building for relevant institutions such as BRRA, ZDA, ZABS, ZWMA, CCPC, ZACCI, ZNFU, ZAM etc.;
- (g) Development of venture capital funds to support manufacturing growth and export diversification;
- (h) Augmentation of any services that would be necessary for the enhancement of the country's Industrialisation and Job Creation Strategy; and
- (i) Strengthening Management information Systems to support policy making on economic diversification.

The Agribusiness and Trade Project is a national project that aims to support all relevant actors of the economy across the country.

## **2.2 Project Components**

The Agribusiness and Trade Project will be comprise two major components on (a) Market Linkages in Agribusiness and; (b) Strengthening the Regulatory and Institutional Framework for Agribusiness and Trade. It will have a supporting component on Project Management and Monitoring and Evaluation.

### ***2.2.1 Component 1: Market Linkages and Agribusiness Component***

This will be the main component of the project and focus on the development of market linkages in agribusiness, target two sets of beneficiaries namely emerging, poor farmers and growth-oriented agribusiness MSMEs. Project interventions will have a particular emphasis on improving the ability of emerging farmers and agribusiness MSMEs to sustainably and commercially link into larger markets by structuring support around offtake opportunities that the private sector themselves identify as high potential. A linkages approach increases income, productivity and employment growth for all those economic actors involved in the value-chains where they engage, and directly and indirectly affected by the Project activities.

Specifically, Component 1 aims to pro-actively enable larger buyers to purchase from Zambian firms and farmers at the quality, quantity and consistency they need. This will offers stable demand – and thus income – for famers and MSMEs – and promote upgrading of farm and MSME activities, hence positioning them for further growth in formal markets domestically, and potentially regionally and internationally. It is envisaged that activities under this component may require construction of small-scale access, market or rehabilitative “last mile” infrastructure (including rural short link roads, spot improvements, rehabilitation of minor crossing and access roads, storage facilities and common-use cold-chain facilities) that may result in involuntary displacement of people and therefore trigger the RPF.

While component 1 activities will be open for participation to all eligible producers and MSMEs from around the country, the Project's outreach activities and initial target areas will cover the regions that

have both high poverty density and agro-processing activities such as Lusaka, Kabwe, Ndola, Livingston and Chipata and their surrounding areas.

This component will operate on the basis of two models as sub-components. Sub-component 1a namely *Building Productive Alliances* which will involve investment in Producer Organisations (POs); Investment in Producer Organisation's facilitation/ capacity building; and may include last scale "last mile" infrastructure investments to unlock more productive alliances. Sub-component 1b namely the *MSME Supplier Development Programme*, will involve connecting agribusiness MSMEs to markets, provision of business development services, matching grant funds and promoting access to finance.

### **2.2.2 Component 2: Strengthening the Regulatory and Institutional Framework for Agribusiness and Trade**

The objective of this Component will be to strengthen the regulatory and institutional framework for agribusiness and trade to assist the development of market linkages in agribusiness. Sub-component 2a: *Strengthening Capacity for Investment Promotion, Regulation, Competition and Entrepreneurship* will disburse project funds against the achievement of Disbursement Linked Indicators (DLIs) while Sub-Component 2b: *Promoting Trade Facilitation* will be financed using regular project financing for technical assistance and investments.

The objective of sub-component 2a will be to strengthen the regulatory and institutional framework for agribusiness and trade through: (i) Strengthened Investment Policy and Promotion Capacity; (ii) Improved Institutional Capacity for the Business Regulatory Review Agency; (iii) Strengthening Institutional Capacity of Competition and Consumer Protection Commission; (iv) Strengthen Institutional Coordination and Capacity for Entrepreneurship; and (v) Strengthening the Capacity of the National Quality Infrastructure System.

The objective of sub-component 2b will be to promote trade facilitation through: (i) Developing a National Logistics Strategy and; (ii) Supporting the implementation of the National Quality Infrastructure (NQI).

Component 2 and its sub-components have been further elaborated in the Project Appraisal Document.

### **2.2.3 Project Management and Monitoring and Evaluation.**

This Component will provide financing for the activities of the Project Implementation Unit (PIU) that will be set up under the Ministry of Commerce, Trade and Industry to oversee the implementation of project activities, fiduciary management, monitoring and evaluation (M&E), and reporting.

In addition, the project will be designed in such a way that it would be possible to carry out an impact evaluation in order to assess the additionality of the project. The continuous M&E of the implementation of policies and key programs will be a critical role of the PIU and therefore a strong emphasis will be put on capacity building.

## **2.3 Project Financing**

The proposed Investment Project Financing (IPF) will be a US\$ 40 million IDA/IBRD blend credit implemented over five years. Figure 1 summarises the project components and the proposed financial allocations.



Figure 1: Agribusiness and Trade Project Components and Financial Allocations

**Zambia Agribusiness and Trade Project**

Market linkages in Agribusiness		Strengthening the Regulatory and Institutional Framework for Agribusiness and Trade	
<b>Building Productive Alliances</b> <ul style="list-style-type: none"> <li>• Matching grants to productive organizations</li> <li>• Capacity building of productive organizations and Pas</li> <li>• Last mile infrastructure</li> </ul>	<b>MSME Supplier Development Program</b> <ul style="list-style-type: none"> <li>• Brokerage and TA for growth MSMEs</li> <li>• Business Linkage fund</li> </ul>	<b>Strengthening Capacity for Investment Promotion, Regulation, Competition and Entrepreneurship</b> <ul style="list-style-type: none"> <li>• Improve institutional framework for agribusiness and trade</li> </ul>	<b>Promoting trade facilitation</b> <ul style="list-style-type: none"> <li>• Developing a National Logistics Strategy</li> <li>• Strengthening National Quality Infrastructure</li> </ul>
US\$18 MM	US\$12 MM	US\$2.5 MM	US\$3.8 MM
Project management and M&E (US\$3.7 MM)			

## 2.4 Expected Results

The Agribusiness and Trade Project is expected to result in increased investment, firm and income growth, and employment in agribusiness in Zambia. This will result from the following outcomes as a result of implementation of interventions in the project components and their respective sub-components:

- (a) Improved market access through new linkages for producer organizations and MSMEs to commercial buyers;
- (b) Enhanced firm performance through production capacities, operational efficiency and financial position;
- (c) Increased labour productivity and earnings among beneficiary producer organizations and MSMEs; and
- (d) Improved business environment for facilitating trade and investment in agribusiness and related sectors.

## 3. POLICY AND LEGAL FRAMEWORK GOVERNING RESETTLEMENT

This section of the RPF reviews the policy framework that is relevant to ATP activities, and assesses the adequacy of national legislation in terms of the policy principles of this RPF. The legal framework relating to resettlement issues consists of the various pieces of Zambian legislation and World Bank safeguard policy. This section presents both aspects and identifies overlaps and gaps between the two.

### **3.1 The Zambian Legal Framework Affecting Resettlement**

Zambia's legal framework for matters related to the compulsory acquisition of property, in particular land and the alienation of land is provided for in the Constitution, Land Act, and the Land Acquisition Act. While these three Acts provide the basis for land acquisition, various other national laws of Zambia define the authority and responsibility of specific sectoral agencies. Suffice to mention that while there is currently no specific law or policy pertaining to involuntary resettlement in Zambia, the Zambian Government, in 2015 adopted the National Resettlement Policy. This is the first Resettlement Policy since the independence of the country.

Further, there exists a Lands Tribunal that was set up to speedily settle or prevent land disputes.

This section summarises the policy and legal framework for land administration including the institutions involved in each case. These legal provisions invariably have a bearing on resettlement in Zambia and are further elaborated in Annex 1.

#### ***3.1.1 Constitution of Zambia***

Zambia's legal framework regulating the taking of land and other assets by the State has its basis in the Constitution of Zambia, Chapter 1, Article 16 of the Laws of Zambia provides for the fundamental right to property and protects persons from the deprivation of property. It states that a person cannot be deprived of property compulsorily except under the authority of an Act of Parliament, which provides for adequate payment of compensation. The Article further provides that the Act of Parliament under reference shall provide that, in default of agreement on the amount of compensation payable, a court of competent jurisdiction shall determine the amount of compensation.

The constitution further provides that nothing contained in or done under the authority of any law shall be held to be inconsistent with or in contravention of the clause which requires that authority be obtained under an Act of Parliament which provides for payment of adequate compensation to the extent that it is shown that such law provides for the taking possession or acquisition of any property or interest on the land or right over the land.

#### ***3.1.2 National Resettlement Policy***

The National Resettlement Policy was adopted in October 2015 with the overall objective of establishing and protecting resettlement schemes<sup>1</sup> that are economically productive, socially secure and environmentally sustainable for persons settled voluntarily or involuntarily.

The Policy provides the following guidelines or guiding principles to be considered in ensuring the development of sustainable resettlement schemes include the following:

- All persons, groups and the communities have the right to suitable resettlement which include right to alternative land, which is safe, secure, accessible, affordable and habitable;
- The choice of location for resettlement scheme should take into account elements such as topography, soil, climate, among other and be weighed against the requirements of the proposed land use;
- Government shall ensure that guidelines and procedures regarding settler selection criteria are clearly spelt out;
- There is need to provide basic public services in resettlement schemes if settlers are to be attracted and encouraged to settle there;
- The Government will as much as practicable encourage the use of the already existing Ministries/institutions to carry out activities relevant to their respective mandates in the resettlement schemes. This include forging partnerships with all interested stakeholders, including cooperating partners, the private sector and NGOs;

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<sup>1</sup> The National Resettlement Policy defines a resettlement scheme as a block of planned and serviced land accommodating settlers-community.

- Involuntary resettlement should be in line with the international human rights and humanitarian law as set out in the 1998 United Nations Guiding Principles on Internal Displacement, which are recognised as an important international framework for the protection of internally displaced persons;
- Involuntary resettlement should be avoided where feasible. Where population displacement is unavoidable, it should be minimised by exploring all viable options;
- People unavoidably displaced should be compensated and assisted so that their economic and social future would be generally as favourable as it would have been in the absence of the project or better;
- Involuntary resettlement should be conceived and executed as part of the project. The full cost of resettlement and compensation should be included in the presentation of project costs and benefits.

To facilitate implementation of the Policy, the Department of Resettlement, falling under the office of the Vice President, is responsible for the actual resettlement process, with the following functions in line with the policy:

- Identification and acquisition of land for resettlement.
- Demarcation of resettlement plots.
- Processing applications for resettlement.
- Allocation of settlement plots to suitable applicants.
- Recommending deserving settlers to acquire certificate of titles to their farm plots from the Ministry of Lands.  
Co-coordinating provision of infrastructure in resettlement programme schemes and resettlement schemes.

Apart from the Ministry responsible for Lands, the Department of Resettlement may be among the institutions consulted in the identification of land for resettlement and in issues relating to its functions as highlighted above.

### ***3.1.3 Land Tenure and Delivery System in Zambia***

Land tenure refers to the way in which rights in land are held. Because the implementation of the ATP may result in land alienation it is useful to outline the Zambian land tenure system in order to appreciate the alternative ways in which land can be accessed for the ATP project purposes.

In Zambia, tenure is categorised into two tenure systems namely, statutory tenure and customary.

#### **(a) Statutory Tenure**

This refers to state Land which is administered by the Lands Commissioner through local authorities on behalf of the President since all land in the country is vested in the Republican President on behalf of the people.

The President of Zambia holds the country's land in perpetuity on behalf of the Zambian people. The President has delegated his powers to make and execute grants and disposition of land to the Commissioner of Lands. The Commissioner has agents who plan the land into plots and thereafter select and recommend suitable candidates to the Commissioner of Lands for issuance of certificate of title. The Commissioner's agents in this regard, are the District, Municipal, and City Councils. These agents use the Town and Country Planning Act to plan the land in their areas in their capacities as planning authorities under the Act.

In terms of delivery, or the system to acquire state land, the District, Municipal or City Council identifies an area for which a layout plan is made, subdividing the identified land into several plots. For agricultural land, the relevant departments in the Ministry of Agriculture and the Resettlement Department under the Vice President's office are responsible.

The layout plan is endorsed and stamped by the appropriate planning authority that later transmits the endorsed plan to the Lands Department for scrutiny and verification of the planned land's availability.

If the planned land is available, the plan is approved and transmitted to the Survey Department for surveying and numbering as per the Land Survey Act. Upon receipt of numbered and surveyed plots, the relevant authorities advertise them to the public after which applicants are interviewed.

Selected applicants are recommended for further consideration and approval by the office of the Commissioner of Lands, who is the final authority to grant title to land.

#### **(b) The Customary Tenure**

This system applies in areas under the jurisdiction of traditional authorities (chiefs/chieftainesses). The traditional system of tenure is the most prevalent among the majority Zambians who live in rural areas.

Approximately 94% of the country is officially designated as customary Area. It is occupied by 73 tribes, headed by 240 chiefs, 8 senior chiefs and 4 paramount chiefs.

With regard to land delivery, the prospective developer approaches the Chief or Chieftainess of the area for consent to hold land on leasehold tenure and obtain certificate of title. Where the Chief or Chieftainess is satisfied that the land being requested for is available (unoccupied), he/she writes a consent letter to the office of the Council Secretary of the respective local government (town or district), with the land's location site plan, drawn by the local planning authority attached.

The Chief's consent letter and attached site plan are taken to the relevant Council Secretary who endorses and stamps the document(s). The Council Secretary arranges for the land in question to be inspected by a committee which deals with land matters in the area. The committee also interviews the applicant.

If the applicant is successful, the Council Secretary brings the application to the full council for consideration.

If the council approves the application, they will recommend to the Commissioner of Lands the allocation of the unnumbered plot to the applicant. The application forms, site plans and council minutes are attached to the recommendation letter which certifies that the recommended plot is free of settlement by other subjects in the jurisdiction of the Chief/ Chieftainess.

If satisfied, the Commissioner of Lands approves the application. For land in excess of 250 hectares, the Commissioner of Lands is required to seek clearance from the Minister of Lands before approval.

#### ***3.1.4 Specific Legislation on Land***

The Laws of Zambia include various legislation and regulations with provisions covering different aspects related to land. These are contained in this sub-section.

##### **(i) The Land Act, Chapter 184**

The Act controls the alienation of land and shall govern the acquisition of land for the ATP sub-projects. It shall also give guidance in procedures for the conversion of land from customary tenure to statutory.

The Act empowers the President of the Republic to compulsorily acquire property. The principles of compensation are pivoted on the basis that the value of property for the purpose of compensation shall be the value of the amount which the property might be expected to realize if sold on the open market by a willing seller at the time of the publication of notice to yield possession of the property.

##### **(ii) Lands Acquisition Act Chapter 189**

Section three of the Lands Acquisition Act empowers the President of the Republic to compulsorily acquire property. Sections 5 to 7 of the Act provides for the issuing of notices to show the intention to acquire, notice to yield up property and to take up possession.

Section 10 of the Act provides for compensation as consisting of such moneys as may be agreed from moneys appropriated for the purpose by Parliament. Furthermore, this section provides that where the property to be compulsorily acquired is land, the President, with the consent of the person entitled to compensation shall in lieu or in addition to any compensation payable under the section, grant other land not exceeding the value of the land acquired.

Under the Lands Acquisition Act, the value of the property for purposes of compensation is the amount which the property might be expected to realize if sold on the open market by a willing seller at the time of the publication of the notice to yield up possession of the property. Section 11 of the Lands Acquisition Act provides for the settlement of the disputes relating to the amount of compensation in the High Court.

Part VI of the Lands Acquisition Act (Cap. 189) provides for the establishment of Compensation Advisory Board to advise and assist the Minister in the assessment of any compensation payable under the Act. Other functions of the board, its operations and constitution are also prescribed.

**(iii) The Local Government Act Chapter 281**

The Act provides for the system of local government administration in Zambia at city, municipality and district council levels. Each level has delegated statutory functions with respect to development planning and participatory democracy. Therefore the Act shall guide in the distinguishing of the project site with regard to their location. The laid procedure in the acquisition of land for subprojects shall be determined by the provisions of both this Act and the Lands Act.

**(iv) The Town & Country Planning Act Chapter 283**

The Act provides for Ministerial powers to appoint planning authorities to prepare structural, regional, integrated development, and layout plans to guide physical urban and rural development in Zambia.

**(v) The Public Roads Act of 2002**

Section 18(3) gives authority to the Road Development Agency (RDA) to enter upon any land for the purpose of extraction of material for road function. It further provides for compensation to be paid to the affected if such land owner / occupier of such land is on title. Further, the RDA in 2003 developed an “Involuntary Resettlement Framework and Road Sector”. This guideline elaborates the institutional framework for responding to involuntary resettlement in Zambia. It specifies that the leading role of the RDA in the District roads, carrying out social surveys and related assessments and ensuring the participation of other stakeholders such as the project affected communities, individuals and nongovernmental organizations. The Agency is also responsible for overseeing the implementation process and ensuring the compensation and rehabilitation mechanism is implemented adequately.

**(vi) The Agricultural Lands Act**

This Act provides for the establishment of the Agricultural Lands Board and for tenant farming schemes. The act empowers the Minister, by statutory notice, to declare any state land and, with the consent of the registered owner, any freehold land, and to alienate any declared land by state grant, the lease of holdings, or any other state lease or tenancy.

Section 21 provides that a lessee shall use his holding primarily for agricultural purposes, for purposes ancillary thereto and for the personal residence of himself and his family and necessary staff and for no other purpose.

Section 40 permits a tenant who obtains approval from the Agricultural Lands Board to make improvements to a holding at his own expense. Improvements which are permitted are those which are reasonably required for the management, improvement or development of the holding. Only improvements which are approved by the Agricultural Lands Board qualify for compensation.

Section 43 provides that if any dispute shall arise relating to the amount of any compensation, not being an ex gratia payment; any valuation for an option to purchase a holding; and any valuation for a state grant; such dispute may be referred to arbitration under the provisions of the Arbitration Act.

**(vii) Arbitration Act No. 19 of 2000**

This Act provides for arbitration in cases where the land owner/occupier does not agree with the amount of compensation being offered. Under section 12 (2) of the Act, the parties to arbitration are free to determine the procedure for appointing the arbitrator or arbitrators. Section 12 (3) (b) states that if the parties are unable to agree on the arbitration, another arbitrator shall be appointed, upon request of a party, by an arbitral institution.

**(viii) Environmental Management Act No. 12 of 2011**

This Act provides for integrated environmental management and protection and conservation of the environment and sustainable management and use of natural resources. The law is further executed through regulations requiring the undertaking of environmental impact assessments of projects and requiring public consultation by the developer should seek the views of the people in the communities which will be affected by the project before submitting the environmental impact statement to the Council. The developer should publicise the intended project, its effects and benefits in the mass media in a language understood by the community for a period of not less than fifteen days and, thereafter, at regular intervals throughout the project implementation schedule.

Environmental Impact Assessments should the:

- social and economic impact of the project, such as resettlement of affected people;
- socio-economic and cultural considerations such as effects on generation or reduction of employment in the area, social cohesion or resettlement and local economic impacts; and
- effect on land uses and land potential in the project area and surrounding areas.

**(ix) The Zambia Wildlife Act No. 12 of 1998**

Section 32 of the Zambia Wildlife Act provides that any activity or plan which is likely to have an adverse effect on any wildlife species or community in a National Park, Game Management Area or Open Area should be subjected to a wildlife impact assessment as required by the Zambia Wildlife Authority (ZAWA). Where resettlement would have or is likely to have an impact on wildlife, a wildlife impact assessment would be required under this Act.

**(x) Land Survey Act**

The Land Survey Act provides for the surveying of lands and properties before they are numbered, allocated and registered.

**(xi) Land Conversion of Title Act**

This Act provides for the alienation, transfer, disposition, and change of use of land. The Act also provides for compulsory acquisition of land by the President wherever he is of the opinion that it is desirable or expedient to do so in the public's interest.

**(xii) The Forest Act of 1973**

This Act provides for the establishment and management of national and local forests, conservation and protection of forests and trees; and licensing and sale forest products. The act also provides for the involvement of local communities and the private sector in the planning, management and utilization of forest resources and the sharing of costs and benefits obtained from the open and forest reserves.

**(xiii) The Valuation Surveyors Act Cap 207**

This Act provide guidance for the valuation practice in Zambia and the requirement that for one to practice as a Valuer he is supposed to be registered under the provisions of this Act by the Valuation Registration Board.

### **3.2 World Bank Safeguard Policy on Involuntary Resettlement**

The World Bank safeguard policy OP 4.12 relates to the administration of resettlement issues in the event of project activities inducing displacement of people and disrupting their livelihoods. The policy

may apply to the ATP in cases where implementation of interventions results in involuntary resettlement of people. 3.2

According to the policy, particular attention should be given to the needs of vulnerable groups such as the poverty stricken, the landless, the elderly, widows, child-headed households and other disadvantaged persons. It is also a requirement of the policy that provision of compensation and other assistance be effected prior to people's displacement. This implies that acquisition of land for ATP activities can only take place after those affected have been compensated.

In this regard, resettlement sites, new homes and related public infrastructure, public services and moving allowances will be provided to the affected persons and incorporated in all resettlement action plans in accordance with the OP 4.12 provisions. In addition, the World Bank policy offers the impacted persons an opportunity to improve their livelihoods and living standards through the participation in the planning preparation and implementation of RAPs.

The safeguard policies emphasise that:

- Resettlement should be avoided wherever possible or minimized. All viable alternative project designs should be considered.
- Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share the project benefits. Displaced persons' should be meaningfully consulted and have opportunities to participate in planning and implementing resettlement programs.
- Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least restore them, in real terms to pre-displacement levels or to those prevailing prior to the beginning of project implementation whichever is higher.

The OP 4.12 also stipulates that the RPF and RAPs should include measures to ensure that the displaced persons are safeguarded as follows:

- They should be informed about their options and rights pertaining to resettlement.
- They should be consulted on, offered choices among and provided with technically and economically feasible resettlement alternatives.
- They should be provided with prompt and effective compensation at full replacement cost for loss assets attributed directly to the project. The resettlement plan or resettlement policy framework should include measures to assure that the displaced persons are:
  - a. Provided with assistance, such as transport and other allowances during relocation.
  - b. Provided with residential housing or housing sites or as required agricultural sites for which a combination of productive potential, location advantages and other factors are at least equivalent to the advantages of the old site.
  - c. Offered support after displacement, for a transition period, based on a reasonable estimate of time likely to be needed to restore their livelihood and standards of living.
  - d. Provided with development assistance in addition to compensation measures such as land preparation, credit facilities or job opportunities.

### **3.2.1 Scope of Policy**

This policy covers direct economic and social impacts that both result from World Bank assisted investment projects and result in resettlement of people affected by the implementation of the project. According to World Bank Policy, 'affected people' refers to the people who are directly affected socially and economically by Bank assisted investment projects where such projects cause involuntary alienation of land and other assets resulting in:

- the involuntary' taking of land resulting in:

- relocation or loss of shelter;
- loss of assets or access to assets; or
- loss of income sources or means of livelihood, whether or not the affected persons must move to another location.
- the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.

This policy applies to all components of projects resulting in involuntary resettlement regardless of the source of financing. It also applies to other activities resulting in involuntary resettlement, which, in the judgement of the Bank are:

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

This RPF will establish resettlement and compensation guidelines and design criteria to be applied to the sub-projects which will be prepared during project implementation in compliance with the Zambian law and the World Bank's policy on involuntary resettlements.

### **3.2.3 Policy Requirements**

To address the impacts covered under this policy, the borrower prepares a resettlement plan or a resettlement policy framework that covers the following:

- (a) The resettlement plan or resettlement policy framework which includes measures 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 project.
- (b) If the impacts include physical relocation, the resettlement plan or resettlement policy framework includes 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.
- (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:
  - Offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be taken to restore their livelihood and standards of living. Such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements; and
  - Provided with development assistance in addition to compensation measures described above, such as land preparation, credit facilities, training, or job opportunities.



### **3.3 Overlaps and Gaps between the Zambian Legislation and World Bank Po 4.12**

#### **3.3.1 Overlaps**

There are many similarities between Zambian law and the World Bank's OP 4.12. These overlaps include:

- (a) the requirement to pay compensation in advance where land is compulsorily acquired; compensation based on full market value or through grant of another plot of land or building of equal quality, size and value; and
- (b) avoidance wherever possible of impacts on forest reserves, national parks and other fragile ecosystems, the requirement to compensate for losses whether temporary or permanent in production or damage to productive assets and crops; and provision for the rights of appeal and other judicial avenues for resolution of disputes.

#### **3.3.2 Gaps**

The following gaps exist between the World Bank Op 4.12 provisions and Zambian policy/legislation:

- (a) Compensation eligibility in Zambia

Under the Zambian law, only people and entities with title deeds are entitled to compensation e.g. those with registered third party rights or those who have legally obtained the right to register but have not yet completed registration. Under World Bank's OP 4.12, illegal land users without title to the land are entitled to compensation for land use and affected structures on it (but not compensated for land).

- (b) Compensation and resettlement assistance

The current Zambian law provides for the payment of compensation at market value for losses of land, buildings, crops and other damages arising from the acquisition of land for project activities. Under the Zambian law, moving costs or rehabilitation support to restore previous level of livelihood or living standard are not recognized, and there is no government agency charged with that responsibility.

- (c) Property measurement

Under the Zambian law, compensation is equal to the market value of the property without reference to depreciation. Under the World Bank Safeguard policies, compensation for lost properties will be calculated on the basis of full replacement cost i.e. equal to what enables the project affected people (PAP) to restore their livelihoods at the level prior to resettlement.

- (d) Income restoration.

The current Zambian law does not recognize compensation for lost income while the World Bank's OP 4.12 provisions require that lost income due to project activity should be compensated.

#### **3.3.3 Measures to Close the Gaps**

Implementation of the ATP will deliberately seek to minimise displacement and resettlement of people.

Where there is inconsistency between Zambian law/policy and the World Bank policy on resettlement, Zambian law and policy should apply. However, subject to guidance from the Attorney General, consideration will be given to use the World Bank policy where it results in a more favourable outcome for the affected persons.

Where there are gaps in the Zambian law and policy with regard to resettlement, the provisions of the World Bank Policy on resettlement shall apply.

The Project Implementation Unit should facilitate the preparation of valuation and compensation procedures in line with principles highlighted in this RPF.

#### **4. PRINCIPLES AND STRATEGIES GUIDING RESETTLEMENT IN THE ATP**

The MCTI's overarching objective regarding resettlement in the implementation of the ATP is to minimize as fully as possible the extent of land acquisition and land-use change and to mitigate to as fully as possible the adverse impacts of all unavoidably necessary land acquisition and involuntary resettlement.

Minimization of resettlement and mitigation of its unavoidable consequences requires careful planning and conscientious implementation. When the details of land acquisition and involuntary resettlement are fully known, a Resettlement Action Plan (RAP) can be defined to provide an implementation guide for the operation. When, however, the details of land acquisition and involuntary resettlement are not fully known, the Resettlement Policy Framework will provide the policy principles for the development of specific RAPs and will be available for public information and discussion. When, subsequently, the outline of each initiative is known and there is sufficient detail, a RAP can and will be developed for that operation, given the framework agreed upon in this RPF. This section highlights the principles and strategies to guide resettlement under this RPF.

##### **4.1 Principles to Guide Resettlement**

The following are the principles that should guide the implementation of this RPF and the Resettlement Action Plans:

- The RPF applies to all components under the project, whether or not they are funded in whole or part by the Bank.
- The policy applies to displaced or impacted persons regardless of the total number involved, severity of the impact, ethnicity, race or colour, whether or not they have legal right or claim to the land they are occupying, and those who may not be protected through the Zambian compensation legislation.
- Where feasible, involuntary resettlement and land acquisition should be avoided or minimized by exploring all viable alternatives.
- Where relocation or loss of shelter occurs, measures to assist displaced persons should be implemented in accordance with a plan of action for resettlement and compensation.
- The planning and implementation of the resettlement process should be conducted in a consultative manner with those to be displaced.
- Absence of legal title to land should not be a basis for denying compensation and Resettlement assistance.
- Displacement or restriction to access should not occur before necessary measures for resettlement and compensation are in place. Apart from compensation, these measures should include provision of other assistance required for relocation, prior to displacement, and preparation and provision of settlement sites with adequate basic facilities.
- The displaced must be relocated to areas with basic amenities like schools, potable water, health facilities, etc.
- All affected persons and entrepreneurs or institutions should be assisted to restore their incomes and livelihood sources to at least pre-resettlement levels. Particular attention will be paid to the needs of the elderly, women and children, the handicapped, and the landless, among other vulnerable groups.
- Wherever possible, those impacted by involuntary resettlement should be considered for employment in various project activities including construction works and provision of other services.
- Vulnerable groups such as the elderly and women-headed households should be entitled to a special benefit package in addition to compensation entitlement.

It should be emphasised that in line with the National Resettlement Policy, any resettlement Agreement coming out of a RAP including compensation and rehabilitation terms and the cut-off date for eligibility should be approved by the Attorney Generals Chambers.

## 4.2 RPF Strategies

The following RPF strategies will be adopted:

- Resettlement activities will be a participatory process guided by informed participation.
- Resettlement Action Plans (RAPs) will be produced and adequately consulted on and disseminated. The RAPs will be made available to those involved and upon request, by MCTI, the Provincial Administration or Local government in the locality of the project.
- RAPs will describe all measures for restoration of the livelihoods of affected persons and will include an annual budget for implementation of resettlement and other related activities.
- All affected people will be entitled to compensation for lost assets. They will be paid a replacement cost agreed between themselves and MCTI in consultation relevant Government Agencies. The compensation will be based on the valuation done by either the Government Valuator from the Ministry of Local Government and Housing or Private Valuation Firm engaged by the Ministry, and will either be the market value or other value dependent on negotiations between the two parties and witnessed by a third party.
- Whenever possible, land for land, as close as possible to the homestead should be provided as part of compensation.
- Ownership of the compensated land/or property will be transferred to the state or sub-project beneficiaries by agreement.
- If the affected land is under tenancy, both the landowners and tenants as affected persons will be eligible for compensation and entitlements.
- Compensation for loss of potential crops and trees should be calculated as annual net product value multiplied by the number of years for a new crop to start producing.
- The seriously affected people should be at least as well off, if not better off, than they were before the project.
- Mechanisms will be developed to protect the economically and socially vulnerable.
- Priority for employment arising from project activities will be given to affected persons losing assets.
- A functional mechanism for resolving conflict arising out of the resettlement process will be established.

## 5. RESETTLEMENT ACTION PLAN PREPARATION, REVIEW AND APPROVAL

This RPF may be triggered because the ATP project will finance productive investments under sub-component 1a that may require the involuntary taking of land, other assets or economic impact. Since the specific locations of these interventions were not known at the time of the preparation of the project, the preparation and disclosure of this RPF by the World Bank and Government of the Republic of Zambia is a conditionality for appraisal of this project. However, during implementation of this project, in a process defined here below, the identification of these areas will be made. When that happens, land may be acquired and people may be affected. At that stage, the RPF calls for the preparation of individual RAPs that must be consistent with the guidelines provided in it.

### 5.1 Compliance with National Resettlement Policy Framework

According to the World Bank Operational Policies on involuntary resettlement, preparation of a resettlement instrument is a condition for appraising projects involving involuntary resettlement. In case of programs/projects with sub-projects, 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 sub-project is accepted for Bank financing.

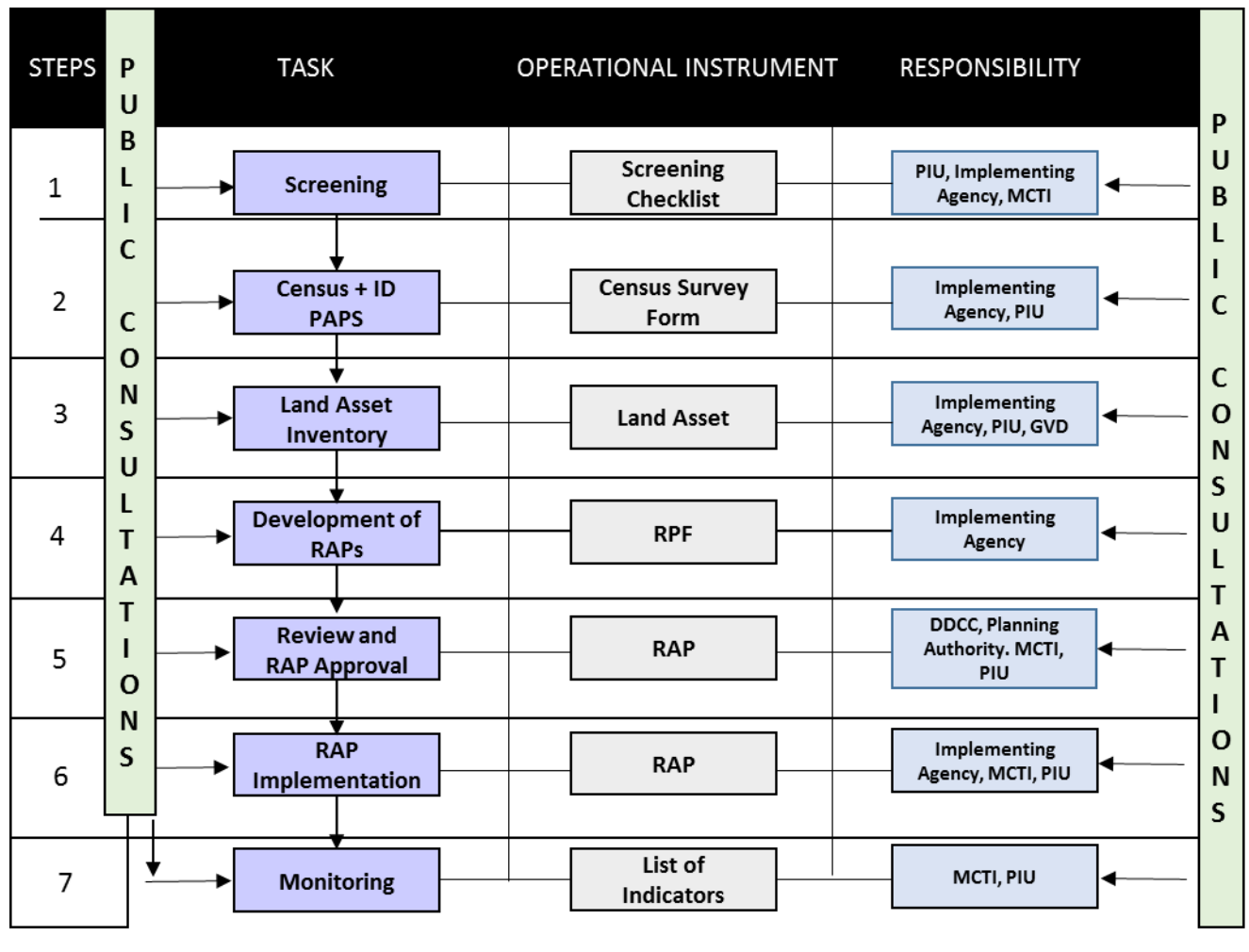
People who are affected and are eligible will have to be compensated before any implementation is commenced in accordance with this RPF. The acquisition of land and the related assets may take place only after the displaced persons have been paid compensation; and resettlement sites and moving allowances, where applicable, provided. It is also a requirement of the RPF that measures to

assist the displaced persons be implemented as per the subproject’s resettlement plan of action, where there is loss of shelter and need for relocation.

Resettlement Action Plans, which would be prepared for each sub-project involving compensation or resettlement, shall include measures to ensure compliance with this policy. Furthermore, the implementation schedule of these policy measures should ensure that no individual or affected household would be displaced by sub-project’s civil works activity before compensation is paid and resettlement sites with adequate facilities prepared and provided to them.

The process of preparing and approval of the Resettlement Action Plan is outlined in the figure 2.

**Figure 2: RAP Preparation and Approval Process**



### 5.2 Scope of Resettlement Action Plans

Overall responsibility for preparing a resettlement action plan for each sub project will lie with the Ministry of Commerce, Trade and Industry and facilitated by the ATP. MCTI shall ensure that a Resettlement Action Plan that conforms to this RPF and to the requirements of the World Bank OP 4.12 is prepared.

The RAP will be a detailed time bound plan of action plan outlining the following among others:

- (a) resettlement objectives,
- (b) strategic options,
- (c) responsibilities,

- (d) approvals,
- (e) entitlements,
- (f) actions, and
- (g) monitoring and evaluation.

### **5.3 Population Displacement Estimates and Categories of Affected People under the ATP**

At this stage in the project, it is difficult to estimate the number or likelihood of people to be negatively impacted by the Project, as the subproject locations have not yet been determined. Therefore, the purpose of the RPF is to establish the mechanisms by which the appropriate tools, screening checklists (such as proposed in Annex 2) and RAPs, will be implemented to mitigate potential resettlement impacts once subprojects have been identified.

Therefore an estimate of the population to be displaced is fundamental for planning and in determining budgets for resettlement. This estimate must identify the categories of people likely to be affected, for this information will assist in developing options to resettlement and potential magnitude of impacts related to the sub-projects.

#### ***5.3.1 Categories of People likely to be displaced***

Impacted persons according to the relevant Zambian national legislation and the World Bank's OP 4.12 are:

- (e) An individual who loses assets or investments, property and land, access to economic and natural resources due to the project activities,
- (f) Household(s), if one or more of its/their members are affected by the sub project activities through either loss of land, property, access etc. by the activities of the project; and
- (g) Local community, if the project activities will affect the communities' socioeconomic conditions or the cohesion of its social fabric.
- (h) Vulnerable Households – Vulnerable households may have different land needs from most households or need unrelated to the amount of land available to them.

#### ***5.3.2 Analysis of Methods to be applied in Identifying displaced People***

The methods to be employed shall depend upon the nature and extent of adverse individual and collective impact by the ATP on affected persons with respect to:

- (a) land owners,
- (b) home owners who lose their residence are eligible for replacement,
- (c) businesses that lose their structures,
- (d) owners of other property,
- (e) residential and business renters
- (f) cultivators losing annual crops and secure alternative places,
- (g) those who have no recognizable legal right or claim to the land they are occupying (i.e. squatters).

#### ***5.3.3 Records of displaced People***

Records of displaced people with respective assets to be affected has to be kept in order to ensure that right people are compensated accordingly within the provisions of the Zambian legislations and World Bank policy.

## **5.4 Steps in Preparing Resettlement Action Plans**

If the preliminary assessments (scoping and screening exercises) indicate the need for involuntary resettlement, then a RAP shall be prepared in accordance with this Resettlement Policy Framework, the relevant Zambian legal requirements and the World Bank Safeguard Policies as outlined in this RPF.

The preparation of the RAP may be outsourced by MCTI, to a specialist. In this case, MCTI should prepare the terms of reference for the preparation of the RAP. A sample of the Terms of Reference for preparation of a RAP as well as the format of the RAP is contained in Annex 2.

Should the project activities include voluntary land contributions (i.e. to create association with shareholder ownership) or land swaps, MCTI will ensure full documentation of such voluntary arrangements but a RAP will not be required. ATP support for activities involving voluntary land donations of land swap can only take place where the landowners involved in the donations are beneficiaries under the activity. This means that any land required for subprojects will be based purely on the goodwill of the beneficiary community. Decisions on land donations or swaps will be made with the informed consent and without coercion and may not unduly affect the donors. Full consultation should take place well in advance of proposed activities. The donation or swap may not adversely impact living standards or livelihoods (i.e. no individual should lose more than 10% of their productive assets of landholders). Any agreement to donate or swap land should be confirmed through written record and verified by an independent third party.

The process to be followed in preparing a RAP shall involve several steps as outlined in the following sections.

### ***5.4.1 Preliminary Assessments of a Sub-Project***

An Implementing Agency of a sub-project shall examine whether any environmental study is required for the subproject being proposed. The initial assessments and surveys at this stage should include (i) potential social impacts, (ii) direct consultations with individuals and groups who are expected to be directly affected by the sub-project activities; and (iii) identification of the major population groups that may be affected by the proposed project. These surveys and assessments at this preliminary stage would form the basis for preparing the terms of reference for the RAPs Social Assessment Component.

### ***5.4.2 Preliminary Information***

Preliminary information is required to be provided to MCTI (or anybody designated by MCTI), by the Implementing Agency of the sub-project on the proposed project as early as possible. The required information shall include a description of the nature, scope and location of the proposed sub project, accompanied by location maps and any other details as may be required by the MCTI.

If the preliminary information submitted to and verified by MCTI indicates that the project has potential involuntary resettlement, such as involving taking of land which might result in physical displacement of persons, loss of assets, loss of livelihood or restriction of resource use, then this RPF is triggered and a RAP needs to be prepared.

### ***5.4.3 Socio-economic Baseline Census***

A socio-economic baseline census shall be carried out to provide baseline data on various factors including the following:

- (a) *Identification of current occupants of the affected area*, to establish the basis for the design of the resettlement program and to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;
- (b) *Standard characteristics of displaced households*, including a description of production systems, labour, and household organization; and baseline information on livelihoods

(including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population;

- (c) *The magnitude of the expected loss of assets*, total or partial, and the extent of displacement, physical or economic;
- (d) *Information on vulnerable groups* or persons for whom special provisions may have to be made;
- (e) *Land tenure and transfer systems*, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, non-title-based usufruct systems (including fishing, grazing, or use of forest areas) governed by local recognized land allocation mechanisms, and any issues raised by different tenure systems in the project area;
- (f) *The patterns of social interaction* in the affected communities, including social networks and social support systems, and how they will be affected by the project;
- (g) Public infrastructure and social services that will be affected; and
- (h) *Social and cultural characteristics of displaced communities*, including a description of formal and informal institutions (e.g., community organizations, ritual groups; and
- (i) *Non-Governmental Organizations* (NGOs) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

The preliminary assessments and information from the socio-economic baseline census will assist in determining the cut-off date, period of registration of claims and valuation of land and immovable assets.

The socio-economic census methodology and format will be developed on a case by case basis if resettlement activities take place and adapted to the location.

## **5.5 Resettlement Action Plan Types and Contents**

### **5.5.1 Abbreviated Resettlement Action Plan**

An abbreviated RAP shall be prepared where impacts on the entire displaced population is expected to be minor, or where fewer than 200 project-affected people will be displaced.

Suffice to mention that the numbers of the displaced to be considered shall be for the entire project at any particular site/location, it is therefore recommended that Site Specific Abbreviated Resettlement Action Plans be used for the purpose of this RPF and the ATP.

### **5.5.2 Resettlement Action Plan Contents**

If more than two hundred people are affected then a full RAP will be prepared and its content include the following:

- (a) Definition and public disclosure of cut-off date,
- (b) Provision of project information to affected people,
- (c) Census of affected people and their affected assets,
- (d) Identification of policy entitlements related to impacts through the census and surveys and presented in a sub-project specific entitlement matrix,
- (e) Description of compensation and other measures, (e.g. resettlement assistance like transport, etc., and rehabilitation measures like job opportunities),
- (f) Development of the RAP including time-bound implementation plan,
- (g) Budget,
- (h) Consultation with the affected community and approval of the RAP by the Zambian Authorities,
- (i) Institutional responsibilities for implementation of the RAP, and

- (j) Arrangements for monitoring and evaluation of the RAP.

### **5.6 Resettlement Action Plan Approval Process**

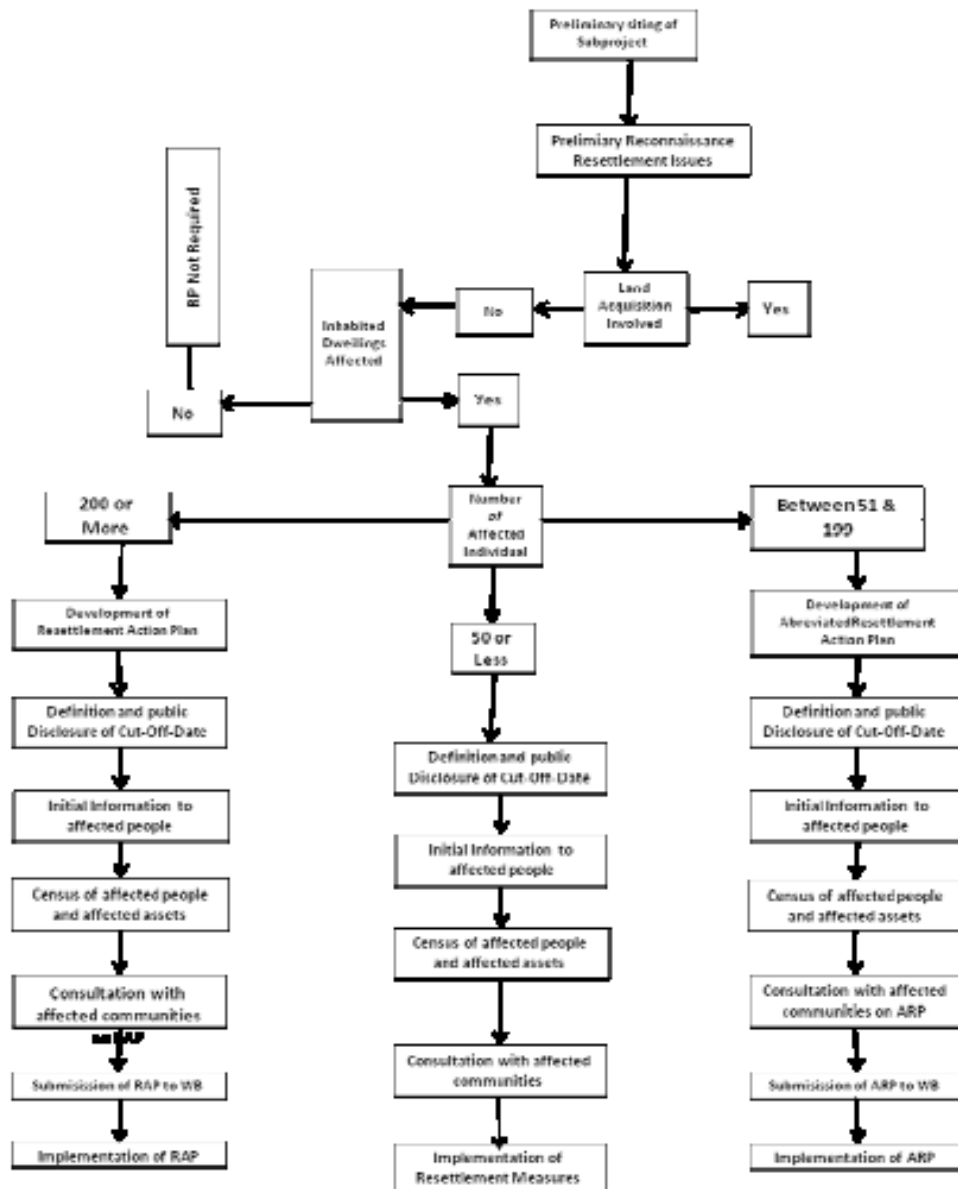
MCTI or its delegated agency shall ensure that the draft RAP is made available at a place accessible to displaced and otherwise affected persons, local NGOs, and other interested parties in a form, manner and language that are understandable to them once a draft RAP has been prepared.

The Draft RAP shall be transmitted to the World Bank for appraisal and review at the same time. The World Bank shall also make the RAP available to the public through its Info-Shop. The World Bank and MCTI shall disclose the RAP again in the same manner. RAP implementation will commence once the World Bank is satisfied with the public disclosures and has approved the RAP.

The process of approval without land acquisition is illustrated in Figure 3.



Figure 3: RAP Approval Process without Land Acquisition



### 5.7 Implementation and Monitoring of Resettlement Action Plans

The Project Implementation Unit (PIU) of the ATP, under the supervision of the Department of Planning and Information in shall be responsible for the overall smooth implementation of the RAPs.

The overall responsibility of monitoring and evaluating the RAP activities shall lie with MCTI.

There shall be both internal and external monitoring of the RAP activities. Internal monitoring of the operation of the resettlement program shall be done by the MCTI and the PIU and while external monitoring may be done by a monitoring agency/department designated to carry out external monitoring of ATP.

## **6. ELIGIBILITY CRITERIA FOR DEFINING VARIOUS CATEGORIES OF AFFECTED PERSONS**

### **6.1 Principles of Developing Eligibility Criteria**

The subproject Implementing Agency required to develop a procedure, consistent with this RPF, and satisfactory to MCTI and the World Bank, for establishing detailed criteria by which displaced persons will be deemed eligible for compensation and other resettlement assistance. In developing such a procedure, the following principles should be followed:

- (a) Development of a process and procedures which must include provisions for meaningful consultations with affected persons and communities, Local authorities, Non-Governmental Organizations (NGOs), and other key stakeholders as appropriate;
- (b) Provision of compensation for the loss of land and other assistance where necessary, for those who have formal legal rights to land, and 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. Other assistance to these displaced persons which should be provided where necessary includes:
  - (i) 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) Development assistance such as land preparation, credit facilities, training, or job opportunities in addition to compensation measures;
- (c) Provision of resettlement assistance in lieu of compensation for the land they occupy and other assistance as necessary, for those who have no recognizable legal right or claim to the land they are occupying if they occupied the project area prior to the cut-off date. In this regard resettlement assistance may, as appropriate to the World Bank OP4.12, consist of helping the PAPs with seeds, costs of preparing gardens, and transport to new locations. “Resettlement Assistance” therefore means the measures to ensure that project affected persons who may require to be physically relocated are provided with assistance such as moving allowances, residential housing or rentals whichever is feasible and as required, for ease of resettlement during relocation; and
- (d) Provision of compensation for loss of assets other than land, impact on livelihoods, as well as costs involved in resettlement actions to all persons who qualify for compensation.

### **6.2 Determination of Cut-Off Date for Compensation**

The establishment of a cut-off date is required to prevent opportunistic invasions/rush migration into the chosen land areas thereby posing a major risk to the sub-project. Therefore, establishment of a cut-off date is of critical importance. The subproject Implementing Agency, or the Agency’s designated consultant, will play a crucial role in identifying users of land.

Fixing eligibility criteria for entitlements purposes are very essential for resettlement/ rehabilitation process and payments of compensation. It is in this regard that property inventories with other relevant socio-economic surveys and fixing a cut-off date after proper consultation and announcement are very critical if unnecessary claims of compensation are to be avoided.

When the need for involuntary resettlement in an ATP subproject has been determined, the Implementing Agency of the sub-project will carry out a census to identify the persons who will be affected by the subproject activity. This exercise will help determine who will be eligible for compensation and assistance before the implementation of the project commences. It will also help to prevent an inflow of ineligible people living outside the subproject area who might want to take advantage of claiming assistance from the project. The cut-off date will be the date of the completion of the census. Those coming into the area after the cut-off date will not be eligible for compensation.

### **6.3 Description of Categories of Affected People and Type of Losses**

This section describes type of affected people likely to be impacted by the ATP once implemented. However, it is important to note that at this stage it would not be possible to attempt to quantify the estimated likely number of people who may be affected since the sub projects have not been created.

Therefore, the likely displaced persons in the case of ATP as broadly categorized into four groups subsection 5.3.1, can be further explained as follows

#### ***6.3.1 Affected Individuals***

These will be individuals who suffer loss of assets or investments, land and property and/or access to natural and/or economical resources as a result of the sub-project implementation and to whom compensation is due. For example, an affected individual is a person who farms, or who has built a structure on land that will be required by a sub project for purposes other than farming or residence by the initial individuals.

#### ***6.3.2 Affected Households***

A household is affected if one or more of its members is affected by project activities, either by loss of property, land, loss of access or otherwise affected in any way by project activities. This category includes for:

- (a) any members in the households, men, women, children, dependent relatives and friends, tenants;
- (b) vulnerable individuals who may be too old or ill to farm along with the others;
- (c) relatives who depend on one another for their daily existence; and
- (d) other vulnerable people who cannot participate for physical or cultural reasons in production, consumption, or co-residence.

Compensation will not be limited to people who live together in a co-resident group, since this might leave out people whose labour contributions are critical to the functioning of the “household”.

#### ***6.3.3 Affected local community***

A community is affected if project activities affect their socio-economic and/or social-cultural relationships or cohesion. For example project activities could lead to such improvement of socio-economic welfare that class-consciousness arises coupled with cultural erosion etc.

#### ***6.3.4 Vulnerable Households***

Vulnerable households may have different land needs from most households or needs unrelated to the amount of land available to them. This category includes:

- (a) widows and widowers;
- (b) non-farming;
- (c) the elderly;
- (d) the infirm or ill;
- (e) orphans;
- (f) child headed households, and
- (g) disabled or physically challenged persons.

Each category of vulnerable person or household must be compensated according to the nature of the economic loss suffered by loss of access to or use of the land acquired by the sub-project.

#### **6.4 Entitlements Related to Additional Impacts**

Entitlements for compensation related to additional impacts will be based on the eligibility criteria for the various categories of losses already identified, while payment of compensation and other entitlements and assistance will be made to PAP households and individuals according to the following principles:

- (i) Compensation shall be paid prior to displacement/impact;
- (j) Compensation will be at least full displacement value and the compensation policy and its processes shall be perceived by the PAPs as being full, fair and prompt;
- (k) Preference will be given to land-based resettlement strategies for persons whose livelihoods are land based;
- (l) Whenever replacement land is offered, it will be land of equivalent value, in terms of the combination of productive potential, locational advantages and other factors.
- (m) Where sufficient land is not available at reasonable price, non-land based options centred on opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost;
- (n) Taking of land and related assets may take place only after compensation has been paid and resettlement sites, new houses, related infrastructure, public services and moving allowances have been provided to displaced persons;
- (o) Assistance may include support in the form of food, temporary accommodation, medical assistance, employment referrals or priority employment in project activities. The assistance is meant to help them cope with the displacement caused by the programme; and
- (p) Compensation and other assistance shall be provided prior to displacement preparation and provision of resettlement sites with adequate facilities.

#### **6.5 Entitlements and Compensation Matrix**

For ease of reference, a matrix of entitlements and compensation showing a summary of all the assets that a PAP is entitled to, shall be prepared by the Implementing Agencies of ATP subprojects. The entitlements and compensation matrix will follow the eligibility criteria already outlined for compensation and or/ resettlement / rehabilitation assistance, for losses of different types of assets for all project affected person's categories, as shown in Table 1.

**Table 1: Broad Summary of Entitlements and Responsible Authority**

Type of loss	Category of PAP	Proposed entitlement	Responsibility/ authority
Agricultural land	Land owner	Affected households to be compensated according to the Land Acquisition Act.	PIU
		As the compensation under this framework will have to be at replacement cost, an additional allowance will be provided to cover the gap between market value and actual reparations given under the Land Acquisition Act.	PIU
		Provision of land for those who become landless	PIU, MCTI, subproject Implementing Agency MA, Local Authority, Dept. of Resettlement
Agricultural crops (perennial/ annual crops)	Land owner, tenant	Give advance notice, allow harvesting if possible	Subproject Implementing Agency and the relevant District/ Municipal Council
		Compensation as per the agreement between user's organizations and PAP or the relevant council committee	
		Rehabilitation support to non-title holders using relevant NGO's and Council	
Occupied land	Encroachers	Encroachers/ squatters are not entitled to compensation under Zambian law. World Bank OP 4.12 states that persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance	Subproject Implementing Agency / District Council
Public land	Squatters	Encroachers/ squatters are not entitled to compensation under Zambian law. World Bank OP 4.12 states that squatters are provided with resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives of the policy, if they occupy the project area prior to a cut-off date established by the borrower and acceptable to the Bank	Subproject Implementing Agency MCTI, PIU, Dept. of Resettlement, Project Office with Council and NGOs
House or other Property owner	Non- title holder (squatter/ encroaches)	<ul style="list-style-type: none"> <li>•Compensation at replacement cost or as settled by the users, organizations and PAP or committee under the relevant council.</li> <li>•Non- title holders (squatters) will not be entitled to any compensation for their affected unauthorised public land but will be provided with cost compensation to structures at replacement value without depreciation deduction.</li> <li>•Resettlement assistance will be provided to the most vulnerable groups to restore their livelihoods to pre-dip placement levels</li> </ul>	
Community building or structure, irrigation, drinking water, schools, churches, etc.	Local community	Re-construct or re-establish lost community resources, facilities like grave yards, churches and provide alternatives in consultation with affected communities. This also includes water points, community roads, etc.	
Business / commercial establishment, shops, water mills, etc.	Title-holders	Compensation for re-establishment / transition allowance in consultation with affected families.	PIU
Temporary losses	Title holders (affected families)	Cash compensation/ transit allowance.	PIU
Demolition of structures	Residential houses	Alternative homes to be provided of equal or better quality and size. Homes will be located in area convenient to household and based on choices made by households.	PIU to provide alternative shelter with sufficient infrastructure supply to PAPs
Income	PAP losing income	PAPs to be provided with assistance in re-establishing income generation activities, e.g. facilitation	PIU

	resulting from sub-project activities	to have alternative job training and other incentives like provision of job opportunities at the projects sites, payment provided for lost income. etc.	
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## **7. ASSET VALUATION**

This section describes the methods by which assets will be valued and deemed to be eligible for compensation, and explains then methods of inventorying assets and assigning values to each asset.

Property valuation in Zambia is carried out by valuation professionals who either work for the Government Department of Valuations in the Ministry of Local Government and Housing or for private firms. The Government Valuation Department carries out Government evaluations and for the public at a fee, while private practitioners provide valuation services to the general public at a fee.

### **7.1 Valuation Practice in Zambia**

A valuer is a trained professional who has a thorough knowledge and understanding of the factors that create, maintain or diminish values of real estate or assets. An independent valuer can provide impartial and motivated reports on the value of real or limited rights in land.

In order to function as a valuer, in Zambia, one needs to be registered with the Valuation Surveyors' Registration Board. Valuation is practiced by the Government Valuation Department (GVD) and various registered private firms including property consultants. The GVD undertakes valuations on behalf of the Government of the Republic of Zambia. Valuations procedure used by either GVD or private consulting firms in valuing assets should always be in accordance with the Practice Statements and Guidance Notes published by the International Valuation Standards Committee (IVSC), adopted and recognized by international accounting standards and risk management professionals.

### **7.2 Land Tenure Systems and the Valuation of Immovable Assets in Zambia**

The major difference between the two categories of tenures is that state land is surveyed while traditional land is not and is held by the traditional leader on behalf of the community as a common asset. To this effect customary land does not form part of value for assets since it still remains communal unless the chief and the respective district council approves its conversion to Leasehold type of tenure as provided for by the Lands Act of 1995.

In Zambia, valuation of immovable assets is closely related to the land tenure systems in the country. The valuation of a piece of land, or immovable property on that land depends on whether that land is under the 99 year renewable state leasehold, or under traditional authority. Only state land can be valued, while traditional land and the properties on it cannot be valued for purposes of legal transactions, until certain procedures have been fulfilled, as per Zambia's land delivery systems described in the chapter on the Legal Framework. However, by applying one of the valuation methods to be described, the value of property on traditional land can be ascertained separately from the land.

As described in the Legal Frameworks section on land delivery, those who want to value and buy traditional land must first obtain a letter from the traditional ruler concerned. In essence, the procedures that are followed before traditional land can be valued and sold are as per the land delivery system described earlier with regard to the transfer of traditional land into state land. As such, it still remains that traditional land cannot be valued until it is turned into leasehold tenure.

### **7.3 Valuation Methods in Zambia**

The four methods used to value property in Zambia are:

#### *(a) Direct Capital Comparison Method*

This method assumes that the value of a property is arrived at by direct comparisons made with other similar available property transactions in the area or vicinity. Considerations are made with reference to location, accessibility, demand and supply positions, quality and standard of the built up structures, age and condition, the prevailing economic and property market trends.

Sale values are then analysed and processed to form units of value per square metre of the total external floor area of the buildings. These are then compared with the subject property on the same basis to arrive at an adjusted unit of value and apply the same to the subject property whilst allowing

for similarities and dissimilarities accordingly. Comparable sales of properties can easily be extracted from the Ministry of Lands Consent Office, the Zambia Revenue Authority's Property Transfer Tax Office or established property consultants/Estate Agents.

*(b) The Depreciated Replacement Cost Method of Valuation*

This method is used to value properties where there is no general demand and thus for which comparable evidence is absent. If such properties are sold, the price required by the vendor would normally be the cost of construction plus the value of land for an alternative property. In such circumstances, it is reasonable to assume that value and cost are equal.

Therefore this Method requires estimates of the value of the land in its existing use and of the gross replacement cost of buildings and other site works from which appropriate deductions may then be made to allow for age, condition, economic or functional obsolescence and environmental and other factors which might result in the existing property being worth less than a new replacement.

*(c) The Investment Method*

This method is designed to value investment properties mostly applied to the valuation of businesses, using projected future incomes and costs to arrive at a present value of a business. The estimated gross annual rent is reduced to a net income after deducting expenses. The net annual income is then capitalised at an appropriate yield. Rental values of properties are extracted during field inspections.

*(d) The Residual Method of Valuation*

This is used to value properties with latent value which could be released by further development. It calculates the residual value which essentially is the value that a prospective developer would be prepared to pay for the site. It, thus, is an approach that is suitable for aiding property development decisions by indicating the possible values of the development once completed and by providing a guide as to the likely profits. If the developer's profit is negative then the proposed development is considered not viable unless in the converse situation.

## **7.4 Purpose of Valuation**

The purposes for which valuations are required include accounting, insurance, sale, purchase, rent, funding, property tax, mortgage, appropriation (compensation upon compulsory purchase), probate, liquidation or receivership, mergers or take-overs, arbitration, bankruptcy, rating and expert witness valuations, commercialisation, privatisation and stock exchange.

## **7.5 Basis of Valuation**

Valuation of assets is normally based on the following:

*(a) Land and Buildings*

The basis of valuation for the land and buildings is Open Market Value. The term Open Market Value is defined as an opinion of the best price at which the sale of an interest in property would be completed unconditionally for cash consideration on the date of valuation assuming:

- a willing seller;
- that prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms;
- that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
- that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- that both parties to the transaction had acted knowledgeably, prudently and without compulsion.



### *(b) Plant Machinery and Equipment*

The basis of valuation for the plant, machinery and equipment is Depreciated Replacement Value. This value is applied to assets which are part of an operating concern and assumes adequate profitability. It does not necessarily represent the open market value.

The Depreciated Replacement Value is the gross replacement cost depreciated according to age, obsolescence use and condition. The Gross replacement cost of plant and machinery is the estimated cost of acquiring and installing a new asset or a modern substitute asset having the same productive capacity as that existing together with the associated expenses directly related to the installation of the asset.

### *(c) Valuation of Crops*

In arriving at the value of crops, units of value in terms of current rates per hectare for specific crop has to be established from the Ministry of Agriculture. Therefore valuation of Crops is estimated on the basis of earning capacity of the crop that considered actual value and inflation. Crop valuation by earning approach entails discounting net income expectancies to a present worth estimate which a prudent and well informed purchaser would be willing to pay at a fixed time for the right to receive the income stream produced by a particular crop.

## **7.6 Methods for Inventorying Assets in Zambia**

In this document, 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 inventorying, it is required that each asset item be expressed in an appropriate unit measure, e.g. hectare as a unit of measure for agricultural land, acre or square meter for residential plots and item count (each) for buildings and structures. An example of inventorying showing asset category and unit measure is shown in table 2.

The requirement to express assets in appropriate units for valuation purposes also entails that compound assets are separated and counted or added using appropriate units. An example of a compound asset is a piece of land on which a crop, such as maize, is still standing un-harvested. In this case proper inventorying requires that quantity of land is counted and expressed in its appropriate unit (i.e. hectare) and the quantity of maize crop (expected to be harvested) is also expressed in an appropriate unit (e.g. 50-kilogram bag).

Once the asset listing has been produced, the replacement cost of each unit of asset category is then determined. The unit replacement cost for each asset category is then multiplied by the quantity of asset holding in each category.

**Table 2: Example of Inventorying Assets in Zambia**

Asset Code	Asset Category	Unit of Measure	Qty.	Comment/Condition
1.	Bare agricultural land	Hectare/ Acre	No	It is important to treat land that has been improved upon (e.g. through land clearing) separately from land that has not been improved upon as the two categories of land have different values
2.	Cleared (improved) agricultural land	Hectare/ Acre	No	
3.	Water body (e.g. a dam, a Fish pond, etc.).	Cubic metre	No	The volume or the holding capacity of the dam or fish pond determines the size of the waterbody. The type of construction and material used is cardinal in ascertaining its value.
4.	Backyard garden	Square metre	No	For vegetables the size of land and the inputs should be determined to come up with the value of the garden
5.	Un-harvested crop in a backyard garden	Kilogram (or ton) per hectare	Item	For each crop, the unit of measure that is conventionally used should be applied, e.g. for maize it is usually kilograms per hectare.
6.	Water point (borehole, water	Each	Item	When producing an asset list for water points, it is essential to take into account the different water

### 7.7 Overview of World Bank Recommended Valuation Method

The use of Replacement Cost Valuation Method for valuing assets is recommended by the World Bank Operational Policy 4.12. In this regard, “Replacement Cost” as it relates to agricultural land is defined as the pre-project or pre-displacement, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes whichever is the higher.

For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.

For houses and other structures, it is the market cost of the materials to build a replacement structure within an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labour and contractors’ fees, plus the cost of any registration and transfer taxes.

The World Bank Policy 4.12 further states that “in determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset and where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures so as to meet the replacement cost standard.”

The following are the basic differences between the Zambian valuation methods and the World Bank recommended valuation methods:

- The World Bank Operation Policy replacement cost does not take into account the depreciation of the asset whilst the replacement cost method used in Zambia takes depreciation into account.
- The World Bank takes into account transaction costs which is not the case with Zambian valuation practice.

### 7.8 Resettlement Policy Framework Asset Valuation Guidelines

In this RPF, the term asset is defined as an advantage or resource that is available to an individual or household classified into the following five categories:

- Natural assets e.g. land and water,
- Material assets such as household assets, storage, processing equipment etc.,
- Financial/Business assets, e.g. main income, supplementary income and informal and formal credit and business enterprise,
- Human assets such as labour availability, and access to education and skills; and
- Social assets, which include informal support networks, support and interest groups, ability to participate in grassroots democracy and, social services such as schools, health clinics, or religious and cultural affiliated assets.

As loss of access to human assets, social assets and some types of natural assets such as a nearby forest where people gather fruits, is not amenable to monetary valuation, the following asset valuation guidelines which take into account the type of asset under each category and type of valuation characteristics peculiar to it, are recommended in the implementation of this RPF and RAPs:

- (i) Qualified valuation professionals should undertake the valuation of assets, while the subproject budget should cater for the cost of valuation. Currently the valuation fees for a professional valuator is negotiable, and depends on the type of the property and its

location. The valuation fees for properties in urban areas are generally higher than in rural areas.

- (ii) Valuation of assets should be consistent with Zambian legal framework on asset valuation.
- (iii) Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.
- (iv) On traditional land, assets should be valued at replacement cost separate from the land.

Attempts should be made to establish access to equivalent and culturally acceptable resources and earning opportunities in cases of losses which cannot easily be valued or compensated for in monetary terms such as access to public and social services, customers, suppliers, fishing, grazing or forest areas. Suffice to mention that crops have their significance to the local subsistence economy of each particular area which this project is to enhance, crops or trees used for commercial purposes will be compensated under market value based on historical production records. If households are to be resettled they will be compensated for the labour invested in the crop or tree they leave behind. The compensation rate will be based on information obtained from the socio-economic study.

## **8. COMPENSATION FOR RESETTLEMENT**

In line with this RPF, sub-project Implementing Agencies should value and duly compensate for lost assets and investments, including land, crops, buildings and other improvements according to the provisions of the Resettlement Action Plans.

### **8.1 Compensation Guidelines**

As already outlined compensation rates will be at market rates as from the date and time that the replacement is to be provided. The current prices of cash crops would have to be determined. Compensation should be based on valuation at or before the entitlement cut-off date. Homestead such as bush will be regarded as community property. Only structures on the site belonging to individuals will be compensated for, while permanent loss of any homestead site will be covered by community compensation which will be in kind only. Compensation for land is intended to provide the affected person whose land is acquired and used for subproject purposes with compensation for land, labour and crops loss.

Where land acquired has a standing crop, the farmer will be compensated in full for the expected market value of the crop plus the loss of investment of labour and purchased inputs for the production year/ season in question.

### **8.2 Types of Compensation Payments**

#### *(a) Cash payment*

All compensation will be calculated and paid in Kwacha. Rates will be based on market value of land when known or estimated when not known plus compensation of the value of standing crops. Arrangements shall be made to pay PAPs through the banks for amounts above five thousand Kwacha (K5, 000). Compensation below five thousand Kwacha (K5,000) will be paid based on PAP preference.

#### *(b) In kind compensation*

In kind compensation may include items such as land, houses, and other buildings, building materials, seedlings agricultural inputs and financial credit for equipment. Other forms of compensation to affected persons will include assistance in terms of moving allowances transportation and labour.

In a country like Zambia, with ample land and labour intensive agriculture, the contribution of land can be imputed at about 25% of the gross market value of output. In this regard, the present value of future income in perpetuity can be discounted back to the present at a discount rate of 12% which amounts to approximately twice the average annual value of output.

Therefore, a person who gives up a parcel of agricultural land for use by a sub-project could be adequately compensated in cash in the amount of twice the average value of gross annual output, plus the additional value of standing crop, if any. Compensation in kind would take the form of provision of alternative piece of land of equal size and quality.

If cash compensation is used, financial institutions should encourage the use of their facilities to reduce loss of livelihood or theft when beneficiaries are compensated in cash. Each recipient in consultation with the project implementation Unit will decide upon the time and place for in kind compensation.

### **8.3 Types of Compensation**

#### *(a) Compensation for Land*

The Lands Act, under its provisions, recognises Land to have value. Therefore compensation for land is aimed at providing for loss of crop and the labour used to prepare the land and cultivate the crop. The term "Land" refers to an area or homestead in cultivation, being prepared for cultivation, or cultivated during the last agricultural season. This definition recognizes that the biggest investment a farmer makes in producing a crop is his or her labour. As a result, compensation relating to land will cover the rates for labour invested, as well as the replacement cost of the crop lost plus the value of the land.

#### *(b) Compensation for Large Fruit and Tree Crops*

A compensation schedule for large trees e.g. mangoes, guavas and bananas which are important sources food for families petty market income and shade, should be developed incorporating the following:

- Replacement of subsistence mango, guava, and banana production yields as quickly as possible.
- Provision of trees to subsistence farmers to extend the number of months of the year during which fruit tree is produced and can be harvested as supplementary source of food for their families in needy times.
- Provision of opportunities for the farmers to have additional income from trees bearing more valuable fruits at off-season periods.
- Provision of cash payments to farmers to replace pre-subproject income derived from the sale of excess production until replacement trees produce the equivalent (or more) in-project cash income.

Individuals who own wild tree(s) located on land they own or allocated to them by a traditional authority will be compensated for the loss of the tree(s), while the community (village, ward or chiefdom) will be compensated for the wild trees which have to be removed to give way for project activities if they occur in the true bush as opposed to fallow land.

#### *(c) Compensation Calculations for Buildings, Structures and Other Aspects*

Compensation for buildings and structures will be paid by replacing structures such as huts, houses, farm buildings, latrines, and fences on alternative land provided as in-kind compensation.

According to World Bank OP4.12, cash compensation will be available as preferred option for structures, while the on-going market prices for construction materials will be determined. Alternatively, compensation will be paid in-kind for the replacement cost without depreciation of the structure.

Compensation will be made for structures which are abandoned because of relocation or resettlement of an individual or household or directly damaged by construction activities of the project

Calculations of replacement values of assets will be based on the related structures and support services, while average replacement costs of different types of homestead and structures will be based on collection of information or numbers and types of materials such as bricks, rafters, bundles of

straw, doors, etc. used to construct different types of structures. Prices of these items collected in different local markets, costs of transportation and delivery of these items to the required/replacement land or building site should be estimated together with the construction of new building including the required labour.

Compensation for sacred sites, tombs and cemeteries is not permitted under this project. Therefore, where any such sites are located, the project will need to locate alternative locations to avoid impact.

Replacement costs for vegetable gardens and bee hives are to be calculated, based on the local market rates for these products at the time.

If beehives placed by individuals in various locations in the bush are disturbed, if the sub-project activities disturb or deny bee keepers access to bee hives placed by individuals in various locations in the bush, bee keepers can move them to new locations where bees can be adapted in the new environment. Activities of beekeepers will be valued and compensated based on the value of the season's production cost of honey for each hive, together with any reasonable costs associated with moving the bee hives to the new sites.

#### *(d) Compensation for Vegetable Gardens*

The compensation for vegetable gardens shall be done according to the rates developed and recommended. The main consideration shall be yield per hectare in terms of production taking into account the type of seed and inputs used.

#### *(e) Compensation for other Domestic Fruit & Shade Trees*

These trees have recognized local market values, depending upon the species and age. Individual compensation for wild trees "owned" by individuals, who are located in lands as defined in this policy, will be paid. Note that wild, productive trees belong to the community when they occur in the true bush as opposed to a fallow land. These trees will be compensated under the umbrella of the village or community compensation.

### **9. ORGANISATIONAL PROCEDURES FOR THE DELIVERY OF ENTITLEMENTS**

Compensation (and resettlement) will be funded like any other activity eligible under the project's administrative and financial management rules and manuals. Payments will be included in the costing of the project, and finances for the payments will be made available to the communities and/or farmer groups through the usual flow of project funds through the MTCI with the PIU as the implementing agency. For sub-projects involving payment of compensation, monitoring activities will include confirmation that payments were received by those entitled to them. The compensation process will involve several steps and should significantly be in accordance with the subproject resettlement plans.

Organizational procedures for delivery of compensation will be closely aligned with the organizational implementation arrangements for the ATP. Funding will therefore be processed and effected by MCTI through the PIU, preferably directly to the beneficiaries as per the approved RAPs provisions, through the structure created for the implementation of the project.

Compensation will be integrated into the costing and finance payments of the project, and made available to communities and farmers through the usual funds flow mechanisms while sub-projects compensation payments, monitoring activities will include confirmation by entitled beneficiaries of receipt of the payments.

The compensation process which would be in accordance with the sub-project resettlement plans will include a number of steps which include the ones highlighted in the sub-sections that follow under this section.

#### **9.1 Consultation and Public Participation**

At the conception stage of the sub-project, local communities will be included in the discussion of the appropriateness of the compensation, while invitations will be extended to affected individual households to become involved in the design activities of the sub-project.

## **9.2 Notification of Land and Other Asset Holders**

Affected individuals and households will be identified during the RAP process and notified. The user will be informed through both a formal notification in writing and, as many as people are illiterate, by verbal notification delivered in the presence of the village chief or his or her representative. In addition, the chairman, village chiefs committee individuals who control fishing areas, wild trees, or beehives will accompany the survey teams to identify sensitive areas.

## **9.3 Documentation of Holdings and Assets**

Meetings with the affected households and individuals will be arranged in collaboration with the relevant government structures at provincial and district level to discuss the compensation process. The relevant office at provincial/district level will complete a comprehensive document containing necessary personal information on each affected individual or household and its members, total land holdings, inventory of assets affected and information for monitoring their situation in future. The relevant local government and traditional structures will witness the information. These documents which should be kept current will include a record of surrendered land and all assets and claims.

## **9.4 Arrangements on Compensation and Preparation of Contracts**

The relevant office at provincial and district level should draw up contracts listing all property and land to be surrendered and the types of compensation selected i.e. cash and/or in kind, after all options have been clearly explained to those affected. The contract is read aloud in the presence of village headmen and members and other local leaders before the agreements are signed.

## **9.5 Compensation Payments**

All payments and transfers in kind will be witnessed by representatives from traditional authorities and the relevant office at provincial, local government and traditional authorities. Community compensation payments will be in kind only, for a community as a whole, in the form of replacement facilities constructed to at least the same standard or better than the existing ones. In this regard, community compensation includes storage warehouse, road, school building (public), public toilets, well or pump and market place.

## **10. DESCRIPTION OF THE IMPLEMENTATION PROCESS, LINKING RESETTLEMENT IMPLEMENTATION TO CIVIL WORKS**

The implementation process being described relates to institutional arrangements and processes needed to put into action the provisions of World Bank OP 4.12 and this RPF and the resulting subproject resettlement plans. The planning and implementation of resettlement activities will not be done independently of the formulation and implementation of the ordinary subproject activities. The resettlement implementation process will, therefore be closely related to the project's organizational and implementation arrangements.

According to this RPF, before any project activity is implemented, people who are affected and have been determined to be entitled to compensation will need to be compensated in accordance to the policy and the resettlement policy framework. For sub projects involving land acquisition, it is further required that 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, the 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 sub projects requiring relocation or loss of shelter, the policy further requires that measures to assist the displaced persons be implemented in accordance with the sub project's RAP. The measures to ensure compliance with this policy directive would be included in the resettlement plans that would be prepared for each sub project involving resettlement or compensation.

To this effect it is important to note that the timing mechanism of these measures would ensure that no individual or affected household would be displaced due to civil works activity before

compensation is paid and resettlement sites with adequate facilities are prepared and provided for to the individual or household affected. Once the resettlement plan is approved by the local and national authorities, the resettlement plan should be sent to the World Bank for review and approval.

## **11. PROGRAMS TO IMPROVE OR RESTORE LIVELIHOODS AND STANDARDS OF LIVING**

One paramount principle of the World Bank Safeguards is that where people are negatively affected by project activities, they should be no worse off, if not better off after the resettlement has taken place.

Where impact on land use is such that the sustainability of people's livelihoods may be affected, preference will be given to land for land solutions rather than cash compensation, in conformity with the Zambian legal framework and World Bank OP 4.12.

This also applies to people who are not necessarily physically displaced but who are negatively affected by loss of land. Where necessary, affected people will be monitored in the rehabilitation of their livelihood, during and after the transition period. Livelihood restoration measures will be assessed in the RAPs depending on the situation on the ground. They may include micro financial support and skills development and training.

While this is not anticipated in the ATP, depending on the extent to which implementation affects livelihoods, the support highlighted in this section will be provided.

### **11.1 Micro-Financial Support**

The Project Coordinator in collaboration with the Ministry would make arrangements to link PAPs to an identified Micro Financial institution to be provided with soft loans to purchase agricultural inputs, or to start up micro-enterprises that will link up with planned project activities. Micro-enterprises would be encouraged that will create synergies with ongoing activities and exploit existing and evolving markets to be created by the implementation of the subprojects of the ATP.

### **11.2 Skills Development and Training**

The displaced people could be employed in road and irrigation infrastructure construction works. Those still land based after resettlement could be trained in better farm management to produce higher output of high value crops, thereby increasing their income.

The ATP will identify associations/ service providers that could be contracted for work on sub-project activities.

## **12. DESCRIPTION OF COMPLAINTS AND GRIEVANCE REDRESS MECHANISMS**

Grievance procedures for programmes such as these in the Zambian context differ depending on the nature of programme being implemented. However, in general terms, it is recommended that any matter decided upon by an authority needs to be taken to the immediate superior authority as an appellant authority. Aggrieved parties also have access to the Arbitration system and when all else fails, have recourse to the court system for settlement of grievances.

In the ATP and with particular reference to resettlement, once the resettlement plan is approved and individual compensation contracts are signed, affected individuals would have been informed of the process for expressing dissatisfaction and to seek redress. It is however, anticipated that land acquisition would be avoided or at least minimized, thereby reducing complaints arising from loss of land or resources as a result of implementing any sub-project activities.

To this effect the grievance procedure will be simple, administered as far as possible at the local level to facilitate access, flexible and open to various proofs taking into cognizance the fact that most people are illiterate requiring a speedy, just and fair resolution of their grievances. Annex 4 contains a sample grievance submission form that may be adapted for use in RAP and sub-project grievance cases.

Any grievance registered in association with ATP activities should be documented through the PIU. The PIU is responsible for documenting outcomes through the various grievance channels.

Therefore, should a complaint arise, it shall be addressed using any of the following grievance redress methods:

***(a) Provincial and District Administration Method***

- The local community or Village Development Committee (VDC), Ward Development Committee or Farmer Group/Sub-project Committee would discuss the complaint and try to resolve the matter.
- The discussion should be reported to the relevant committee of the Local District Council for action.
- If the District Council cannot resolve the matter then it can be referred to the District Development Coordinating Committee who should make a decision on the matter.
- If the DDCC cannot resolve the matter then it can be referred to the PDCC for action. If the matter cannot be resolved at the PDCC then it should be referred to arbitration or Court system.
- If the local magistrate cannot resolve the matter, then it shall be referred to the high court whose decision on the matter shall be final.

***(b) The Ministry Commerce, Trade and Industry (MCTI) and the Local Courts Systems Method***

MCTI and Arbitration or Court System in the sub-project areas shall deal with all grievances concerning levels of compensation, and nonfulfillment of contracts.

Affected individuals and households should be informed and be made familiar with the local courts grievance redress process well before the individual compensation and Resettlement Action Plans are approved and individual contracts signed.

Valid claims shall be compensated after verification by the Ministry (project office), and the Village Headman/Ward Councillor.

The Local Courts shall deal with cases of rejected complaints if the matter cannot be resolved at local community level. Unresolved cases should be referred to the Local Magistrate Court, and if not resolved at that level then they shall be referred to the High Court for final decision on the matter. Courts of law should be the last resort, triggered only if amicable resolution of the grievances cannot be obtained at community level.

***(c) Local Government Organs Method***

To facilitate amicable resolutions on local conflicts, the grievance redress mechanisms shall make provisions for the following:

- Formation of complaints committee at the sub-project level under the chairmanship of the Ward Councillor whose membership should consist of representatives of the affected persons, local NGO's, the Chiefs representative and the Ministry. The committee shall be established as soon as RAP preparations start in order to cater for claims at an early stage because disputes can arise from any census operation.
- Any complaint can be submitted to the committee. After verification of the complaint by field visit, the concerned parties should be brought together to resolve the matter amicably. If not resolved, either the administrative or local courts system already described can be applied.



As the potentially affected people in the project area may be poor and un-educated, the grievance procedures should be simple, accessible, flexible, just, fair and capable of being administered properly with minimum delay. In this regard, the MCTI representative, the Lands Department, the District Commissioner's Office and the Local Authorities in the area shall keep updated records of entitlements and compensation claims in the project areas, which records shall be consulted to validate claims.

The grievance procedure shall give the affected people up to the end of the next full agricultural season after surrendering their assets, to set forth their cases.

Community Representatives and affected peoples' representatives will be part of the contracts to be signed by the affected persons, and all complaints of non-fulfilment of contracts, levels of compensation and seizure of assets should be addressed to the Local and District Authorities in the area either in person or in writing.

It is expected that the affected individuals, households and communities associated with the conception, design and location of the sub-project activities would have expressed their grievance or dissatisfaction to the relevant authorities prior to the RAP's approvals. In this regard, it is also expected that MCTI would sensitize the affected persons and communities on Zambia's grievance redress mechanisms which incorporate two integrated approaches namely the District and Provincial Administrative structures; and the Local Government structures, Ward/Village Council, Organisational Structures including laid down Committees as already explained.

Aggrieved parties can air their grievances through the District, Provincial Local Government organs; through Local Government organs such as Village, Wards, and Chiefdoms or through the ATP governance structures. The grievances shall be transmitted to the Project Office, MCTI or to the District Commissioner.

### **13. BUDGET AND FUNDING ARRANGEMENTS**

At present the location of sites for civil works that may be undertaken as part of this project has not been finalized. Given the localized and moderate impacts of the works, land acquisition and involuntary resettlement is not expected to be significant. The four categories of resettlement costs that must be estimated when developing the RAP budgets once the impacts have been identified and located are administrative, compensation, RAP planning and implementation costs, and monitoring and evaluation costs.

#### ***(a) Administrative Costs***

These include salaries for staff, transportation, office administrative costs (stationery, electricity, water, rentals, communications etc.), operating supplies and other miscellaneous costs.

#### ***(b) Compensation Costs***

These are to be estimated by determining the number of persons, type and value of assets likely to be affected by project activities. This includes cost associated with any potential income restoration activities to PAPs. These costs will be factored into the budgets for the activities under the project.

#### ***(c) RAP Planning and Implementation Costs***

The following costs will have to be estimated under this category when the relevant information is available after the conclusion of site specific socio-economic studies including information on specific impacts, individual and household incomes and numbers of affected persons. Relevant costs are those for inventory assessments, land acquisition, preparation and implementation of Resettlement Action Plans, surveying and valuation of properties and resettling people on alternative lands, buying land and developing it into a habitable settlement. Also to be budgeted for are community development activities such as provision of public services, access roads, markets, etc. Any cost associated with preparation and implementation of RAPs will be borne by the Government as part of the project cost.

#### ***(d) RAP Monitoring and Evaluation Costs***

These costs relate to monitoring and evaluation activities. Such costs will be part of the project cost.

#### **14. STAGES AND MECHANISMS FOR CONSULTATION WITH, AND PARTICIPATION OF AFFECTED PEOPLE IN PLANNING, IMPLEMENTATION AND MONITORING OF THE RAP**

The need for consultation with relevant stakeholders during planning, implementation and monitoring of RAPs cannot be over emphasised. Discussions should be held in proposed project sites in order to make beneficiaries and stakeholders fully aware of the sub-projects that are proposed for those locations. Stakeholders, including traditional land authorities in project sites should also be consulted to ensure that negative social impacts, such as the need to displace some families, are minimised and that the selected locations are appropriate for the project.

Public consultation and participation are essential because they afford potential displaced persons the opportunity to contribute to both the design and implementation of the sub project activities in order to promote local ownership of the project for it to be successful.

The sub projects should be initiated, planned, designed, implemented and operated (i.e. demand driven) in close consultation with communities, SME or farmer groups who by their very nature are members of the community and therefore, are an integral part of and play a crucial role in the community that may be affected. Furthermore, the local community have invaluable local knowledge about conditions needed for the project's successful design and implementation.

##### **14.1 Stages of Consultation**

This RPF therefore advocates for extensive public consultation and participation of affected individuals/ households in the planning and implementation of the RAP. Consultation should be a continuous process throughout all stages of the project cycle and RAP namely:

- Project inception and planning, involving choices of alternative designs;
- Screening process and feasibility study, involving assessment of project impacts etc.;
- Undertaking on the social and economic baseline census;
- Preparation of sub-project designs involving resettlement strategies and options, choice of resettlement sites and timing of relocation;
- Preparation of the RAP;
- Planning of resettlement and compensation packages involving decisions on compensation rates, eligibility, entitlements, etc.;
- Drafting and reading/signing of the compensation contracts;
- Payment of compensations; and
- Resettlement activities involving the development of opportunities and initiatives, development of procedures for grievance redress as well as mechanisms for monitoring.

In the process of preparing and implementing the RAPs and sub-project, representatives of the affected people will input their concerns in the processes through discussions on the potential costs of implementing the planned activities, enforcing the RPF provisions, mitigating impacts, rescheduling where necessary, and timing of RAP activities.

##### **14.2 Mechanisms for Consultation**

This RPF further recommends that public consultation and participation shall take place through various forms and media, including meetings, radio, television, request for written proposals/comments, completion of questionnaires/application forms and explanations of the project ideas and requirements by stakeholders at national, Provincial and District levels. This shall be

handled by the Project Implementation Unit. Monitoring of this process would be through the overall monitoring and evaluation mechanism of the entire ATP project.

## **15. ARRANGEMENTS FOR MONITORING AND EVALUATION**

Monitoring and evaluation are important in the implementation of a project because they provide feedback needed to detect success challenges and opportunities in the development process.

In order to assess whether the goals of the resettlement and compensation plan are being met, a monitoring plan will be required. The monitoring plan will indicate parameters to be monitored, institute monitoring milestones and provide resources including responsible persons or institutions to carry out the monitoring activities.

To be effective, the implementation of the provisions of this RPF will require the involvement of the affected communities in the discussions on the development of the necessary measures needed to deal with identified problems and implement the planned activities. In this regard community members shall be involved in the monitoring of the project's activities throughout its planning cycle starting from inception through to impact assessment.

In the case of this RPF, monitoring should ensure compliance with the RAPs provisions. In addition, monitoring should provide regular feedback from stakeholders such as management staff and beneficiaries, needed for the efficient and effective management of project activities. Furthermore, responses to RAP implementation challenges would be timely if feedback is received regularly.

However, for RPF and RAPs to be implemented efficiently, effectively and to be responsive to issues raised in the feedback meetings, reports etc., a cost effective monitoring system with adequate human, financial and material resources needs to be put in place in order to successfully improve the implementation of sub-project activities.

### **15.1 Scope of Monitoring**

Monitoring of the RPF will be undertaken under the M&E framework of the project and will be done to ensure that project objectives as well as the requirements under the RPF are realised.

#### ***15.1.1 Performance Monitoring***

To enable measurement 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,
- Percentage of compensation disbursed,
- Census surveys completed,
- Assets inventories and socio-economic studies completed,
- Proportion of displaced people relocated;
- Standard of living; 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.

#### ***15.1.2 Impact Monitoring***

Impact monitoring to be undertaken by the PIU, 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. Monitoring will determine whether or not PAPs have been able to maintain, or improve, their standard of living.

### 15.1.3 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 implementation efforts have gone in the restoration of the living standards of the affected population and whether the strategies for the restoration for the living standards of the affected people have been properly conceived and implemented.

The following are among the issues that 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 population’s social economic status after displacement measured against the baseline conditions after the exercise.

The audit will determine if there are any outstanding issues that need to be addressed. If gaps are identified, the audit will provide recommendations and mitigation measures which will need to be implemented.

## 15.2 Development of Verifiable Indicators

In order to ensure that the successful monitoring of the impacts of the compensation and resettlement activities for the ATP, 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. Monitoring indicators to be used for the RAP will therefore have to be developed to respond to specific site conditions. As a general guide, Table 3 provides a set of indicators which can be used for monitoring and evaluation.

**Table 3: Types of Verifiable Indicators**

Proposed Indicator	
Monitoring	Evaluation
<b>Outstanding compensation or resettlement contracts not completed before next agricultural season.</b>	Outstanding individual compensation or Resettlement contracts.
<b>Communities unable to set village-level compensation after two years.</b>	Outstanding village compensation contracts.
<b>Grievances recognized as legitimate out of all complaints lodged.</b>	All legitimate grievances rectified.
<b>Pre-project production and income (year before land used) versus present production and income of resettlers, off farm-income trainees, and users of improved mining or agricultural techniques.</b>	Affected individuals and/or households compensated or resettled in first year who have maintained their previous standard of living at final evaluation.
<b>Pre- project production versus present production (crop for crop, land for land).</b>	Equal or improved production per household.

(a) Indicators to determine status of affected People

A number of indicators could be used in order to determine the status of affected people. This include the area of land being used compared to before, standard of house compared to before, level of

participation in project activities compared to before, how many kids in school compared to before, health standards, etc. Therefore, the resettlement and compensation plans should set two major socioeconomic goals with which to evaluate its success:

- Affected individuals, households, and communities are able to maintain their pre-project standard of living, and even improve on it; and
- The local communities remain supportive of the project.

(b) Indicators to measure RAP performance

In order to assess whether these goals are met, the resettlement and compensation plans will indicate parameters to be monitored, institute monitoring milestones and provide resources necessary to carry out the monitoring activities.

The Local Government will maintain a complete database on every individual impacted by the sub-project land use requirements including relocation/resettlement and compensation, land impacts or damages. The following parameters and verifiable indicators will be used to measure the resettlement and compensation plans performance:

- Number of individuals receiving cash or a combination of cash and in-kind compensation.
- Number of payments made in a month/ year.
- The number of contentious cases out of the total cases.
- The number of grievances and time and quality of resolution.
- Ability of individuals and families to re-establish their pre-displacement activities, land and crops or other alternative incomes.
- Mining and agricultural productivity of new lands.
- Number of impacted locals employed by the activities.

(c) Indicators to monitor and evaluate implementation of RAPs

Financial records will be maintained by the Local Government and the executing agencies to permit calculation of the final cost of resettlement and compensation per individual or household. Each individual receiving compensation will have a dossier containing:

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

Additional information will be acquired for individuals eligible for resettlement/compensation including the following:

- Level of income and of production,
- Inventory of material assets and improvements in land, and
- Debts.

### 15.3 RAP Implementation Schedule

RAPs should have their time-frames aligned to those of the ATP in order to ensure that resettlement sites are provided with adequate facilities before PAPs are negatively impacted by project activities. For successful implementation and as agreed between the Resettlement and Compensation Committee the DDCC, the relevant Council and the Project Management Team; each RAP schedule should include the following:

- Time-frames for transfer of completed civil works to relevant agencies,

- Target dates for starting and completion of civil works,
- Dates for possession of land which the PAPs are using, after payment of compensation and other necessary assistance and before any resettlement activity commences; and
- Linkages between RAPs and the sub-projects overall activity implementation.

In the case of grievances relating to resettlement, the RAP should indicate the detailed grievance procedures to follow among the options as highlighted in section 12.

## **16. RPF AND RAP IMPLEMENTATION ARRANGEMENTS**

Ministry of Commerce, Trade and Industry (MCTI) will be responsible for overall coordination of the implementation of the ATP with the Department of Planning and Information being the focal point for ATP implementation.

In order to ensure efficient oversight of the Project, there shall be a Project Steering Committee, with a mandate, composition and requisite resources. The Project Steering Committee shall be chaired by the Permanent Secretary for Commerce, Trade and Industry and comprised of representatives from different public and private institutions including:

- (i) the Permanent Secretary – (EMF) Ministry of Finance,
- (ii) the Permanent Secretary – Ministry of National Development Planning,
- (iii) the Permanent Secretary – Ministry of Agriculture,
- (iv) the Permanent Secretary - Ministry of Livestock Development and Fisheries,
- (v) the Director General - Zambia Development Agency,
- (vi) the Chief Executive Officer - Industrial Development Corporation,
- (vii) the Executive Director - Zambia National Farmers Union,
- (viii) the Chief Executive Officer - Zambia Association Of Manufacturers, and
- (ix) the Chief Executive Officer - Zambia Chamber of Small and Medium Business Associations SME Associations;

The Steering Committee shall be responsible, among other things, for overseeing overall Project implementation, providing policy guidance to the project, ensuring inter-agency coordination of the Project, reviewing the annual work plans, and approving Budgets. The Committee will also consider issues to do with resettlement during the course of the project if they arise. In such cases, other relevant government departments will be coopted into the steering committee since it is envisaged that such cases are unlikely to arise.

### **19.1 RPF and RAP Implementation Arrangements**

The outlined RPF implementation arrangements which follow are based on the current Zambian institutional arrangements. It is recommended that the RPF implementation take place within the overall framework of the ATP programme implementation arrangements. Should the current institutional arrangements change, then the proposed RPF implementation arrangements should be adjusted accordingly.

As indicted in the section on budget and financing arrangements, all costs associated with RAP planning, implementation, monitoring and evaluation will be borne by the Government through the project.

#### ***(a) Ministry of Commerce, Trade and Industry***

MCTI is the main RPF agency at the national level and will be the custodian of all relevant information regarding RPF policies and strategies, with the Department of Planning and Information as focal point and the PIU as the implementing agency. MCTI, through the PIU, will liaise with the Ministry of Local Government and Housing and the Resettlement Department of the Office of the Vice President (OVP) to ensure compliance with the RPF's physical planning and resettlement provisions.

#### ***(b) Ministry of Lands***

The Ministry of Lands through the Department of Lands and Surveying will be involved in the conversion of traditional land into state land, alienation of land and allocation of plots; and survey and demarcation of lands earmarked for sub-project development and/or compensation

*(c) Ministry of Local Government and Housing*

The MLGH through relevant City, Municipality, and District Councils and its Departments of Physical Planning and Housing (DPPH), Government Valuations Department (GVD), Department of Local Government Administration (DLGA) will provide a variety of services at ward and district levels such as resettlement planning, lay-out planning, valuation of land and other assets, the approval of Council by-laws needed necessary for project implementation, establishment and revamping of Council Committees, selection of resettlement sites, involvement in the conversion of traditional land into state land, provision of services to the new sites, re-organisation and allocation of plots, conflict resolution at ward and council levels, disbursement of compensation; and provision of other support services to PAPs as stipulated in this RPF.

Through its Department of Valuation, MLGH will also provide valuation services for resettlement and compensation purposes and in accordance the Zambian Constitution, the Land Acquisition Act, the Agricultural Lands Act, etc.

Furthermore, MLGH will review and monitor the implementation of RAPs by the Councils to ensure that they adhere to relevant national and local by laws.

## **BIBLIOGRAPHY**

Industrialisation and Job Creation Strategy Paper, 2013

Laws of Zambia, <http://www.zambialii.org/>

National Resettlement Policy, 2015

Resettlement Policy Framework for the Livestock Development and Animal Health, 2011

World Bank OP 4.12 for Involuntary Resettlement

## ANNEXES

### ANNEX 1: Elaboration of Legal Framework

Law	Provisions	Relevance to RPF and RAPs Implementation
<b>Constitution of Zambia</b>	<ul style="list-style-type: none"> <li>Provides for the financial right to property and protects persons from depreciation of the property.</li> </ul>	<ul style="list-style-type: none"> <li>Fundamental rights to property including land guaranteed.</li> </ul>
<b>Land Acquisition Act</b>	<ul style="list-style-type: none"> <li>The President of Zambia to compulsorily acquire property in the National Interest</li> <li>The Act also provides for compensation for acquired land</li> <li>Issue of notice to show the intention to acquire land, notice to shield up property, notice to take up property.</li> <li>Agreement on the amounts of cash compensation.</li> <li>Grant land as a form of compensation to be agreed between the president and the president entitled to compensation.</li> <li>Valuation of the property to be acquired/or to be compensated for</li> <li>Settlement of disputes relating to the land to be dealt by the High Court.</li> <li>Establishment of the Compensation Board to advise Minister responsible for lands in the assessment of any compensation payable under the Act.</li> </ul>	<ul style="list-style-type: none"> <li>Compulsory acquisition of property needed for a project like ATP.</li> <li>Payment Of compensation to affected persons.</li> <li>Affected persons to be given notices before property is assured, and reposed.</li> <li>Payment of cash forms of compensation to be agreed between the parties for they are affected.</li> <li>Property to be acquired or compressed to be valued by qualified valuer.</li> <li>Settlement of disputes to be dealt with by the High Court.</li> <li>Compensation Board established to advise the committee on compensation matters including assessment and compensation payments</li> </ul>
<b>Agricultural Lands Act</b>	<ul style="list-style-type: none"> <li>Establishment of Agricultural LOC Board.</li> <li>Establishment of Tenant farming schemes.</li> <li>Minister has powers to declare any state land by statutory notice Agricultural Scheme.</li> <li>Agricultural Board to manage agricultural schemes.</li> <li>Provision of Arbitration to resolve disputes.</li> </ul>	<ul style="list-style-type: none"> <li>A RAP ore can be declared a farming scheme to be managed by the Agricultural Lands Board by the Minister responsible for Agriculture</li> </ul>
<b>The Public Roads Act</b>	<ul style="list-style-type: none"> <li>Provides for entry upon any land by the RDA to extract road building materials.</li> <li>Provides for notification by the owner/tenant of the property before the said entry into a property.</li> <li>Compensation to be paid to the affected land owner/ occupier.</li> <li>Affected persons to submit the report to RDA for loss encountered as a result of Land appreciation.</li> </ul>	<ul style="list-style-type: none"> <li>Entry upon any land for road construction and extraction of building materials.</li> <li>RDA and affected owner to agree on terms and levels of compensation before land is acquired.</li> <li>Arbitration in cases of land owner/occupier not agreeing with the amount of compensation offered.</li> </ul>
<b>Arbitration Act</b>	<ul style="list-style-type: none"> <li>Provides for arbitration in cases where the land owner/ occupier does not agree with the offered amount of compensation.</li> </ul>	<ul style="list-style-type: none"> <li>Arbitration in cases of the amounts of compensation offered during the implementation of RAPs.</li> </ul>
<b>The Local Government Act</b>	<ul style="list-style-type: none"> <li>Provides for the system of local administration Council city, municipality and District Council levels.</li> <li>Exercises several delegated central Government policies at Village, Ward, Constituency and District levels.</li> </ul>	<ul style="list-style-type: none"> <li>Administration of local governance matters including those related to Traditional Authorities.</li> <li>In development project activities at District and Local levels i.e. Decentralisation Policy which the GRZ has adopted provides for</li> </ul>



		project administration implementation at Local Levels of the Country's Governance system
<b>Town and Country Planning Act</b>	<ul style="list-style-type: none"> <li>○ Provides for the appointment of Planning Authorities in the Country who are charged with the responsibility of preparing and implementing plans for their areas.</li> <li>○ Control of use, and change of use</li> <li>○ Regulation of subdivisions for development.</li> <li>○ Provides for those affected by planning decision.</li> <li>○ Enforcement of planning standards and regulations</li> </ul>	<ul style="list-style-type: none"> <li>○ Need for approval of RAPs by relevant Planning Authorities</li> </ul>
<b>Land Conversion of Titles Act</b>	<ul style="list-style-type: none"> <li>○ Provides for the alienation, transfer disposition and change of land use.</li> <li>○ Provides for compulsory acquisition of state land by the President.</li> <li>○ Administration of Land Tenure systems in Zambia.</li> </ul>	<ul style="list-style-type: none"> <li>○ Conversion of land from customary to state land if needed for national development and projects.</li> </ul>
<b>Land Survey Act</b>	<ul style="list-style-type: none"> <li>○ Provides for the surveying of planned land before demarcation into plots, registered, allocated and given titles.</li> </ul>	<ul style="list-style-type: none"> <li>○ Project Planned Land has to be surveyed by a qualified professional surveyor before being registered, allocated and title deeds given to developers.</li> </ul>

**ANNEX 2: Screening Format for Project Activities – Potential Resettlement**

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The MCTI with PIU or a designated specialist or project Implementing Agency will conduct site visits to proposed project sites to verify desk review of project site ownership and determine the impact. The consultant will assess impact on all land users (formal, traditional and informal use). This may require consultation with local and traditional authorities, depending on site location. Based on the verification results, the screening form should be used to assess whether a project location is adequate sited. The screening will determine whether a Resettlement Action Framework is required for the specific (sub) project.

Should this screening process identify project areas that do not require necessitate a RAP, but includes voluntary land contribution or land swaps (i.e. as part of the creation of a co-op or association), the specialist will ensure that such arrangements are fully documented with copies of all relevant land documents as part of the project file in the PIU.

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

Name of subproject: \_\_\_\_\_

Proposed activity: \_\_\_\_\_

Location: \_\_\_\_\_

Sub-project contact: \_\_\_\_\_

Screening undertaken by: \_\_\_\_\_

<b>Will the proposed activity require/result in:</b>	<b>Yes</b>	<b>No</b>	<b>Describe</b>
1. Permanent acquisition of land? (formally owned, traditionally owned or informally occupied)			
1.1 Physical displacement of households?			
1.2 Loss of other physical structures (e.g. granaries, outside toilets/kitchens)			
1.3 Physical displacement of businesses? (formal or informal)			
1.4 Impact productive assets (e.g. gardening, farming, pasture, fishing locations, forests)			
1.5 Loss of crops, fruit trees?			
1.6 Restriction of access (foot paths, services, parks, forests)			
1.7 Negative impact on other assets?			
1.8 Negative impact on livelihood and/or standard of living?			
2. Temporary impact (i.e. during construction –incl. on formally owned, traditionally owned or informally occupied property)			
2.1 Physical displacement of households?			
2.2. Loss of other physical structures (e.g. granaries, outside toilets/kitchens)			
2.3 Physical displacement of businesses? (formal or informal)			

2.4 Impact productive assets (e.g. gardening, farming, pasture, fishing locations, forests)			
2.5 Loss of crops, fruit trees?			
2.6 Restriction of access (foot paths, services, parks, forests)			
2.7 Negative impact on other assets?			
2.8 Negative impact on livelihood and/or standard of living?			

If any impact is identified, the consultant will describe and quantify. Assess the relative impact on the affected persons. If impact is deemed to be substantial the consultant will assess potential alternative sites for project development. This should include an estimate of:

- (a) PAPs physically displaced or relocated
  - Number of owner households affected
  - Number of renter households affected
  - Number of informal occupant households affected
- (b) PAPs affected by land acquisition:
  - Number of households with title affected
  - Number house households without title affected
  - Number of households losing > 20% of their land
  - Number of households losing >20% of their land
- (c) PAPs affected by non-land economic displacement:
  - Number of households affected
  - Number of individuals affected by non-land economic displacement
- (d) Summary of total number of total PAPs:
  - Total number of households affected
  - Total number of individual PAPs affected

## **ANNEX 3: Sample Terms of Reference for Consultants Preparing Resettlement Action Plan**

### **Background**

*[Insert description of (sub) project and why resettlement is needed]*

### **Objectives**

A Consultant will prepare the Resettlement Action Plan (RAP) on the basis of the most recent and accurate information on the: (i) proposed resettlement and its impacts on displaced persons and other adversely affected groups; and (ii) legal issues affecting resettlement. The RAP covers elements that are specific to the project context.

The objectives of the Consultant assignment are to:

- Prepare the RAP that is consistent in policy and context to the laws, regulations, and procedures adopted by the Government of Zambia and the World Bank's operational policy on involuntary resettlement (OP4.12) covering displacement, resettlement, and livelihood restoration;
- Conduct consultations with identified project affected persons (PAPs), based on a census of the affected sites;
- Establish local decision making bodies who will be part of RAP implementation of valuation and compensation approaches;
- Develop in a participatory manner the proposed grievance mechanism to be covered in the RAP; and
- Complete a baseline socio-economic survey of PAPs and host communities.

### **Scope of Work**

The following sections of the RAP correspond to the scope of work to be completed by the Consultant.

*Description of the sub-project:* [Insert general description of the affected area(s)].

*Potential Impacts:* Identification of the: (i) components or activities that require resettlement or restriction of access; (ii) zone of impact of components or activities; (iii) alternatives considered to avoid or minimize resettlement or restricted access; and (iv) mechanisms established to minimize resettlement, displacement, and restricted access, to the extent possible, during project implementation.

*Objectives:* The main objectives of the resettlement program as these apply to the Agribusiness and Trade Project (ATP) should be described in relation to the project.

*Socio-economic studies:* The findings of socio-economic studies to be conducted with the involvement of potentially affected people will be needed. These generally include the results of a census of the PAPs covering:

- (i) Current occupants of the affected area as a basis for design of the RAP and to clearly set a cut-off date, the purpose of which is to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;
- (ii) Standard characteristics of displaced households, including a description of production systems, labor, and household organization; and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population;
- (iii) Magnitude of the expected loss, total or partial, of assets, and the extent of displacement, physical or economic;
- (iv) Information on vulnerable groups or persons, for whom special provisions may have to be made; and
- (v) Provisions to update information on the displaced people's livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement, and to measure impacts (or changes) in their livelihood and living conditions.

There may be other studies that the RAP can draw upon, such as those describing the following, as needed:

- (i) Land tenure, property, and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, non-title-based usufruct systems (including fishing, grazing, or use of forest areas) governed by local recognized land allocation mechanisms, and any issues raised by different tenure systems in the sub-project area;
- (ii) Patterns of social interaction in the affected communities, including social support systems, and how they will be affected by the sub-project;
- (iii) Public infrastructure and social services that will be affected; and
- (iv) Social and cultural characteristics of displaced communities, and their host communities, including a description of formal and informal institutions. These may cover, for example, community organizations; cultural, social or ritual groups; and non-governmental organizations (NGOs) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

*Legal Framework:* The analysis of the legal and institutional framework in Zambia should cover the following:

- (i) Scope of existing land and property laws governing resources, including state-owned lands under eminent domain and the nature of compensation associated with valuation methodologies; land market; mode and timing of payments, etc.;
- (ii) Applicable legal and administrative procedures, including a description of the grievance procedures and remedies available to PAPs in the judicial process and the execution of these procedures, including any available alternative dispute resolution mechanisms that may be relevant to implementation of the RAP for the sub-project;
- (iii) Relevant laws (including customary and traditional law) governing land tenure, valuation of assets and losses, compensation, and natural resource usage rights, customary personal law; communal laws, etc. related to displacement and resettlement, and environmental laws and social welfare legislation;
- (iv) Laws and regulations relating to the agencies responsible for implementing resettlement activities in the sub-projects;
- (v) Gaps, if any, between local laws covering resettlement and the Bank's resettlement policy, and the mechanisms for addressing such gaps; and
- (vi) Legal steps necessary to ensure the effective implementation of RAP activities in the sub-projects, including, as appropriate, a process for recognizing claims to legal rights to land, including claims that derive from customary and traditional usage, etc. and which are specific to the sub-projects.

The institutional framework governing RAP implementation generally covers:

- (i) Agencies and offices responsible for resettlement activities and civil society groups like NGOs that may have a role in RAP implementation;
- (ii) Institutional capacities of these agencies, offices, and civil society groups in carrying out RAP implementation, monitoring, and evaluation; and
- (iii) Activities for enhancing the institutional capacities of agencies, offices, and civil society groups, especially in the consultation and monitoring processes.

*Eligibility and entitlements:* Definition of displaced persons or PAPs and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

*Valuation of and compensation for losses:* The methodology to be used for valuing losses, or damages, for the purpose of determining their replacement costs; and a description of the proposed types and levels of compensation consistent with national and local laws and measures, as necessary, to ensure that these are based on acceptable values (e.g. market rates).

*Resettlement Measures:* A description of the compensation and other resettlement measures that will assist each category of eligible PAPs to achieve the resettlement objectives. Aside from compensation, these measures should include programs for livelihood restoration, grievance mechanisms, consultations, and disclosure of information.

*Site selection, site preparation, and relocation:* If a resettlement site is an option, describe the alternative relocation sites as follows:

- (i) Institutional and technical arrangements for identifying and preparing relocation sites, whether rural or urban, for which a combination of productive potential, locational advantages, and other factors is at least

comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;

- (ii) Any measures necessary to prevent land speculation or influx of eligible persons at the selected sites;
- (iii) Procedures for physical relocation under the project, including timetables for site preparation and transfer; and
- (iv) Legal arrangements for recognizing (or regularizing) tenure and transferring titles to resettlers.

*Housing, infrastructure, and social services:* Plans to provide (or to finance resettlers' provision of) housing, infrastructure (e.g. water supply, feeder roads), and social services to host populations; and any other necessary site development, engineering, and architectural designs for these facilities should be described.

*Environmental protection and management.* A description of the boundaries of the relocation area is needed. This description includes an assessment of the environmental impacts of the proposed resettlement and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).

*Community Participation:* Consistent with the World Bank's policy on consultation and disclosure, a strategy for consultation with, and participation of, PAPs and host communities, should include:

- (i) Description of the strategy for consultation with and participation of PAPs and hosts in the design and implementation of resettlement activities;
- (ii) Summary of the consultations and how PAP's views were taken into account in preparing the resettlement plan; and
- (iii) Review of resettlement alternatives presented and the choices made by PAPs regarding options available to them, including choices related to forms of compensation and resettlement assistance, to relocating as individual families or as parts of pre-existing communities or kinship groups, to sustaining existing patterns of group organization, and to retaining access to cultural property (e.g. places of worship, pilgrimage centers, cemeteries); and
- (iv) Arrangements on how PAPs can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that vulnerable groups (including indigenous peoples, ethnic minorities, landless, children and youth, and women) are adequately represented.

The consultations should cover measures to mitigate the impact of resettlement on any host communities, including:

- (i) Consultations with host communities and local governments;
- (ii) Arrangements for prompt tendering of any payment due the hosts for land or other assets provided to PAPs;
- (iii) Conflict resolution involving PAPs and host communities; and
- (iv) Additional services (e.g. education, water, health, and production services) in host communities to make them at least comparable to services available to PAPs.

*Grievance procedures:* The RAP should provide mechanisms for ensuring that an affordable and accessible procedure is in place for third-party settlement of disputes arising from resettlement. These mechanisms should take into account the availability of judicial and legal services, as well as community and traditional dispute settlement mechanisms.

*RAP implementation responsibilities:* The RAP should be clear about the implementation responsibilities of various agencies, offices, and local representatives. These responsibilities should cover (i) delivery of RAP compensation and rehabilitation measures and provision of services; (ii) appropriate coordination between agencies and jurisdictions involved in RAP implementation; and (iii) measures (including technical assistance) needed to strengthen the implementing agencies' capacities of responsibility for managing facilities and services provided under the project and for transferring to PAPs some responsibilities related to RAP components (e.g. community-based livelihood restoration; participatory monitoring; etc.).

*Implementation Schedule:* An implementation schedule covering all RAP activities from preparation, implementation, and monitoring and evaluation should be included. These should identify the target dates for delivery of benefits to resettlers and hosts and a clearly defined closing date. The schedule should indicate how the RAP activities are linked to the implementation of the overall project.

*Costs and budget:* The RAP for the specific sub-projects should provide detailed (itemized) cost estimates for all RAP activities, including allowances for inflation, population growth, and other contingencies; timetable for expenditures; sources of funds; and arrangements for timely flow of funds. These should include other fiduciary arrangements consistent with the rest of the project governing financial management and procurement.

*Monitoring and evaluation:* Arrangements for monitoring of RAP activities by the implementing agency, and the independent monitoring of these activities, should be included in the RAP section on monitoring and evaluation. The final evaluation should be done by an independent monitor or agency to measure RAP outcomes and impacts on PAPs' livelihood and living conditions. The World Bank has examples of performance monitoring indicators to measure inputs, outputs, and outcomes for RAP activities; involvement of PAPS in the monitoring process; evaluation of the impact of RAP activities over a reasonable period after resettlement and compensation, and using the results of RAP impact monitoring to guide subsequent implementation.

### **Timetable and outputs**

The Consultant is expected to submit to the ATP Project Implementation Unit under the Ministry of Commerce, Trade and Industry, the following:

- Inception report describing the procedures and timetable for completion of the RAP preparation process by the second week after contract signing;
- Report summarizing the preliminary results of the baseline socio-economic survey and PAPs census by two weeks after completing the baseline socio-economic survey;
- Report summarizing the consultations with PAPs and other key stakeholders by one month after contract signing; and
- Draft RAP report by 90 days after contract signing.

After completion of the review of the draft RAP, including consultations with PAPs and communities on the main finding of the RAP, a final RAP will be disclosed by the implementing agency. During the review process, the Consultant is expected to make the necessary changes to the RAP and organize the disclosure and consultation process.

### **Sample Outline of a Resettlement Action Plan (RAP)**

#### **Executive Summary**

##### **I. Introduction**

1. Rationale for the Audit
2. Findings from the RAP
3. Objectives of the Audit

##### **II. Project Location**

##### **III. Project Description**

1. Technical description of the Project (taken from the RAP)
2. Coverage of the RAP

##### **IV. Review of Policies, Legal, and Institutional Frameworks**

1. Country policies on resettlement
2. Country laws
3. Country institutional arrangements

##### **V. Methodology**

1. Sensitization and familiarization: Evaluation of the RAP
2. Assessment of identification and project impact boundary delineation
3. Evaluation of socio economic surveys and property registration
4. Findings from community level surveys (to assess RAP impacts)
5. Qualitative methods

##### **VI. Description of the Project Affected Areas**

1. Realignment of roads
  - a. Population and settlements
  - b. Economic conditions and livelihood activities
2. Other affected areas
  - a. Population and settlements
  - b. Business or commercial areas



3. Agricultural areas
4. Livestock, grazing, other areas
5. Population and settlements
  - a. Economic conditions and livelihood activities
  - b. Economic and social impacts

**VII. Census and Socio economic Surveys**

1. RAP outcome surveys
2. Income and expenditures profiles
3. Community relations, social capital, etc.

**VIII. Impact of the Project**

1. Impacts on Gender
2. Impacts on Vulnerable Groups

**IX. Public Consultation and Disclosure**

1. Major findings from consultations with PAPs and community groups
2. National consultations

**X. Assessment of Valuation and Compensation**

1. Compensation for loss of land
2. Compensation for loss of annual crops
3. Compensation for loss of perennial crops
4. Compensation for loss of other assets

**XI. Evaluation of Income and Livelihood Restoration Strategies**

1. Communities affected by the project
  - a. Income restoration and improvement
  - b. Land based
  - c. Non-farm components
  - d. Social and community development plans
2. Communities in adjacent (but non-project) areas
  - a. Income restoration and improvement
  - b. Land based
  - c. Non-farm components
  - d. Social and community development plans
3. Communities along broader corridor
  - a. Income restoration and improvement
  - b. Land based
  - c. Non-farm components
  - d. Social and community development plans

**XII. Quality of Institutional Arrangements for RAP Implementation**

**XIII. Monitoring, Reviews, and Evaluation**

1. Monthly monitoring
2. Annual review (RAP Audit)
3. RAP evaluation

**XIV. Effectiveness of Grievance Mechanism**

1. Steps for submitting grievances, complaints, etc.
2. Dispute resolution process
3. Follow up activities

**XV. RAPs Implementation Budget and Schedule**

1. Adequacy of budget for RAPs
2. Realism of implementation schedule

**ANNEX 4: Sample Grievance Redress Form**

<b>GRIEVANCE FORM</b>				
Grievance Number				Copies to forward to:
				<ul style="list-style-type: none"> <li>• Original-Receiver Party</li> <li>• Copy-Responsible Party</li> </ul>
Number of Recorder				
Region				
Date				
<b>INFORMATION ABOUT GRIEVANCE</b>				
Define the Grievance:				Means of Delivery of Grievance <i>(Please tick):</i>
				<ul style="list-style-type: none"> <li>• Meetings [ ]</li> <li>• Community /Information [ ]</li> <li>• Phone Line [ ]</li> <li>• Mail [ ]</li> <li>• Informal [ ]</li> <li>• Other [ ] <i>specify:</i></li> </ul>
<b>INFORMATION ABOUT THE COMPLAINT</b>				
Full Names				
Telephone Number				
Address				
Community				
Region				
Signature of Complainant				
<b>DETAILS OF GRIEVANCE</b>				
<b>1. Access to Land and Resources:</b>	<b>2. Damage to:</b>	<b>3. Damage to Infrastructure Community Assets:</b>	<b>4. Decrease or loss of livelihood:</b>	<b>5. Traffic Accident</b>
a) Fishing grounds b) Lands c) Pasturelands d) House e) Commercial Site	a) House b) Land c) Livestock d) Means of livelihood	a) Road/ Railway b) Bridge Passage ways c) Power/ Telephone Lines d) Water sources, canals and water infrastructure for irrigation and animals. d) Drinking water	a) Agriculture b) Animal Husbandry c) Beekeeping d) Small scale trade e) Other	a) Injury b) Damage to property c) Damage to Livestock d)

f) Other	e) Other	e) Sewerage System f) Other		Other
<b>6. Incidents Regarding Expropriation and Compensation (Specify)</b>	<b>7. Resettlement Process (Specify)</b>	<b>8. Employment and Recruitment (Specify)</b>	<b>9. Construction Camp and Community Relations</b> a) Nuisance from dust b) Nuisance from noise. c) Vibrations due to explosions d) Misconduct of the project personal/ worker e) Complaint follow up	<b>10. Other (Specify)</b>