



## Additional Appendices

These appendices were not included in the paper version of the sourcebook as they would have made the paper version of the sourcebook unwieldy, but they would be very useful for resettlement practitioners.

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## Appendix 1

# World Bank Involuntary Resettlement Policy, OP/BP 4.12

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**Note:** OP and BP 4.12 together replace OD 4.30, *Involuntary Resettlement*. This OP and BP apply to all projects for which a Project Concept Review takes place on or after January 1, 2002. Questions may be addressed to the Director, Social Development Department (SDV).

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1. Bank<sup>1</sup> experience indicates that involuntary resettlement under development projects, if unmitigated, often gives rise to severe economic, social, and environmental risks: production systems are dismantled; people face impoverishment when their productive assets or income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community institutions and social networks are weakened; kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished or lost. This policy includes safeguards to address and mitigate these impoverishment risks.

### Policy Objectives

2. Involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out. For these reasons, the overall objectives of the Bank's policy on involuntary resettlement are the following:
  - (a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.<sup>2</sup>
  - (b) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons<sup>3</sup> should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.
  - (c) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement

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1. "Bank" includes IDA; "loans" includes credits, guarantees, Project Preparation Facility (PPF) advances and grants; and "projects" includes projects under (a) adaptable program lending; (b) learning and innovation loans; (c) PPFs and Institutional Development Funds (IDFs), if they include investment activities; (d) grants under the Global Environment Facility and Montreal Protocol, for which the Bank is the implementing/executing agency; and (e) grants or loans provided by other donors that are administered by the Bank. The term "project" does not include programs under adjustment operations. "Borrower" also includes, wherever the context requires, the guarantor or the project implementing agency.
  2. In devising approaches to resettlement in Bank-assisted projects, other Bank policies should be taken into account, as relevant. These policies include OP 4.01 *Environmental Assessment*, OP 4.04 *Natural Habitats*, OP 4.11 *Safeguarding Cultural Property in Bank-Assisted Projects*, and OD 4.20 *Indigenous Peoples*.
  3. The term "displaced persons" refers to persons who are affected in any of the ways described in para. 3 of this OP.

levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.<sup>4</sup>

## Impacts Covered

3. This policy covers direct economic and social impacts<sup>5</sup> that both result from Bank-assisted investment projects<sup>6</sup>, and are caused by
  - (a) the involuntary<sup>7</sup> taking of land<sup>8</sup> resulting in
    - (i) relocation or loss of shelter;
    - (ii) lost of assets or access to assets; or
    - (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or
  - (b) the involuntary restriction of access<sup>9</sup> to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.
4. This policy applies to all components of the project that result in involuntary resettlement, regardless of the source of financing. It also applies to other activities resulting in involuntary resettlement, that in the judgment of the Bank, are (a) directly and significantly related to the Bank-assisted project, (b) necessary to achieve its objectives as set forth in the project documents; and (c) carried out, or planned to be carried out, contemporaneously with the project.

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4. Displaced persons under para. 3(b) should be assisted in their efforts to improve or restore their livelihoods in a manner that maintains the sustainability of the parks and protected areas.
  5. Where there are adverse indirect social or economic impacts, it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse economic and social impacts, particularly upon poor and vulnerable groups. Other environmental, social, and economic impacts that do not result from land taking may be identified and addressed through environmental assessments and other project reports and instruments.
  6. This policy does not apply to restrictions of access to natural resources under community-based projects, i.e. where the community using the resources decides to restrict access to these resources, provided that an assessment satisfactory to the Bank establishes that the community decision-making process is adequate, and that it provides for identification of appropriate measures to mitigate adverse impacts, if any, on the vulnerable members of the community. This policy also does not cover refugees from natural disasters, war, or civil strife (see OP/BP 8.50, *Emergency Recovery Assistance*).
  7. For purposes of this policy, "involuntary" means actions that may be taken without the displaced person's informed consent or power of choice.
  8. "Land" includes anything growing on or permanently affixed to land, such as buildings and crops. This policy does not apply to regulations of natural resources on a national or regional level to promote their sustainability, such as watershed management, groundwater management, fisheries management, etc. The policy also does not apply to disputes between private parties in land titling projects, although it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse social impacts, especially those affecting poor and vulnerable groups.
  9. For the purposes of this policy, involuntary restriction of access covers restrictions on the use of resources imposed on people living outside the park or protected area, or on those who continue living inside the park or protected area during and after project implementation. In cases where new parks and protected areas are created as part of the project, persons who lose shelter, land, or other assets are covered under para. 3(a). Persons who lose shelter in existing parks and protected areas are also covered under para. 3(a).

5. Requests for guidance on the application and scope of this policy should be addressed to the Resettlement Committee (see BP 4.12, para. 7).<sup>10</sup>

## Required Measures

6. To address the impacts covered under para. 3 (a) of this policy, the borrower prepares a resettlement plan or a resettlement policy framework (see paras. 25-30) that covers the following:
  - (a) The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
    - (i) informed about their options and rights pertaining to resettlement;
    - (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and
    - (iii) provided prompt and effective compensation at full replacement cost<sup>11</sup> for losses of assets<sup>12</sup> attributable directly to the project.
  - (b) If the impacts include physical relocation, the resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
    - (i) provided assistance (such as moving allowances) during relocation; and
    - (ii) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site.<sup>13</sup>
  - (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

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10. The *Resettlement Sourcebook* (forthcoming) provides good practice guidance to staff on the policy.

11. "Replacement cost" is the method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account (for a detailed definition of replacement cost, see Annex A, footnote 1). For losses that cannot easily be valued or compensated for in monetary terms (e.g., access to public services, customers, and suppliers; or to fishing, grazing, or forest areas), attempts are made to establish access to equivalent and culturally acceptable resources and earning opportunities. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures necessary to meet the replacement cost standard. Such additional assistance is distinct from resettlement assistance to be provided under other clauses of para. 6.

12. If the residual of the asset being taken is not economically viable, compensation and other resettlement assistance are provided as if the entire asset had been taken.

13. The alternative assets are provided with adequate tenure arrangements. The cost of alternative residential housing, housing sites, business premises, and agricultural sites to be provided can be set off against all or part of the compensation payable for the corresponding asset lost.

- (i) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living;<sup>14</sup> and
  - (ii) provided with development assistance in addition to compensation measures described in paragraph 6(a) (iii), such as land preparation, credit facilities, training, or job opportunities.
7. In projects involving involuntary restriction of access to legally designated parks and protected areas (see para. 3(b)), the nature of restrictions, as well as the type of measures necessary to mitigate adverse impacts, is determined with the participation of the displaced persons during the design and implementation of the project. In such cases, the borrower prepares a process framework acceptable to the Bank, describing the participatory process by which
- (a) specific components of the project will be prepared and implemented;
  - (b) the criteria for eligibility of displaced persons will be determined;
  - (c) measures to assist the displaced persons in their efforts to improve their livelihoods, or at least to restore them, in real terms, while maintaining the sustainability of the park or protected area, will be identified; and
  - (d) potential conflicts involving displaced persons will be resolved.

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

8. To achieve the objectives of this policy, particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples,<sup>15</sup> ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.
9. Bank experience has shown that resettlement of indigenous peoples with traditional land-based modes of production is particularly complex and may have significant adverse impacts on their identity and cultural survival. For this reason, the Bank satisfies itself that the borrower has explored all viable alternative project designs to avoid physical displacement of these groups. When it is not feasible to avoid such displacement, preference is given to land-based resettlement strategies for these groups (see para. 11) that are compatible with their cultural preferences and are prepared in consultation with them (see Annex A, para. 11).

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14. Such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements

15. See OD 4.20, *Indigenous Peoples*.

10. The implementation of resettlement activities is linked to the implementation of the investment component of the project to ensure that displacement or restriction of access does not occur before necessary measures for resettlement are in place. For impacts covered in para. 3(a) of this policy, these measures include provision of compensation and of other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, taking of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons. For impacts covered in para. 3(b) of this policy, the measures to assist the displaced persons are implemented in accordance with the plan of action as part of the project (see para. 30).
11. Preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based. These strategies may include resettlement on public land (see footnote 1 above), or on private land acquired or purchased for resettlement. Whenever replacement land is offered, resettlers are provided with land for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the land taken. If land is not the preferred option of the displaced persons, the provision of land would adversely affect the sustainability of a park or protected area,<sup>16</sup> or sufficient land is not available at a reasonable price, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.
12. Payment of cash compensation for lost assets may be appropriate where (a) livelihoods are land-based but the land taken for the project is a small fraction<sup>17</sup> of the affected asset and the residual is economically viable; (b) active markets for land, housing, and labor exist, displaced persons use such markets, and there is sufficient supply of land and housing; or (c) livelihoods are not land-based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.
13. For impacts covered under para. 3(a) of this policy, the Bank also requires the following:
  - (a) Displaced persons and their communities, and any host communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement. Appropriate and accessible grievance mechanisms are established for these groups.
  - (b) In new resettlement sites or host communities, infrastructure and public services are provided as necessary to improve, restore, or maintain accessibility and levels of

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16. See OP 4.04, *Natural Habitats*.

17. As a general principle, this applies if the land taken constitutes less than 20% of the total productive area.

service for the displaced persons and host communities. Alternative or similar resources are provided to compensate for the loss of access to community resources (such as fishing areas, grazing areas, fuel, or fodder).

- (c) Patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons. To the extent possible, the existing social and cultural institutions of resettlers and any host communities are preserved and resettlers' preferences with respect to relocating in preexisting communities and groups are honored.

### **Eligibility for Benefits<sup>18</sup>**

14. Upon identification of the need for involuntary resettlement in a project, the borrower carries out a census to identify the persons who will be affected by the project (see the Annex A, para. 6(a)), to determine who will be eligible for assistance, and to discourage inflow of people ineligible for assistance. The borrower also develops a procedure, satisfactory to the Bank, for establishing the criteria by which displaced persons will be deemed eligible for compensation and other resettlement assistance. The procedure includes provisions for meaningful consultations with affected persons and communities, local authorities, and, as appropriate, nongovernmental organizations (NGOs), and it specifies grievance mechanisms.
15. *Criteria for Eligibility.* Displaced persons may be classified in one of the following three groups:
  - (a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);
  - (b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets—provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan (see Annex A, para. 7(f)); and<sup>19</sup>
  - (c) those who have no recognizable legal right or claim to the land they are occupying.
16. Persons covered under para. 15(a) and (b) are provided compensation for the land they lose, and other assistance in accordance with para. 6. Persons covered under para. 15(c) are provided resettlement assistance<sup>20</sup> in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off date established by the borrower and

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18. Paras. 13-15 do not apply to impacts covered under para. 3(b) of this policy. The eligibility criteria for displaced persons under 3 (b) are covered under the process framework (see paras. 7 and 30).

19. Such claims could be derived from adverse possession, from continued possession of public lands without government action for eviction (that is, with the implicit leave of the government), or from customary and traditional law and usage, and so on.

20. Resettlement assistance may consist of land, other assets, cash, employment, and so on, as appropriate.

acceptable to the Bank.<sup>21</sup> Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in para. 15(a), (b), or (c) are provided compensation for loss of assets other than land.

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

17. To achieve the objectives of this policy, different planning instruments are used, depending on the type of project:
  - (a) a resettlement plan or abbreviated resettlement plan is required for all operations that entail involuntary resettlement unless otherwise specified (see para. 25 and Annex A);
  - (b) a resettlement policy framework is required for operations referred to in paras. 26-30 that may entail involuntary resettlement, unless otherwise specified (see Annex A); and
  - (c) a process framework is prepared for projects involving restriction of access in accordance with para. 3(b) (see para. 31).
18. The borrower is responsible for preparing, implementing, and monitoring a resettlement plan, a resettlement policy framework, or a process framework (the "resettlement instruments"), as appropriate, that conform to this policy. The resettlement instrument presents a strategy for achieving the objectives of the policy and covers all aspects of the proposed resettlement. Borrower commitment to, and capacity for, undertaking successful resettlement is a key determinant of Bank involvement in a project.
19. Resettlement planning includes early screening, scoping of key issues, the choice of resettlement instrument, and the information required to prepare the resettlement component or subcomponent. The scope and level of detail of the resettlement instruments vary with the magnitude and complexity of resettlement. In preparing the resettlement component, the borrower draws on appropriate social, technical, and legal expertise and on relevant community-based organizations and NGOs.<sup>22</sup> The borrower informs potentially displaced persons at an early stage about the resettlement aspects of the project and takes their views into account in project design.

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21. Normally, this cut-off date is the date the census begins. The cut-off date could also be the date the project area was delineated, prior to the census, provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx.

22. For projects that are highly risky or contentious, or that involve significant and complex resettlement activities, the borrower should normally engage an advisory panel of independent, internationally recognized resettlement specialists to advise on all aspects of the project relevant to the resettlement activities. The size, role, and frequency of meeting depend on the complexity of the resettlement. If independent technical advisory panels are established under OP 4.01, *Environmental Assessment*, the resettlement panel may form part of the environmental panel of experts.



20. The full costs of resettlement activities necessary to achieve the objectives of the project are included in the total costs of the project. The costs of resettlement, like the costs of other project activities, are treated as a charge against the economic benefits of the project; and any net benefits to resettlers (as compared to the "without-project" circumstances) are added to the benefits stream of the project. Resettlement components or free-standing resettlement projects need not be economically viable on their own, but they should be cost-effective.
21. The borrower ensures that the Project Implementation Plan is fully consistent with the resettlement instrument.
22. As a condition of appraisal of projects involving resettlement, the borrower provides the Bank with the relevant draft resettlement instrument which conforms to this policy, and makes it available at a place accessible to displaced persons and local NGOs, in a form, manner, and language that are understandable to them. Once the Bank accepts this instrument as providing an adequate basis for project appraisal, the Bank makes it available to the public through its InfoShop. After the Bank has approved the final resettlement instrument, the Bank and the borrower disclose it again in the same manner.<sup>23</sup>
23. The borrower's obligations to carry out the resettlement instrument and to keep the Bank informed of implementation progress are provided for in the legal agreements for the project.
24. The borrower is responsible for adequate monitoring and evaluation of the activities set forth in the resettlement instrument. The Bank regularly supervises resettlement implementation to determine compliance with the resettlement instrument. Upon completion of the project, the borrower undertakes an assessment to determine whether the objectives of the resettlement instrument have been achieved. The assessment takes into account the baseline conditions and the results of resettlement monitoring. If the assessment reveals that these objectives may not be realized, the borrower should propose follow-up measures that may serve as the basis for continued Bank supervision, as the Bank deems appropriate (see also BP 4.12, para. 16).

## **Resettlement Instruments**

### **Resettlement Plan**

25. A draft resettlement plan that conforms to this policy is a condition of appraisal (see Annex A, paras. 2-21) for projects referred to in para. 17(a) above.<sup>24</sup> However, where impacts on the entire displaced population are minor,<sup>25</sup> or fewer than 200 people are

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23. See BP 17.50, *Disclosure of Operational Information* (forthcoming) for detailed disclosure procedures.

24. An exception to this requirement may be made in highly unusual circumstances (such as emergency recovery operations) with the approval of Bank Management (see BP 4.12, para. 8). In such cases, the Management's approval stipulates a timetable and budget for developing the resettlement plan.

25. Impacts are considered "minor" if the affected people are not physically displaced and less than 10% of their productive assets are lost.

displaced, an abbreviated resettlement plan may be agreed with the borrower (see Annex A, para. 22). The information disclosure procedures set forth in para. 22 apply.

## **Resettlement Policy Framework**

26. For sector investment operations that may involve involuntary resettlement, the Bank requires that the project implementing agency screen subprojects to be financed by the Bank to ensure their consistency with this OP. For these operations, the borrower submits, prior to appraisal, a resettlement policy framework that conforms to this policy (see Annex A, paras. 23-25). The framework also estimates, to the extent feasible, the total population to be displaced and the overall resettlement costs.
27. For financial intermediary operations that may involve involuntary resettlement, the Bank requires that the financial intermediary (FI) screen subprojects to be financed by the Bank to ensure their consistency with this OP. For these operations, the Bank requires that before appraisal the borrower or the FI submit to the Bank a resettlement policy framework conforming to this policy (see Annex A, paras. 23-25). In addition, the framework includes an assessment of the institutional capacity and procedures of each of the FIs that will be responsible for subproject financing. When, in the assessment of the Bank, no resettlement is envisaged in the subprojects to be financed by the FI, a resettlement policy framework is not required. Instead, the legal agreements specify the obligation of the FIs to obtain from the potential subborrowers a resettlement plan consistent with this policy if a subproject gives rise to resettlement. For all subprojects involving resettlement, the resettlement plan is provided to the Bank for approval before the subproject is accepted for Bank financing.
28. For other Bank-assisted project with multiple subprojects<sup>26</sup> that may involve involuntary resettlement, the Bank requires that a draft resettlement plan conforming to this policy be submitted to the Bank before appraisal of the project unless, because of the nature and design of the project or of a specific subproject or subprojects (a) the zone of impact of subprojects cannot be determined, or (b) the zone of impact is known but precise sitting alignments cannot be determined. In such cases, the borrower submits a resettlement policy framework consistent with this policy prior to appraisal (see Annex A, paras. 23-25). For other subprojects that do not fall within the above criteria, a resettlement plan conforming to this policy is required prior to appraisal.
29. For each subproject included in a project described in para. 26, 27, or 28 that may involve resettlement, the Bank requires that a satisfactory resettlement plan or an abbreviated resettlement plan that is consistent with the provisions of the policy framework be submitted to the Bank for approval before the subproject is accepted for Bank financing.
30. For projects described in paras. 26-28 above, the Bank may agree, in writing, that subproject resettlement plans may be approved by the project implementing agency or a responsible government agency or financial intermediary without prior Bank review, if

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<sup>26</sup> For purpose of this paragraph, the term "subprojects" includes components and subcomponents.

that agency has demonstrated adequate institutional capacity to review resettlement plans and ensure their consistency with this policy. Any such delegation, and appropriate remedies for the entity's approval of resettlement plans found not to be in compliance with Bank policy, are provided for in the legal agreements for the project. In all such cases, implementation of the resettlement plans is subject to ex post review by the Bank.

### **Process Framework**

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

### **Assistance to the Borrower**

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

## OP 4.12 – Annex A

1. This annex describes the elements of a resettlement plan, an abbreviated resettlement plan, a resettlement policy framework, and a resettlement process framework, as discussed in OP 4.12, paras. 17-31.

### Resettlement Plan

2. The scope and level of detail of the resettlement plan vary with the magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about (a) the proposed resettlement and its impacts on the displaced persons and other adversely affected groups, and (b) the legal issues involved in resettlement. The resettlement plan covers the elements below, as relevant. When any element is not relevant to project circumstances, it should be noted in the resettlement plan.
3. *Description of the project*. General description of the project and identification of the project area.
4. *Potential impacts*. Identification of
  - (a) the project component or activities that give rise to resettlement;
  - (b) the zone of impact of such component or activities;
  - (c) the alternatives considered to avoid or minimize resettlement; and
  - (d) the mechanisms established to minimize resettlement, to the extent possible, during project implementation.
5. *Objectives*. The main objectives of the resettlement program.
6. *Socioeconomic studies*. The findings of socioeconomic studies to be conducted in the early stages of project preparation and with the involvement of potentially displaced people, including
  - (a) the results of a census survey covering
    - (i) current occupants of the affected area to establish a basis for the design of the resettlement program and 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) the 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 as provided for in OP 4.12, para. 8, 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.
- (b) Other studies describing the following
- (i) 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;
  - (ii) 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;
  - (iii) public infrastructure and social services that will be affected; and
  - (iv) social and cultural characteristics of displaced communities, including a description of formal and informal institutions (e.g., community organizations, ritual groups, nongovernmental organizations (NGOs)) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

7. *Legal framework.* The findings of an analysis of the legal framework, covering

- (a) the scope of the power of eminent domain and the nature of compensation associated with it, in terms of both the valuation methodology and the timing of payment;
- (b) the applicable legal and administrative procedures, including a description of the remedies available to displaced persons in the judicial process and the normal timeframe for such procedures, and any available alternative dispute resolution mechanisms that may be relevant to resettlement under the project;
- (c) relevant law (including customary and traditional law) governing land tenure, valuation of assets and losses, compensation, and natural resource usage rights; customary personal law related to displacement; and environmental laws and social welfare legislation;
- (d) laws and regulations relating to the agencies responsible for implementing resettlement activities;

- (e) gaps, if any, between local laws covering eminent domain and resettlement and the Bank's resettlement policy, and the mechanisms to bridge such gaps; and
  - (f) any legal steps necessary to ensure the effective implementation of resettlement activities under the project, including, as appropriate, a process for recognizing claims to legal rights to land—including claims that derive from customary law and traditional usage (see OP 4.12, para. 15 b).
8. *Institutional Framework.* The findings of an analysis of the institutional framework covering
- (a) the identification of agencies responsible for resettlement activities and NGOs that may have a role in project implementation;
  - (b) an assessment of the institutional capacity of such agencies and NGOs; and
  - (c) any steps that are proposed to enhance the institutional capacity of agencies and NGOs responsible for resettlement implementation.
9. *Eligibility.* Definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.
10. *Valuation of and compensation for losses.* The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation under local law and such supplementary measures as are necessary to achieve replacement cost for lost assets.<sup>1</sup>
11. *Resettlement measures.* A description of the packages of compensation and other resettlement measures that will assist each category of eligible displaced persons to achieve the objectives of the policy (see OP 4.12, para. 6). In addition to being technically and economically feasible, the resettlement packages should be compatible with the cultural preferences of the displaced persons, and prepared in consultation with them.

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1. With regard to land and structures, "replacement cost" is defined as follows: For agricultural land, it is the pre-project or pre-displacement, whichever is higher, 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. 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 with 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 labor and contractors' fees, plus the cost of any registration and transfer taxes. 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. 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. Such additional assistance is distinct from resettlement measures to be provided under other clauses in OP 4.12, para. 6.

12. *Site selection, site preparation, and relocation.* Alternative relocation sites considered and explanation of those selected, covering
  - (a) 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;
  - (b) any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;
  - (c) procedures for physical relocation under the project, including timetables for site preparation and transfer; and
  - (d) legal arrangements for regularizing tenure and transferring titles to resettlers.
13. *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 (e.g., schools, health services);<sup>2</sup> plans to ensure comparable services to host populations; any necessary site development, engineering, and architectural designs for these facilities.
14. *Environmental protection and management.* A description of the boundaries of the relocation area; and an assessment of the environmental impacts of the proposed resettlement<sup>3</sup> and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).
15. *Community participation.* Involvement of resettlers and host communities,<sup>4</sup> including
  - (a) a description of the strategy for consultation with and participation of resettlers and hosts in the design and implementation of the resettlement activities;
  - (b) a summary of the views expressed and how these views were taken into account in preparing the resettlement plan;
  - (c) a review of the resettlement alternatives presented and the choices made by displaced persons regarding options available to them, including choices related to forms of compensation and resettlement assistance, to relocating as individuals

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2. Provision of health care services, particularly for pregnant women, infants, and the elderly, may be important during and after relocation to prevent increases in morbidity and mortality due to malnutrition, the psychological stress of being uprooted, and the increased risk of disease.

3. Negative impacts that should be anticipated and mitigated include, for rural resettlement, deforestation, overgrazing, soil erosion, sanitation, and pollution; for urban resettlement, projects should address such density-related issues as transportation capacity and access to potable water, sanitation systems, and health facilities.

4. Experience has shown that local NGOs often provide valuable assistance and ensure viable community participation.

families or as parts of preexisting 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);<sup>5</sup> and

- (d) institutionalized arrangements by which displaced people can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such vulnerable groups as indigenous people, ethnic minorities, the landless, and women are adequately represented.
16. *Integration with host populations.* Measures to mitigate the impact of resettlement on any host communities, including
- (a) consultations with host communities and local governments;
  - (b) arrangements for prompt tendering of any payment due the hosts for land or other assets provided to resettlers;
  - (c) arrangements for addressing any conflict that may arise between resettlers and host communities; and
  - (d) any measures necessary to augment services (e.g., education, water, health, and production services) in host communities to make them at least comparable to services available to resettlers.
17. *Grievance procedures.* Affordable and accessible procedures for third-party settlement of disputes arising from resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.
18. *Organizational responsibilities.* The organizational framework for implementing resettlement, including identification of agencies responsible for delivery of resettlement measures and provision of services; arrangements to ensure appropriate coordination between agencies and jurisdictions involved in implementation; and any measures (including technical assistance) needed to strengthen the implementing agencies' capacity to design and carry out resettlement activities; provisions for the transfer to local authorities or resettlers themselves of responsibility for managing facilities and services provided under the project and for transferring other such responsibilities from the resettlement implementing agencies, when appropriate.
19. *Implementation schedule.* An implementation schedule covering all resettlement activities from preparation through implementation, including target dates for the achievement of expected benefits to resettlers and hosts and terminating the various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

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5. OPN 11.03, *Management of Cultural Property in Bank -Financed Projects.*



20. *Costs and budget.* Tables showing itemized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.
21. *Monitoring and evaluation.* Arrangements for monitoring of resettlement activities by the implementing agency, supplemented by independent monitors as considered appropriate by the Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

### **Abbreviated Resettlement Plan**

22. An abbreviated plan covers the following minimum elements:<sup>6</sup>
  - (a) a census survey of displaced persons and valuation of assets;
  - (b) description of compensation and other resettlement assistance to be provided;
  - (c) consultations with displaced people about acceptable alternatives;
  - (d) institutional responsibility for implementation and procedures for grievance redress;
  - (e) arrangements for monitoring and implementation; and
  - (f) a timetable and budget.

### **Resettlement Policy Framework**

23. The purpose of the policy framework is to clarify resettlement principles, organizational arrangements, and design criteria to be applied to subprojects to be prepared during project implementation (see OP 4.12, paras. 26-28). Subproject resettlement plans consistent with the policy framework subsequently are submitted to the Bank for approval after specific planning information becomes available (see OP 4.12, para. 29).
24. The resettlement policy framework covers the following elements, consistent with the provisions described in OP 4.12, paras. 2 and 4:
  - (a) a brief description of the project and components for which land acquisition and resettlement are required, and an explanation of why a resettlement plan as

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6. In case some of the displaced persons lose more than 10% of their productive assets or require physical relocation, the plan also covers a socioeconomic survey and income restoration measures.

described in paras. 2-21 or an abbreviated plan as described in para. 22 cannot be prepared by project appraisal;

- (b) principles and objectives governing resettlement preparation and implementation;
  - (c) a description of the process for preparing and approving resettlement plans;
  - (d) estimated population displacement and likely categories of displaced persons, to the extent feasible;
  - (e) eligibility criteria for defining various categories of displaced persons;
  - (f) a legal framework reviewing the fit between borrower laws and regulations and Bank policy requirements and measures proposed to bridge any gaps between them;
  - (g) methods of valuing affected assets;
  - (h) organizational procedures for delivery of entitlements, including, for projects involving private sector intermediaries, the responsibilities of the financial intermediary, the government, and the private developer;
  - (i) a description of the implementation process, linking resettlement implementation to civil works;
  - (j) a description of grievance redress mechanisms;
  - (k) a description of the arrangements for funding resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements;
  - (l) a description of mechanisms for consultations with, and participation of, displaced persons in planning, implementation, and monitoring; and
  - (m) arrangements for monitoring by the implementing agency and, if required, by independent monitors.
25. When a resettlement policy framework is the only document that needs to be submitted as a condition of the loan, the resettlement plan to be submitted as a condition of subproject financing need not include the policy principles, entitlements, and eligibility criteria, organizational arrangements, arrangements for monitoring and evaluation, the framework for participation, and mechanisms for grievance redress set forth in the resettlement policy framework. The subproject-specific resettlement plan needs to include baseline census and socioeconomic survey information; specific compensation rates and standards; policy entitlements related to any additional impacts identified through the census or survey; description of resettlement sites and programs for improvement or restoration of livelihoods and standards of living; implementation schedule for resettlement activities; and detailed cost estimate.

## Process Framework

26. A process framework is prepared when Bank-supported projects may cause restrictions in access to natural resources in legally designated parks and protected areas. The purpose of the process framework is to establish a process by which members of potentially affected communities participate in design of project components, determination of measures necessary to achieve resettlement policy objectives, and implementation and monitoring of relevant project activities (see OP 4.12, paras. 7 and 31).
27. Specifically, the process framework describes participatory processes by which the following activities will be accomplished
  - (a) *Project components will be prepared and implemented.* The document should briefly describe the project and components or activities that may involve new or more stringent restrictions on natural resource use. It should also describe the process by which potentially displaced persons participate in project design.
  - (b) *Criteria for eligibility of affected persons will be determined.* The document should establish that potentially affected communities will be involved in identifying any adverse impacts, assessing of the significance of impacts, and establishing of the criteria for eligibility for any mitigating or compensating measures necessary.
  - (c) *Measures to assist affected persons in their efforts to improve their livelihoods or restore them, in real terms, to pre-displacement levels, while maintaining the sustainability of the park or protected area will be identified.* The document should describe methods and procedures by which communities will identify and choose potential mitigating or compensating measures to be provided to those adversely affected, and procedures by which adversely affected community members will decide among the options available to them.
  - (d) *Potential conflicts or grievances within or between affected communities will be resolved.* The document should describe the process for resolving disputes relating to resource use restrictions that may arise between or among affected communities, and grievances that may arise from members of communities who are dissatisfied with the eligibility criteria, community planning measures, or actual implementation.

Additionally, the process framework should describe arrangements relating to the following

- (e) *Administrative and legal procedures.* The document should review agreements reached regarding the process approach with relevant administrative jurisdictions and line ministries (including clear delineation for administrative and financial responsibilities under the project).
- (f) *Monitoring arrangements.* The document should review arrangements for participatory monitoring of project activities as they relate to (beneficial and

adverse) impacts on persons within the project impact area, and for monitoring the effectiveness of measures taken to improve (or at minimum restore) incomes and living standards.

## Involuntary Resettlement BP 4.12

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**Note: OP and BP 4.12 together replace OD 4.30, *Involuntary Resettlement*. This OP and BP apply to all projects for which a Project Concept Review takes place on or after January 1, 2002. Questions may be addressed to the Director, Social Development Department (SDV).**

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1. The planning of resettlement activities is an integral part of preparation for Bank-assisted.<sup>1</sup> During project identification, the task team (TT) identifies any potential involuntary resettlement<sup>2</sup> under the project. Throughout project processing, the TT consults the regional social development unit,<sup>3</sup> Legal Vice Presidency (LEG) and, as necessary, the Resettlement Committee (see para. 7 of this BP).
2. When a proposed project is likely to involve involuntary resettlement, the TT informs the borrower of the provisions of OP/BP 4.12. The TT and borrower staff
  - (a) assess the nature and magnitude of the likely displacement;
  - (b) explore all viable alternative project designs to avoid, where feasible, or minimize displacement;<sup>4</sup>
  - (c) assess the legal framework covering resettlement and the policies of the government and implementing agencies (identifying any inconsistencies between such policies and the Bank's policy);
  - (d) review past borrower and likely implementing agencies' experience with similar operations;
  - (e) discuss with the agencies responsible for resettlement the policies and institutional, legal, and consultative arrangements for resettlement, including measures to address any inconsistencies between government or implementing agency policies and Bank policy; and
  - (f) discuss any technical assistance to be provided to the borrower (see OP 4.12, para. 32).

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1. "Bank" includes IDA; "loans" includes credits, guarantees, Project Preparation Facility (PPF) advances, and grants; and "projects" includes projects under (a) adaptable program lending; (b) learning and innovation loans; (c) PPFs and Institutional Development Funds (IDFs), if they include investment activities; (d) grants under the Global Environment Facility and Montreal Protocol for which the Bank is the implementing/executing agency; and (e) grants or loans provided by other donors that are administered by the Bank. The term "project" does not include programs under adjustment operations. "Borrower" also includes, wherever the context requires, the guarantor or the project implementing agency

2. See OP 4.12, *Involuntary Resettlement*.

3. Unit or department in the Region responsible for resettlement issues

4. The Bank satisfies itself that the borrower has explored all viable alternative project designs to avoid involuntary resettlement and, when it is not feasible to avoid such resettlement, to minimize the scale and impacts of resettlement (for example, realignment of roads or reduction in dam height may reduce resettlement needs). Such alternative designs should be consistent with other Bank policies.

3. Based on the review of relevant resettlement issues, the TT agrees with the Regional social development unit and LEG on the type of resettlement instrument (resettlement plan, abbreviated resettlement plan, resettlement policy framework, or process framework) and the scope and the level of detail required. The TT conveys these decisions to the borrower and also discusses with the borrower the actions necessary to prepare the resettlement instrument,<sup>5</sup> agrees on the timing for preparing the resettlement instrument, and monitors progress.
4. The TT summarizes in the Project Concept Document (PCD) and the Project Information Document (PID) available information on the nature and magnitude of displacement and the resettlement instrument to be used, and the TT periodically updates the PID as project planning proceeds.
5. For projects with impacts under para. 3 (a) of OP 4.12, the TT assesses the following during project preparation:
  - (a) the extent to which project design alternatives and options to minimize and mitigate involuntary resettlement have been considered;
  - (b) progress in preparing the resettlement plan or resettlement policy framework and its adequacy with respect to OP 4.12, including the involvement of affected groups and the extent to which the views of such groups are being considered;
  - (c) proposed criteria for eligibility of displaced persons for compensation and other resettlement assistance;
  - (d) the feasibility of the proposed resettlement measures, including provisions for sites if needed; funding for all resettlement activities, including provision of counterpart funding on an annual basis; the legal framework; and implementation and monitoring arrangements; and
  - (e) if sufficient land is not available in projects involving displaced persons whose livelihoods are land-based and for whom a land-based resettlement strategy is the preferred option, the evidence of lack of adequate land (OP 4.12, para. 11).
6. For projects with impacts under para. 3 (b) of OP 4.12, the TT assesses the following during project preparation:
  - (a) the extent to which project design alternatives and options to minimize and mitigate involuntary resettlement have been considered; and
  - (b) progress in preparing the process framework and its adequacy in respect to OP 4.12, including the adequacy of the proposed participatory approach; criteria for

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5. Such actions may include, for example, developing procedures for establishing eligibility for resettlement assistance; conducting socioeconomic surveys and legal analyses; carrying out public consultation; identifying resettlement sites; evaluating options for improvement or restoration of livelihoods and standards of living; or, in the case of highly risky or contentious projects, engaging a panel of independent, internationally recognized resettlement specialists.

eligibility of displaced persons; funding for resettlement; the legal framework; and implementation and monitoring arrangements.

7. The TT may request a meeting with the Resettlement Committee to obtain endorsement of, or guidance on, (a) the manner in which it proposes to address resettlement issues in a project, or (b) clarifications on the application and scope of this policy. The Committee, chaired by the vice president responsible for resettlement, includes the Director, Social Development Department, a representative from LEG, and two representatives from Operations, one of whom is from the sector of the project being discussed. The Committee is guided by the policy and, among other sources, the *Resettlement Sourcebook* (forthcoming), which will be regularly updated to reflect good practice.

## Appraisal

8. The borrower submits to the Bank a resettlement plan, a resettlement policy framework, or a process framework that conform with the requirements of OP 4.12, as a condition of appraisal for projects involving involuntary resettlement (see OP 4.12, paras. 17-31). Appraisal may be authorized before the plan is completed in highly unusual circumstances (such as emergency recovery operations) with the approval of the Managing Director in consultation with the Resettlement Committee. In such cases, the TT agrees with the borrower on a timetable for preparing and furnishing to the Bank the relevant resettlement instrument that conforms with the requirements of OP 4.12.
9. Once the borrower officially transmits the draft resettlement instrument to the Bank, Bank staff—including the Regional resettlement specialists and the lawyer—review it, determine whether it provides an adequate basis for project appraisal, and advise the Regional sector management accordingly. Once approval for appraisal has been granted by the Country Director, the TT sends the draft resettlement instrument to the Bank's InfoShop.<sup>6</sup> The TT also prepares and sends the English language executive summary of the draft resettlement instrument to the Corporate Secretariat, under cover of a transmittal memorandum confirming that the executive summary and the draft resettlement instrument are subject to change during appraisal.
10. During project appraisal, the TT assesses (a) the borrower's commitment to and capacity for implementing the resettlement instrument; (b) the feasibility of the proposed measures for improvement or restoration of livelihoods and standards of living; (c) availability of adequate counterpart funds for resettlement activities; (d) significant risks, including risk of impoverishment, from inadequate implementation of the resettlement instrument; (e) consistency of the proposed resettlement instrument with the Project Implementation Plan; and (f) the adequacy of arrangements for internal, and if considered appropriate by the TT, independent monitoring and evaluation of the implementation of the resettlement instrument.<sup>7</sup> The TT obtains the concurrence of the

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6. See BP 17.50, *Disclosure of Operational Information* (forthcoming) for detailed disclosure procedures.

7. For projects with impacts covered under para. 3 (b) of OP 4.12, the analysis referred to in (b) and (d) above is carried out when the plan of action is furnished to the Bank (see para. 15 of this BP).

Regional social development unit and LEG to any changes to the draft resettlement instrument during project appraisal. Appraisal is complete only when the borrower officially transmits to the Bank the final draft resettlement instrument conforming to Bank policy (OP 4.12).

11. In the Project Appraisal Document (PAD), the TT describes the resettlement issues, proposed resettlement instrument and measures, and the borrower's commitment to and institutional and financial capacity for implementing the resettlement instrument. The TT also discusses in the PAD the feasibility of the proposed resettlement measures and the risks associated with resettlement implementation. In the annex to the PAD, the TT summarizes the resettlement provisions, covering, inter alia, basic information on affected populations, resettlement measures, institutional arrangements, timetable, budget, including adequate and timely provision of counterpart funds, and performance monitoring indicators. The PAD annex shows the overall cost of resettlement as a distinct part of project costs.
12. The project description in the Loan Agreement describes the resettlement component or subcomponent. The legal agreements provide for the borrower's obligation to carry out the relevant resettlement instrument and keep the Bank informed of project implementation progress.<sup>8</sup> At negotiations, the borrower and the Bank agree on the resettlement plan or resettlement policy framework or process framework. Before presenting the project to the Board, the TT confirms that the responsible authority of the borrower and any implementation agency have provided final approval of the relevant resettlement instrument.

## Supervision

13. Recognizing the importance of close and frequent supervision<sup>9</sup> to good resettlement outcomes, the Regional vice president, in coordination with the relevant country director, ensures that appropriate measures are established for the effective supervision of projects with involuntary resettlement. For this purpose, the country director allocates dedicated funds to adequately supervise resettlement, taking into account the magnitude and complexity of the resettlement component or subcomponent and the need to involve the requisite social, financial, legal, and technical experts. Supervision should be carried out with due regard to the Regional Action Plan for Resettlement Supervision.<sup>10</sup>
14. Throughout project implementation the TL supervises the implementation of the resettlement instrument ensuring that the requisite social, financial, legal, and technical experts are included in supervision missions. Supervision focuses on compliance with the legal instruments, including the Project Implementation Plan and the resettlement instrument, and the TT discusses any deviation from the agreed instruments with the

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8. In case of resettlement policy framework, the borrower's obligation also includes preparing a resettlement plan in accordance with the framework, for each sub-project giving rise to displacement, and furnishing it to be the Bank for approval prior to implementation of the sub-project.

9. See OP/BP 13.05, *Project Supervision*.

10. The Plan is prepared by the regional social development unit in consultation with the TTs and Legal.



borrower and reports it to Regional Management for prompt corrective action. The TT regularly reviews the internal, and where applicable, independent monitoring reports to ensure that the findings and recommendations of the monitoring exercise are being incorporated in project implementation. To facilitate a timely response to problems or opportunities that may arise with respect to resettlement, the TT reviews project resettlement planning and implementation during the early stages of project implementation. On the basis of the findings of this review, the TT engages the borrower in discussing and, if necessary, amending the relevant resettlement instrument to achieve the objectives of this policy.

15. For projects with impacts covered under para. 3(b) of OP 4.12, the TT assesses the plan of action to determine the feasibility of the measures to assist the displaced persons to improve (or at least restore in real terms to pre-project or pre-displacement levels, whichever is higher) their livelihoods with due regard to the sustainability of the natural resource, and accordingly informs the Regional Management, the Regional social development unit, and LEG. The TL makes the plan of action available to the public through the InfoShop.
16. A project is not considered complete—and Bank supervision continues—until the resettlement measures set out in the relevant resettlement instrument have been implemented. Upon completion of the project, the Implementation Completion Report (ICR)<sup>11</sup> evaluates the achievement of the objectives of the resettlement instrument and lessons for future operations and summarizes the findings of the borrower's assessment referred to in OP 4.12, para. 24.<sup>12</sup> If the evaluation suggests that the objectives of the resettlement instrument may not be realized, the ICR assesses the appropriateness of the resettlement measures and may propose a future course of action, including, as appropriate, continued supervision by the Bank.

## Country Assistance Strategy

17. In countries with a series of operations requiring resettlement, the ongoing country and sector dialogue with the government should include any issues pertaining to the country's policy, institutional, and legal framework for resettlement. Bank staff should reflect these issues in country economic and sector work and in the Country Assistance Strategy.

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11. See OP/BP 13.05, *Implementation Completion Report*.

12. The ICR's assessment of the extent to which resettlement objectives were realized is normally based on a socioeconomic survey of affected people conducted at the time of project completion, and takes into account the extent of displacement, and the impact of the project on the livelihoods of displaced persons and any host communities.

## Appendix 2

### Matrix of Major Planning Activities by Project Stage

	<i>Identification</i>	<i>Preparation</i>	<i>Implementation</i>
Planning	<ul style="list-style-type: none"> <li>• Examine R&amp;R minimization where possible</li> <li>• Review prior R&amp;R activities or plans</li> <li>• Determine need for R&amp;R specialist to assess prior action and develop R&amp;R strategy</li> <li>• Compare time frame for R&amp;R and main investment project</li> <li>• Brief any co-financiers on Bank OD requirements regarding R&amp;R</li> </ul>	<ul style="list-style-type: none"> <li>• Plan resettlement sites (if required)</li> <li>• Appoint consultant if necessary to help borrowers prepare RAP</li> </ul>	<ul style="list-style-type: none"> <li>• Supervision to identify implementation constraints and revise plan as necessary</li> <li>• Update plan annually</li> </ul>
Policy	<ul style="list-style-type: none"> <li>• Review existing policy of executing agency and evaluate adequacy</li> <li>• Compare policy to OD 4.30 and identify gaps</li> </ul>	<ul style="list-style-type: none"> <li>• Define PAPs for project purposes</li> <li>• Define entitlements for various impacts</li> <li>• Establish requirements for issuing GOs or GRs</li> <li>• Negotiate and agree on methods for valuing compensation at replacement rates</li> <li>• Establish accessible project-specific grievance mechanisms as needed</li> <li>• Clarify other policy issues</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor policy implementation</li> <li>• Continue grievance procedures</li> <li>• Coordinate work of R&amp;R agency with other agencies to ensure policy compliance</li> <li>• Review need for additional policy measures</li> </ul>
Surveys	<ul style="list-style-type: none"> <li>• Review R&amp;R implications of different project alternatives</li> <li>• Examine existing survey data</li> <li>• Do Land Acquisition Assessment/s of proposed project or alternatives to determine OD 4.30 applicability and extent of R&amp;R required</li> </ul>	<ul style="list-style-type: none"> <li>• Appoint consultants to carry out socioeconomic survey and census if necessary</li> <li>• Establish cut-off date for PAP eligibility</li> <li>• Mark out affected area</li> <li>• Do socioeconomic and census surveys of PAPs</li> <li>• Categorize PAPs by impacts</li> <li>• Issue ID cards to PAPs</li> <li>• Publicize census results and establish appeals procedure</li> <li>• Survey host communities</li> </ul>	<ul style="list-style-type: none"> <li>• Resolve outstanding survey appeals</li> <li>• Carry out verification surveys every 2 years to relocation</li> <li>• Conduct retrofits if necessary</li> </ul>

*(cont.)*

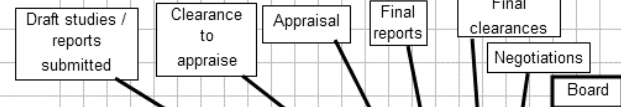
	<i>Identification</i>	<i>Preparation</i>	<i>Implementation</i>
Institutions	<ul style="list-style-type: none"> <li>• Get assessment of past performance of R&amp;R institutions in executing agency</li> <li>• Discuss institutional arrangements for R&amp;R with executing agency</li> </ul>	<ul style="list-style-type: none"> <li>• Borrower prepares organigram of R&amp;R institutions, reviews functional or geographic roles</li> <li>• Establish coordinating committees involving all participants including NGOs and PAPs</li> <li>• Establish R&amp;R agency with adequate mandate</li> <li>• Assure adequate staff for R&amp;R is approved and budgeted with strong incentive structure</li> <li>• Ensure budgetary flexibility in R&amp;R agency</li> </ul>	<ul style="list-style-type: none"> <li>• Staff approval and placement per organigram</li> <li>• Monitor progress of coordinating committees</li> <li>• Provide support to R&amp;R staff</li> <li>• Assist in preparations for handover of IR responsibilities to local administration</li> <li>• Monitor vacancies in R&amp;R agency</li> </ul>
Participation	<ul style="list-style-type: none"> <li>• Consult closely with local administration or governments</li> <li>• Assess input from EA process</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct information campaign, if necessary by consultant</li> <li>• Conduct and record structured and regular PAP consultations</li> <li>• Prepare plan with PAP or NGO participation and approval</li> <li>• Consult hosts on IR program design</li> <li>• Ensure PAP or NGO representation on grievance tribunals</li> <li>• Appoint and train VRWs (where used)</li> <li>• PAP or NGO representatives on project coordinating committee</li> </ul>	<ul style="list-style-type: none"> <li>• PAP input at sites &amp; M &amp; E Common property resource management by PAPs</li> <li>• PAPs or NGOs monitor provision of entitlements and rehabilitation measures</li> <li>• Continued participation on grievance tribunals</li> </ul>
Income restoration	<ul style="list-style-type: none"> <li>• Assess input agency IR success by sector in vicinity</li> </ul>	<ul style="list-style-type: none"> <li>• Assess IR targets on basis of survey results</li> <li>• Develop menu of IR options, in consultation with PAPs</li> <li>• Conduct economic, financial, and technical feasibility studies on proposed IR options (land and non-land-based)</li> <li>• Assess existing skills of PAPs and identify training needs</li> <li>• Identify need for extension services</li> </ul>	<ul style="list-style-type: none"> <li>• Provide compensation and other entitlements</li> <li>• Provide transitional grants</li> <li>• Manage training and coordinate with existing government programs</li> <li>• Monitor acquisition of IR assets</li> <li>• Monitor PAP group activities</li> <li>• Establish institutional mechanisms to coordinate implementation of IR</li> <li>• Have M &amp; E agency monitor incomes</li> </ul>

*Source: India Resettlement Handbook , World Bank, 1995, pp. 6-7, 1995.*

**Planning Matrix- Environment and Social Development(cont.)**

**Note: To use this table as a template, or view it full size, please use "Appendix 2 – Planning**

**Key milestones:**



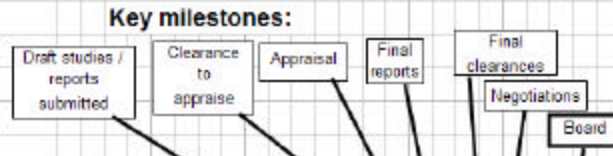
Components and deliverables	TIME FRAME		RESPONSIBLE	INDICATORS	2002						2003					
	START	END			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun

**Part I: Processing plan for Social Assessment and Social Safeguards**

I. POLICY FRAMEWORK AND APPROACH														
A. Involuntary Resettlement														
1	Draft policy and entitlement framework prepared	16-Jan-02	15-Oct-02	PPC / LGED	Policy framework									
2	Policy and entitlement framework endorsed	15-Oct-02	15-Nov-02	GOB	Endorsement letter									
3	Policy and entitlement framework approved	15-Nov-02	1-Dec-02	WB	Approval letter									
B. Indigenous Peoples														
1	Draft policy and entitlement framework prepared	1-Oct-02	1-Nov-02	PPC / LGED	Policy framework									
2	Policy and entitlement framework endorsed	1-Nov-02	15-Nov-02	GOB	Endorsement letter									
3	Policy and entitlement framework approved	15-Nov-02	1-Dec-02	WB	Approval letter									
II. ANALYSIS, DOCUMENTATION AND REVIEWS														
A. Stakeholder analysis														
1	Draft matrix of stakeholders, interests, etc.	15-Sep-02	15-Oct-02	PPC / LGED	Report									
2	Preparation of participation framework	15-Sep-02	15-Oct-02											
B. Social screening (to be coordinated with environmental screening)														
1	Screening report for first year works	15-Sep-02	1-Nov-02	PPC / LGED	Report									
2	Documentation of linkage screening / designs	15-Sep-02	1-Nov-02											
C. Census of affected population														
1	100% final census of 1st year PAPs (includes joint verification of assets, etc.)	1-Oct-02	1-Dec-02	PPC / LGED / DC / community	Report									
2	Estimate of PAPs for full project (yr 2 onwards) (projections, extrapolation, sampling; includes methodology for ongoing updating)	1-Nov-02	1-Dec-02	PPC / LGED										
3	Coordination with LA notification, Section 3	1-Oct-02	1-Dec-02	DC (Min. of Land)	Notification									

Components and deliverables		TIME FRAME		RESPONSIBLE	INDICATORS	2002												2003								
		START	END			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun									
<b>D. Sample socio-economic baseline survey</b>						Report																				
1	Prepare methodology (based on stakeholder analysis; data types)	1-Nov-02	15-Nov-02	PPC / LGED	Draft instruments / methodology																					
2	Agreement on methodology	15-Nov-02	1-Dec-02		Instruments, methodology																					
3	Data collection	1-Dec-02	1-Feb-03	PPC / LGED	Fieldwork underway																					
4	Draft report	1-Jan-03	1-Mar-03		Draft report																					
5	Final report	1-Mar-03	1-Apr-03		Final report																					
<b>E. Independent Review (Social and Environmental)</b>																										
1	Agreement on scope, financing		15-Sep-02	WB/GOB	Aide Memoire																					
2	Terms of Reference	15-Sep-02	15-Oct-02	WB / LGED	TOR																					
3	Consultancy contracting	15-Oct-02	1-Dec-02		Contract																					
4	Field work and draft report	1-Jan-03	31-Jan-03	Indp. Consultants	Draft report																					
5	Comments on draft report	31-Jan-03	7-Feb-03	PPC / LGED / WB	Comments																					
6	Final review report	7-Feb-03	15-Feb-03	Indp. Consultants	Final report																					
7	Updating of project documents based on review	1-Feb-03	15-Feb-03	PPC / LGED	Updated project documents																					
<b>III. CONSULTATION, PARTICIPATION AND DISCLOSURE (Social and environmental)</b>																										
1	Consultation related to social and environmental scope	15-Oct-02	1-Dec-02	PPC / LGED	Consultations under way																					
2	Documentation of consultation process	15-Oct-02	1-Dec-02		Report																					
3	Decisions recorded about project implications (Designs, implementation mechanisms, etc.) (Systematic feedback, participatory M&E)	1-Nov-02	1-Dec-02		Documented examples of design and implementation implications																					
5	Disclosure of key draft documents in local language(s)		1-Dec-02	PPC / LGED	Documents placed in public domain (incl. PIC)																					
6	Consultations and feedback regarding draft documents	1-Dec-02	1-Feb-03																							
7	Disclosure of final documents in local language(s)		1-Mar-03																							
8	Consultations as part of implementation (Systematic feedback, participatory M&E)	Ongoing		LGED	Stakeholder involvement and concerns addressed in implementation																					

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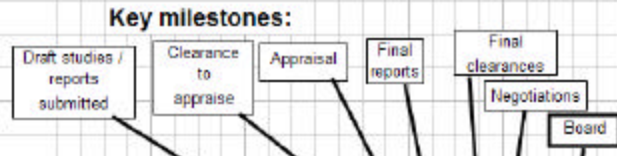


					<b>Key milestones:</b>																
								Draft studies / reports submitted		Clearance to appraise		Appraisal		Final reports		Final clearances		Negotiations		Board	
Components and deliverables					TIME FRAME		RESPONSIBLE	INDICATORS	2002												
					START	END			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
<b>IV. ACTION AND MITIGATION PLANS</b>																					
<b>A. Resettlement Action Plan (RAP)</b>																					
1	Draft RAP				1-Oct-02	1-Dec-02	PPC/LGED	Draft RAP													
2	Review and comments on draft RAP				1-Dec-02	20-Dec-02	WB	Comments sent													
3	Revised, final draft RAP (input from ind. review)				20-Dec-02	15-Jan-03	PPC/LGED	Final draft RAP													
4	Final RAP				15-Jan-03	1-Mar-03	PPC/LGED/GOB	Final RAP													
<b>B. Indigenous Peoples Development Plan</b>																					
1	Determine applicability of IP policy					15-Sep-02	WB / GOB	Aide Memoire													
2	Draft IPDP				1-Oct-02	1-Dec-02	PPC / LGED	Draft PDP													
3	Review and comments on draft IPDP				1-Dec-02	20-Dec-02	WB	Comments sent													
4	Revised, final draft IPDP (input from ind. Review)				20-Dec-02	15-Jan-03	PPC / LGED	Final draft PDP													
5	Final IPDP				15-Jan-03	1-Mar-03		Final PDP													
<b>C. Social Development and Gender Action Plan</b>																					
1	Draft SDGAP				1-Oct-02	1-Dec-02	PPC / LGED	Draft SDGAP													
2	Review and comments on draft SDGAP				1-Dec-02	20-Dec-02	WB	Comments sent													
3	Revised, final draft SDGAP (input from ind. Review)				20-Dec-02	15-Jan-03	PPC / LGED	Draft final SDGAP													
4	Final SDGAP				15-Jan-03	1-Mar-03	PPC / LGED	Final SDGAP													
<b>V. ORGANIZATIONAL CAPACITY</b>																					
1	Implementation mechanisms / responsibilities determined				1-Nov-02	1-Dec-02	PPC / LGED	Report													
2	Recruitment and training needs identified				1-Nov-02	1-Dec-02	PPC / LGED	Report													
3	Coordination and oversight mechanisms within LGED				15-Nov-02	15-Jan-03	PPC / LGED	Order issued													
3	Coordination mechanisms with other agencies agreed				16-Nov-02	15-Jan-03	PPC / LGED / Others	MOU, other documentation													
4	Recruitment and training underway as required				15-Jan-02	Ongoing	PPC / LGED	Recruitment, training													

(cont.)

Components and deliverables	TIME FRAME		RESPONSIBLE	INDICATORS	2002												2003				
	START	END			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun					
<b>Part II: Processing plan for Environmental Management Framework</b>																					
<b>I. POLICY FRAMEWORK AND APPROACH</b>																					
Processing as per GOB and WB policies and guidelines			GOB/WB	Agreed																	
<b>II. ANALYSIS, DOCUMENTATION AND REVIEWS</b>																					
<b>A. Background studies</b>																					
1	Appraisal of national policies and plans	15-Aug-02	28-Sep-02	PPC / LGED	Report																
2	Identify national / regional assets and issues	15-Aug-02	28-Sep-02		Report																
3	Environmental sensitivity mapping	15-Sep-02	1-Oct-02		Report																
4	Analysis of alternatives	15-Sep-02	1-Oct-02		Report																
5	Establish regional impacts and recommend mitigation	15-Sep-02	15-Oct-02		Report																
6	Identify opportunities for environmental enhancement	1-Oct-02	1-Nov-02		Report																
<b>B. Environmental analysis</b>																					
1	Define detailed methodology	15-Aug-02	28-Sep-02	PPC / LGED	Instruments, methodology																
2	Agreement on methodology	20-Sep-02	25-Sep-02	LGED / WB	Agreement																
3	Decide case study samples	15-Aug-02	25-Sep-02	PPC / LGED	Methodology																
4	Agreement on case study samples	28-Sep-02	1-Oct-02	LGED / WB	Agreement																
5	Conduct case studies	1-Oct-02	20-Oct-02	PPC / LGED	Fieldwork underway																
6	Establish impacts and recommend mitigation	15-Oct-02	1-Nov-02		Report																
7	Establish environmental screening criteria (based on case studies)	15-Oct-02	1-Nov-02		Report																
<b>C. Independent Review</b>																					
As described above, in Part I		15-Sep-02	15-Feb-03		Report																
<b>III. CONSULTATION, PARTICIPATION AND DISCLOSURE</b>																					
As described above, in Part I		15-Oct-02	Ongoing		See section above																

(cont.)





Components and deliverables	TIME FRAME		RESPONSIBLE	INDICATORS	2002												2003				
	START	END			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun					
<b>IV. ACTION AND MITIGATION PLANS</b>																					
<b>A. Environmental Management Framework</b>																					
1	Screening criteria for sub-projects	1-Nov-02	7-Nov-02	PPC / LGED	Report																
2	Environmental management framework - screening and mitigation measures - documentation of linkage screening / designs - supervision, monitoring, inspection & audit framework - implementation arrangements - reporting requirements	1-Nov-02	1-Dec-02																		
3	Review and comments on draft EMF	1-Dec-02	20-Dec-02			WB	Comments sent														
4	Revised, final draft EMF (input from ind.review)	20-Dec-02	15-Jan-03			PP/LGED	Final draft EMF														
5	Final EMF	15-Jan-03	1-Mar-03			PP/LGED/GOB	Final EMF														
<b>B. Environmental codes of practice</b>																					
1	Feeder Road improvement	15-Oct-02	7-Nov-02	PPC / LGED	Report																
2	Growth centre / markets	15-Oct-02	7-Nov-02																		
3	Rural Roads improvement	1-Nov-02	15-Nov-02																		
4	FR / RR maintenance	1-Nov-02	15-Nov-02																		
5	Jetties	7-Nov-02	20-Nov-02																		
6	Structures including large structure	7-Nov-02	20-Nov-02																		
7	Review and comments on draft ECP	1-Dec-02	20-Dec-02	WB	Comments sent																
8	Revised, final draft ECP (input from ind.review)	20-Dec-02	15-Jan-03	PP/LGED	Final draft ECP																
9	Final ECP	15-Jan-03	1-Mar-03	PP/LGED/GOB	Final ECP																
<b>C. Environmental management plans</b>																					
1	Entire first year feeder roads improvement	1-Nov-02	1-Dec-02	PPC / LGED	Report																
2	One sub-project for rural road improvement	1-Nov-02	1-Dec-02																		
3	One sub-project for each type of FR/RR maintenance	7-Nov-02	1-Dec-02																		
4	One sub-project for growth centre / market	7-Nov-02	1-Dec-02																		
5	One sub-project for jetty	15-Nov-02	1-Dec-02																		
6	One sub-project for a large structure	15-Nov-02	1-Dec-02																		
7	Review and comments on draft EMP	1-Dec-02	20-Dec-02	WB	Comments sent																
8	Revised, final draft EMP (input from ind.review)	20-Dec-02	15-Jan-03	PP/LGED	Final draft EMP																
9	Final EMP	15-Jan-03	1-Mar-03	PP/LGED/GOB	Final EMP																

## Key milestones:



(cont.)



Components and deliverables	TIME FRAME		RESPONSIBLE	INDICATORS	2002												2003				
	START	END			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun					
<b>V. ORGANIZATIONAL CAPACITY</b>																					
(to be coordinated with social assessment/management)																					
<b>A. Environmental (social) management cell (EMC)</b>																					
1	Assess capacity building needs	1-Oct-02	1-Nov-02																		
2	Plan for mainstreaming ENV management in LGED	15-Oct-02	15-Nov-02	PPC / LGED																	
3	Prepare TOR / job description for EMC	1-Nov-02	1-Dec-02																		
4	Agreement on organizational structures	15-Nov-02	15-Dec-02	GOB																	
5	Coordination and oversight mechanisms within LGED	15-Nov-02	15-Jan-03	PPC / LGED																	
6	Coordination mechanisms with other agencies	15-Nov-02	15-Jan-03	PPC / LGED / Others																	
7	Recruit, operationalize EMC	15-Jan-03	Ongoing	LGED																	
<b>B. Training</b>																					
1	Training needs assessment	1-Dec-02	15-Dec-02		Report																
2	Training program	15-Dec-02	15-Jan-03		Plan																
	- LGED / EMC																				
	- local engineering staf																				
	- contractors / consultants																				
	- community awareness based on functions, skills needs (includes operation & maintenance agencies)																				
3	Training underway as required	15-Jan-03	Ongoing	LGED	Training underway																

Source: Bangladesh Rural Transport Improvement Project, World Bank, 2003.

LGED = Local Government Engineering Department.

**Key milestones:**



## **Appendix 3 Alternative Site Analysis**

### **Alternative Sites and Resettlement Proposals**

#### **Introduction**

Careful attention was given during the feasibility and design studies of the Project to the social effects and resettlement implications of various siting options for the barrage, power channel and power complex. These alternatives were discussed during the participatory scoping sessions with local people in the Project area.

#### **Alternative Siting of the Project Components: Social and Resettlement Implications**

##### **Alternative Sites for the Barrage**

Five alternative sites were studied for the barrage (A to E, Drawing 7.1). Site B was ruled unacceptable, as it would have required the complete relocation of Ghazi and the resettlement of more than 7,000 inhabitants. Similarly, Site D would have meant the relocation of Jallo village and its shrine. Embankments at all the sites, with the exception of A, would have cut inhabited areas on the left bank off from direct access to the river bank and would have resulted in the pooling of wastewater near the villages. Site C would have had a similar effect on Galla village on the right bank. From both engineering and social perspectives, Site A was regarded as the best site, and was selected. This choice was confirmed by an independent study by the International Union for the Conservation of Nature and Natural Resources (IUCN).

##### **Alternative Sites for the Power Channel**

Several alignments of the power channel were considered. The major resettlement concerns in fixing the alignment were, first, to avoid villages; second, to avoid cultural properties; and third, to minimize damage to rural production systems. Alternatives were also considered to arrive at an acceptable alignment through the Kamra Complex, the high ground near Rumian and the approach to the power complex. All of these considerations have influenced the final alignment of the power channel (Drawing 7.2).

The original alignment, which was based on a balance between cut and fill, would have required extensive relocations in 16 villages. It would also have passed through more fertile and irrigated land. This was considered unacceptable from resettlement considerations. The adopted alignment avoids all villages by shifting the power channel to higher ground away from the river. This option significantly increases the requirement for excavation and therefore the overall cost of the Project, but decreases its negative social and environmental impact. Before the channel reaches the Grand Trunk Road, it makes several turns to avoid graveyards. It has not been possible to avoid every house or grave, but these effects have been minimized as far as possible in the Project.

## **Alternative Sites for the Power Complex**

Five sites (Dakhner, Jaba, Dher, Barotha and Garijala) were examined for the power complex (Drawing 7.3). The northernmost site, at Dakhner, was dropped because of geotechnical deficiencies, and the southernmost, at Garijala, because of topographic problems. At Jaba there would be considerable excavation to avoid the village and graveyard. At Dher, a shorter tailrace channel would be offset by an extension of the power channel along a relatively narrow ridge. Otherwise, the three remaining sites were essentially equal from technical, social and environmental considerations. The most downstream site, Barotha, was selected as it provided the most favorable topography and the maximum head for generation. Two tailrace alignments were considered, north and south of the village. The latter has been selected because it develops an additional fall in the Indus river. The existing small irrigation channels affected by the tailrace will be replaced.

## **Alternative Resettlement Proposals**

### **Introduction**

Several resettlement options were analyzed during Project design. The preference was, of course, to provide land in return for the land acquired by the Project. The majority of landowners in the Project area have clearly indicated a preference for this option. However, as discussed in Chapter 6, under the Land Acquisition Act, the person whose land is being acquired cannot be compelled against his wishes to accept compensation in any form other than cash. The fact that a significant proportion of the landholdings being acquired are too small to provide subsistence incomes and that many landowners do other work and no longer depend on the land for most of their incomes, it seems likely that some of the landowners may opt for the cash-for-land option. For the land-for-land option, there is no public land in the region available for resettlement. Thus either out-of-area resettlement had to be adopted or an innovative approach developed to provide land within the Project area.

### **Out-of-Area Resettlement**

For the purposes of this Project, out-of-area resettlement would mean relocation to a new area at a considerable distance from the Project area. One possibility would have been resettlement to the Thal region, some 300 km to the south in Western Punjab, where desert land is still coming under irrigation. Although all land under the old Thal Development Authority scheme has been *allotted*, a *new* scheme has been proposed and currently is in the feasibility study stage. This is the Greater Thal Canal Project, under which a barrage across the Chashma-Jhelum Canal would irrigate large areas in Jhang, Khushab, Bhakkar, and Layyah Districts. Should it prove feasible and gain funding, this project would take a projected seven years to begin operation, and more years before all the minor canals were constructed. Given the stated unwillingness of most of the people to move away from their villages, the extraordinary social disruption inevitably caused by such distant relocations, and the uncertainty of actual construction of the Greater Thal Canal Project, the out-of-area resettlement option was considered inappropriate for this Project. Only in Barotha were- some farmers willing to move such distances, provided they received irrigated farm land. The numbers of those willing to move, however, were judged too small to restore a functioning community elsewhere.

## Developing the Spoil Banks for Cultivation

As a result of moving the power channel alignment into higher ground in order to avoid villages and major graveyards, the increased excavation required for the channel results in significant quantities of surplus material to be deposited in spoil banks. The possibility of developing these spoil banks for cultivation and resettlement has been analyzed, and it has been concluded that this is a feasible alternative, from both the engineering and socio-economic points of view. With regard to resettlement, this option provides a local solution and obviates the need for out-of-area resettlement, with all the latter's attendant concerns about host populations. It has been adopted as a key part of the Resettlement Action Plan and is discussed in detail below. The construction of the power channel will require the acquisition of about 2,507 ha of land from private landowners, with another 133 ha being state-owned land. Of this, only 1,000 ha will be retained permanently for the excavated prism of the power channel, a 10 m wide road and 25 m wide green belt on each side of the power channel. The remaining land (1,640 ha) will be used for spoil banks along both sides of the power channel where the surplus material will be spread, graded, covered with topsoil and returned to agriculture (Drawings to 7.6).

*Source:* Pakistan Water and Power Development Authority (WAPDA), *Ghazi-Barotha Hydropower Project Resettlement Action Plan*, 1994, pp. 2.18-2.19.

## **Appendix 4**

### **R&R: Guidelines for Land Acquisition Assessment**

1. Many Task Managers have faced delays in project preparation because the need for the OP 4.12 on involuntary resettlement was identified at a late stage in the preparation process. The following guidelines for a Land Acquisition Assessment (LAA) are intended to help the TM and his/her Department identify any resettlement or rehabilitation issues at the earliest possible stage.
2. The LAA is NOT a new requirement. It is NOT a new report that you need to prepare. The LAA is meant as a guide to decision making for TMs to determine if OP 4.12 applies to a project.

#### **OP 4.12**

3. OP 4.12 is invoked when borrowing governments acquire private land for project purposes, using existing land acquisition legislation, or allocate existing government land to projects, and there is a need to compensate and assist people who are affected. The OD sets out principles for how compensation and assistance to affected people are to be implemented, in the case of:
  - (a) loss of property: compensation at replacement value, recognition of and compensation for usufruct and customary rights, compensation provided before eviction of property;
  - (b) loss of dwelling: provision of a new dwelling, of at least equivalent standard, and before eviction; and/or
  - (c) loss of income: compensation for temporary loss of income, improve or, at a minimum, restore standard of living.
4. OP 4.12 requires the preparation of a separate Resettlement and Rehabilitation Action Plan (RAP), to be submitted to the Bank prior to appraisal, when people suffer any of the losses mentioned. This requirement has to be judged relative to:
  - (a) the scale of effects on people, in terms of degree of loss and numbers of people; and
  - (b) the coverage provided by existing land acquisition legislation and practice.
5. For all projects where OP 4.12 is applicable, an identification of entitlements would be required with definitions of who are the Project Affected Persons (by type of losses). Entitlements include compensation for lost assets, resettlement allowances and assistance to reestablish incomes and standard of living. The entitlements form the basis for the preparation of the rest of the RAP.

6. The type of RAP required will differ with the nature of impact on people:
  - (a) In cases where people have to be assisted in their physical relocation, resettlement and rehabilitation, a full RAP is needed;
  - (b) In cases where people are not physically displaced, but special actions are needed to assist people in restoring their income level, the Bank will require a RAP which covers only rehabilitation.

These RAPs should be prepared prior to appraisal (approved by the Social Development Team as part of the environmental clearance) and agreed between the Bank and the Borrower at the latest by negotiations. Under the new disclosure policy, these plans would become available to the public along with the Environmental Assessment.

### **Land Acquisition Assessment (LAA)**

7. The LAA is intended to be a low-cost and rapid assessment, which can be made by a member of a Bank preparation mission, with assistance from the Borrower. A LAA should be based on the following sources of information:
  - (a) Project planning documents.
  - (b) Government statistical information, land use maps and other relevant secondary information.
  - (c) On-site verification by a member of a Bank preparation mission.
  - (d) Existing legislation and administrative practice with respect to land acquisition.

The objective of the LAA is to determine: (a) if the OD applies; (b) if so, what type of entitlements and planning document are required; and (c) what type of specialized assistance would be needed to prepare the resettlement component of the project.

8. We recommend that a LAA be undertaken at the earliest possible stage in the project preparation process. If you find that you have substantial resettlement in your project, you will need about 9-12 months of preparation prior to appraisal.
9. In a LAA the Task Manager should seek answers to the following questions:
  - I. Quantity of Land
    - (a) What is the total area and location of the land required by the project, and for which project components?
    - (b) How many separate land parcels will be needed?

- (c) If, in the case of sector investment loans, all land requirements will not be known before appraisal, when will this information be available, and for which project components?

## II. Process of Acquisition

- (d) How will the implementing agency acquire the land needed:
  - (i) by using the agency's own land;
  - (ii) through purchase of land from the market on a willing buyer-willing-seller basis;
  - (iii) by allocation of government/public land; and/or
  - (iv) by land acquisition (eminent domain)?

If you have a project where resettlement has already begun, you should determine whether land required for resettlement and rehabilitation was also acquired under eminent domain.

- (e) At what stage is the process of land acquisition at the time of the LAA?

## III. Land Use

- (f) How is the land being used (to be verified by field visit)?
  - (i) cultivation;
  - (ii) other productive purposes (forestry, industrial, grazing); and/or
  - (iii) residential houses or public buildings;
  - (iv) shops and other commercial buildings?
- (g) What is the tenure status for these users of land:
  - (i) private ownership;
  - (ii) rental/lease/tenant arrangement;
  - (iii) communal based customary rights;
  - (iv) individual long-term user rights; and/or
  - (v) squatting/encroachment?
- (h) Are there any religious/worship/cultural or historical sites?

## Appendix 4

(i) Is it a natural reserve or barren land (not used by people)?

(j) Is there seasonal use of the land, i.e. for grazing?

### IV. Land Administration and Compensation

(k) What unit of government has the jurisdiction over the land, with respect to land acquisition (federal, provincial, local government)?

(l) Are the government's provisions for compensation under the current land acquisition act and practices sufficient to cover replacement costs with respect to loss of property? Are there laws/policies that cover income restoration and resettlement, and define those who are eligible?

10. For (d), (f), (i) and (j), the LAA should give the best estimate of relative size of the areas, and for (g), rough estimates of the numbers of users, based on counts of physical plots and dwellings/homesteads in sample areas or using existing surveys.

11. The LAA is intended as a decision-making tool for the TM and his/her Department to determine whether OP 4.12 applies to the project. This should be done through the above estimates of scale of impact.

12. The Social Development Team in ASTHR would be available to advise the TM in making these assessments.

*Source: India Resettlement Handbook, World Bank, 1995, Annex 2.*



## Appendix 5 Checklist for Census Information

### Persons:

- Aggregate number of individuals and households in each affected category
- Age, gender, occupation of every individual (see list of PAP categories vulnerable to census exclusion)

### Property:

- Personal property including details of ownership of
  - structures: houses, farm buildings, shops, industrial structures, grain drying area, latrines
  - land and type: irrigated or non irrigated, woodlots, grassland, wasteland, etc. A description and estimate of the value of standing crops on land
  - other: livestock, wells, trees

### Public and common property:

- land: village common lands, gathering and foraging areas, fishing areas, etc.
- structures and facilities: schools, health facilities, burial grounds, panchayats, temples, community centers, public transport, banks, co-ops
- infrastructure: drinking and other water systems, access and internal roads, electricity and other power sources

### PAP incomes from other sources, including:

- farm-based income
- off-farm labor
- informal sector activities

*Source: India Resettlement Handbook , World Bank, 1995, p. 39.*

## **Suggested List of Data for Census Survey**

1. Background Information
  - (a) Questionnaire code and date of survey
  - (b) Name of interviewer
  - (c) Name of province, district and village/hamlet
  
2. Household Census
  - (a) Name of household head and all members household members
  - (b) Relationship of household members to the household head
  - (c) Age and sex of each household member
  - (d) Information on ethnicity
  - (e) Education level of each member
  - (f) Primary occupation and monthly income of each member
  - (g) Incomes from secondary sources for each member
  - (h) Location of job or businesses as the case may be
  - (i) Length of stay on present location
  
3. Tenure Status
  - (a) Category of land
  - (b) Type of land ownership and the name of the owner HH member
  - (c) Type of document possessed to certify ownership type
  - (d) If not owned, name and address of owner
  - (e) If informal use right, type of agreement
  - (f) Number of years used
  - (g) Rent per month paid by tenant
  - (h) Deposits made by lessee

*Note:* In case census and inventory are conducted as separate exercise, some information on land use, affected structures and other fixed assets, and affected businesses should also be collected as part of census surveys.

*Source:* Lao People's Democratic Republic, *Technical Guidelines for Resettlement and Cooperation*, Vientiane, Lao PDR, April 15, 2003, Annex 7.1.

## Appendix 6 Census Forms

**Table 1: Data to be Collected on All Affected Households in Census or Combined Census/Socioeconomic Survey**

<i>Serial #</i>	<i>ID #</i>	<i>Name of Head of Household</i>	<i>Names of Other Eligible Household Members (*)</i>	<i>Total # of Household Members</i>	<i>District Location</i>	<i>Block &amp; Plot No.</i>	<i>Impact</i>		
1	345	Sunil Patel	Dipak Patel Sandya Patel	6	Malgudi district	Block *: Plot # 3456, Ram Marg	Irrigated 3 ha	Unirrigated 4 ha	F/H

(\*) = where applicable

(\*\*) = legend for tenure categories:

F/H = freehold title

L/H = lease holder

TEN/SC = sharecropping or other tenancy arrangement

CUST/USU = usufruct rights and customary occupancy

S/E = squatters/encroachers, without legal title

**Table 1 (cont.)**

<u>Land acquired</u>		<u>House area</u>		<u>Estimated cash compensation (*)</u>				<u>Other cash entitlements</u>	
<i>Irrigated</i>	<i>Non-irrigated</i>	<i>Acquired</i>	<i>Not Acquired</i>	<i>Irrigated</i>	<i>Non-irrigated</i>	<i>House</i>	<i>Improvements</i>	<i>Relocation Grant</i>	<i>Subsistence (Y or N)</i>
2 ha.	3 ha.	60m2	0m2	R. ****	R. ****	R. ****	R. ****	R. 2000	N

(\*) Surveys should set out the per unit costs on compensation (e.g. per sq.m. of irrigated/unirrigated land; per sq.m of different quality dwellings)

**Table 1 (cont.)**

<i>Other Non-Cash Entitlements</i>		<i>Primary Source of Income</i>	<i>Secondary Source of Income</i>	<i>Estimated PAF Total Income</i>	<i>House Type and Quality (*)</i>	<i>Impact Category under C.I. R&amp;R Policy (**)</i>
<i># Eligible for Job</i>	<i># Eligible for Training</i>					
1	4	Farm: sharecropping	<ul style="list-style-type: none"> <li>• Weaving</li> <li>• Bicycle repairs</li> </ul>	R. 1700 per month (or per year where incomes have seasonal variation)	Type 2: good quality	A (i) + A (ii)

(\*) House quality legend:

Type 1: permanent dwelling (e.g. pukka: brick walls, concrete roof)

Type 2: semi-permanent (e.g. brick walls, tiled or thatched roof)

Type 3: temporary dwelling (e.g. kuccha: wooden frame, thatched roof)

**Table 2: Sub-project Level Data Summary Table (by Village)**

<i>Name of Village</i>	<i>No. of PAFs under Coal India Compensation and Rehabilitation Policy Categories. (*) and (**)</i>					<i>No. of PAPs Eligible for Jobs</i>	<i>Total No. of PAFs (***)</i>	<i>Total Land and Amount Acquired</i>			
	<i>A (i)</i>	<i>A (ii)</i>	<i>B (i)</i>	<i>B (ii)</i>	<i>B (iii)</i>			<i>Private Total and Acquired</i>	<i>Revenue Total and Acquired</i>	<i>Common Total and Acquired</i>	<i>Forest Total and Acquired</i>
Malgudi	800 (4000)	1200 (5200)	2000 (8000)	800 (3800)	400 (1600)	750	4200 (19,060)	<ul style="list-style-type: none"> <li>• 2000 ha. total</li> <li>• 1600 ha. acquired</li> </ul>	<ul style="list-style-type: none"> <li>• 250 ha. total</li> <li>• 200 ha. acquired</li> </ul>	<ul style="list-style-type: none"> <li>• 100 ha. total</li> <li>• 90 ha. acquired</li> </ul>	<ul style="list-style-type: none"> <li>• 250 ha. total</li> <li>• 100 ha. acquired</li> </ul>

(\*) Legend for PAP categories: (These categories are only indicative and would vary by project)

A (i) = person from whom land acquired, including tribals cultivating under traditional rights

A (ii) = person whose homestead is acquired

B (i) = sharecroppers, land lessees, tenants and day laborers

B (ii) = landless tribals

B (iii) = persons without title whose homestead is lost

(\*\*) = Numbers in brackets are total PAPs in households in each category

(\*\*\*) = Total PAF and PAP numbers less than A (i) – B (iii) totaled due to overlapping impact categories

**Table 2 (cont.)**

<i>Age Categories (No. of PAFs)</i>				<i>Occupational Categories (No. of PAFs)</i>					<i>Income Categories (No. of PAFs)</i>			
<i>0-15</i>	<i>15-32</i>	<i>33-59</i>	<i>60 +</i>	<i>Ag. Self- Employed</i>	<i>Ag. Wage Labor</i>	<i>Non-Land Self- Employed</i>	<i>Non-Land Wage Labor</i>	<i>Others</i>	<i>Below Poverty Line</i>	<i>Poor</i>	<i>Middle</i>	<i>Well Off</i>
3,500	5,030	7,075	3,455	4,326	7,547	887	377	23	1032	2398	602	167

**Table 3: Sub-project Level Public Facilities/Services and Common Resources Acquired for Projects**

<i>Village No.</i>	<i>Village Name</i>	<i>Schools</i>	<i>Health Clinics</i>	<i>Public Buildings</i>	<i>Religious Buildings</i>	<i>Common Grazing Areas</i>	<i>Rivers and/or River Access</i>	<i>Forests with Foraging Access</i>	<i>Roads – Tarred and Unsealed</i>
3-15	Malgudi	1 (10 rooms for 500 primary and secondary students)	2 with basic primary care facilities (3 rooms each)	<ul style="list-style-type: none"> <li>• 1 panchayat of 60 sq. m.</li> <li>• 1 community center of 30 sq.m</li> </ul>	<ul style="list-style-type: none"> <li>• 1 mosque</li> <li>• 1 temple</li> </ul>	50 ha.	River 2 kms. away with fishing access	25 ha.	<ul style="list-style-type: none"> <li>• 1 tarred access road;</li> <li>• 2 dirt roads</li> </ul>

**Table 4: Detailed Household Level Data from Sampled Survey or Combined Census and Socioeconomic Survey (i.e., less than c. 500 PAFs)**

<i>ID #</i>	<i>PAPs in Household</i>	<i>Economically Active</i>		<i>Age</i>	<i>Level of Education (*)</i>	<i>Income Generating Skills</i>	<i>Type of Employment</i>	<i>Estimated Total PAP Income</i>
		<i>Full time</i>	<i>Part time</i>					
345- 1	Sunil Patel	Y	Y	48	N-I	Farming	Sharecrop	R. 600
345-2	Ratna Patel	Y	N	40	N-I	Weaving	Weaver coop	R. 400
345-3	Dipak Patel	Y	Y	22	M-L	Farming	Vegetable plot	R.450
345-4	Sandya Patel	N	Y	18	M-L	Weaving	at home	R.150
345-5	Ritu Patel	N	N	8	P-L	None		
345-6	Dilip Patel	N	Y	14	M-L	Bicycle repairs	at home	R.100

Level of education legend:

L = literate

I = illiterate

N = less than 2 years formal schooling

P = primary school

M = middle school

H = high school

G = graduate

**Table 4 (cont.)**

<i>Distance to Drinking Water</i>	<i>Distance to School</i>	<i>Distance to Health Facility</i>	<i>Distance to Transport</i>	<i>Distance to Work</i>
0.6 km	0.85 km	1.3 km	3 km	0 km

Source: *India Resettlement Handbook*, World Bank, 1995, Annex 3.

## **Appendix 7**

### **Suggested List of Data for Inventory of Losses**

1. Land Use
  - a. Existing use of land
  - b. Areas under different land usages, where applicable
  - c. Total and affected area of land with breakdown by usages, if applicable
  - d. Estimate whether the remaining area is viable for continued use
  - e. Total area of land by type for compensation purposes
  
2. Structures
  - a. Type of structure
  - b. Number of floors
  - c. Area by floor
  - d. Name of owner of structure
  - e. Year of construction
  - f. Whether permit obtained for structure
  - g. Use of structure and areas by usages, if applicable
  - h. Description of building material used for roof, walls and floors by surface areas
  - i. Type of foundation
  - j. Description of any special features of structure
  - k. Utility connections (electric meter, water supply, etc.)
  - l. Charges paid for utility connections
  - m. Affected area of structure
  - n. Estimate whether the remaining structure is viable for continued use
  - o. Total area of building for compensation purposes
  
3. Other Structures
  - a. Types of structures (wells, boundary wall, fence, warehouse, etc.)
  - b. Area of fish pond affected
  - c. Average household income from fish pond
  - d. Description of areas and construction material of affected structures
  - e. Use of other structures

## Appendix 7

4. Agricultural Products
  - a. Type of crops affected
  - b. Owner of affected crops
  - c. Total yearly production of crop on affected land
  - d. Average yield of crop
  - e. Are any products sold at market
  - f. Number of employees/labor used for crop production
  - g. Average value of crop
  - h. Average yearly household income from agriculture
5. Trees
  - a. Number and types of affected trees
  - b. Age of tress
  - c. Name of owner of trees
  - d. Average yield of fruit bearing trees
  - e. Average yearly income from fruit trees
6. Business
  - a. Type of business affected
  - b. Name of owner of business
  - c. Registration/permit number of business (check document)
  - d. Total yearly household income from business
  - e. Average operating expenditure of business
  - f. Number of employees in business
  - g. Number of permanent and temporary employees
  - h. Average income and profit as reported for income tax (check document)
  - i. Whether the business needs to be relocated
7. Affected Public Utilities and Facilities
  - a. Description of affected community infrastructure
  - b. Description of affected facilities by area & building material used
  - c. Estimated number of population adversely affected by the facilities/infrastructure



8. Preference for Relocation
  - a. Whether there is a need for relocation or reorganization
  - b. Preferred mode of compensation (cash or kind) for land
  - c. Preferred mode of compensation for structure
  - d. Preferred type of assistance for income rehabilitation

*Source:* Lao People's Democratic Republic, *Technical Guidelines for Resettlement and Cooperation*, Vientiane, Lao PDR, April 15, 2003, Annex 7.2.

## **Appendix 8**

### **Suggested Data for Baseline Survey**

The background information, household status and land use information would be same as in Annex 7.1. Additional information would include the following:

1. Access to Facilities
  - a. Access to electricity
  - b. Type of water supply available
  - c. Type of sanitation facilities within the building
  - d. Distance to school
  - e. Distance to health facilities
  - f. Distance to market
2. Household Assets
  - a. Type and number of farm equipment and implements owned by the household
  - b. Type of other business equipment owned by household
  - c. Estimated value of affected equipments
  - d. Type of transport owned (bike, motorcycle, truck, animal cart, car, other)
  - e. Major kitchen equipments owned (stove, cooker, etc.)
  - f. Ownership of fridge, radio, TV, etc.
  - g. General condition of building (excellent, good, average, poor)
  - h. General condition of household furnishing (furniture, cupboards, etc.)
3. Household Income and Expenditure
  - a. Average annual household income from all sources
  - b. Average expenditure on major items: food, transport, health, education
  - c. Any loans taken from bank, friends or relatives
  - d. Approximate savings, if any
4. Skills Possessed
  - a. Skills of each household member
  - b. Types of training or skills preferred for further upgrading

*Source:* Lao People's Democratic Republic, *Technical Guidelines for Resettlement and Cooperation*, Vientiane, Lao PDR, April 15, 2003, Annex 7.3.

## Appendix 9

### Terms of Reference for a Socio-Economic Study

#### Maharashtra Composite Irrigation Project III (Credit 1621-IN)

##### Introduction

1. The Maharashtra Composite Irrigation III Project has been restructured recently. The restructuring involves, among others, the economic rehabilitation of Project Affected Persons (PAPs), with special emphasis on their participation in designing the compensation package. The rehabilitation program of the restructured project is an addition to the original project to increase GOM's capability to handle economic rehabilitation of persons already displaced through earlier construction of dams.
2. The socio-economic survey of the about 36,084 PAPs affected by the irrigation and drainage works of Krishna, Bhima, Kukadi and Upper Penganga sub-projects will be carried out in three packages as indicated below:

<i>Name of Sub-project/Dam</i>	<i>No. of PAPs</i>
<b><u>PACKAGE A</u></b>	
Bhima	
• Ujjani	13,580
<b>Sub-total A</b>	<b><u>13,580</u></b>
<b><u>PACKAGE B</u></b>	
Majalgaon	4,280
Upper Penganga	
• Isapur	4,633
<b>Sub-total B</b>	<b><u>8,913</u></b>
<b><u>PACKAGE C</u></b>	
Kukadi	
• Yedgaon	2,702
• Manikdoh	1,207
• Wadaj	316
• Dimbhe	2,116
Krishna	
• Dhom	3,390
• Kanher	3,860
<b>Sub-total C</b>	<b><u>13,591</u></b>
<b>GRAND TOTAL</b>	<b><u>36,084</u></b>

3. Some of these PAPs have resettled on their own while a large number who have lost only their homes and part of the land have relocated on the fringe of the reservoirs. Many have been resettled in the command area. There are 218 resettlement "gaothans" (villages) located either on the fringe of the reservoirs or in the command areas.
4. In accordance with the provisions of restructuring and the World Bank's policy of providing "people displaced by a project with the means to improve or at least restore their former living standards, earning capacity and production levels," through a process in which the displaced themselves participate through their own social and cultural institutions, it has been agreed between GOM and the Bank that a socio-economic study of these PAPs will be carried out. Such a study will also assess the provisions of civic amenities provided in the resettlement "gaothans" and the possibilities for economic rehabilitation of the PAPs.

### **Aims of the Study**

5. The aims of the study are to suggest ways and means to complete the economic rehabilitation of the project affected persons so that they would recover a living standard at least equal to or better than the one they enjoyed previously and in any case raise their living standard above the poverty line. In the process, the consultants are requested to suggest a "package" of benefits designed to meet the special needs of the PAPs such as (i) additional financial support for purchase of land or income generating schemes, (ii) larger access to Government schemes such as IRDP, and (iii) improvement of the civic amenities provided in the resettlement "gaothans".

### **Objectives of the Study**

6. In order to achieve the aims of the study, it would be necessary to obtain various socio-economic details of the PAPs such as their resource base, including land and other immovable and movable assets, etc. This would involve preparation of Family Profile for all the PAPs who are resettled in the 218 resettlement "gaothans" and on the fringe of the reservoirs and also resettlement "gaothan" profiles for all the 218 sites as explained below.
  - (a) Preparation of individual "Family Profile" for all the PAPs who live in the 218 Resettlement Gaothans or on the side of the reservoirs. The Family Profile will include data/ information related to:
    - (i) demographic details of the family and categorization of the members of the family in accordance with the appropriate Maharashtra Project Affected Persons Rehabilitation Act which is applicable to this particular project;
    - (ii) details of housing—how many PAPs are entitled to house plots, how many received, how many received the loan of Rs.8,000, the type of house constructed—permanent, semipermanent, "kachcha", electrified etc.—and the source of funds for construction of houses;

## Terms of Reference for a Socio-Economic Study

- (iii) details of various benefits to which the different categories of PAPs in the family are entitled and the benefits actually received;
  - (iv) details of whether the PAPs entitled for land had actually received land and, if not, what were the reasons;
  - (v) details of land acquired and the amount of land left with the PAPs/family;
  - (vi) details of compensation paid for house, land, crops, trees, wells etc.—the amount for each and paid in how many installments;
  - (vii) details of the resource base of the PAPs—land (including cropping pattern), animal husbandry, self-employment and employment (what type), agricultural labor etc;
  - (viii) details of income and expenses pattern of the family as a base for assessment of the income of the family;
  - (ix) details of sources of/access to fodder, fuelwood, irrigation, potable water, education, health care and market;
  - (x) details of PAP's perception of his/her present standards of living when compared with the previous ones—same, improved, worsened—and the reasons for it;
  - (xi) classification of PAPs as belonging to SC/ST/OBC "below the poverty line" and "above the poverty line";
  - (xii) classification of PAPs belonging to other castes as "below the poverty line" and "above the poverty line" families;
  - (xiii) details of Government schemes such as IRDP, DCWRA, Jivan Dhara, Jawahar Rozgar Yojna, TRYSEM, Horticulture, Tribal Sub-Plan etc which the PAP has made use of;
  - (xiv) role of women in the family and the subsistence economy and their assessment of how the displacement had helped or hindered their role; and
  - (xv) perception of the PAPs regarding civic amenities provided in the "gaothans" and their suggestions for improvements and maintenance.
- (b) preparation of "Resettlement Gaothan Profile" for all the 218 Resettlement Gaothans and self Resettlement Gaothans on the fringes of the reservoirs or elsewhere, which should include the following:
- (i) number of PAPs resettled and their categories;
  - (ii) number of plots allotted to different categories and the number occupied;

- (iii) number and types of houses constructed—permanent, semipermanent, "kachcha" and electrified;
- (iv) details of the 13 civic amenities provided under the—and their conditions, with particular emphasis on the adequacy of water supply and access roads and need for electricity;
- (v) details of community land available for grazing and burial/cremation;
- (vi) whether the "Gaothan" fulfills the 3 eligibility criteria minimum population of 300, economic viability /ability to spend Rs.10 per person per annum and geographical continuity between agricultural land and "abadi";
- (vii) whether the basic amenities already provided could meet the existing needs of the community;
- (viii) whether there is any need/scope for the expansion of the civic amenities;
- (ix) whether there were any instances of community initiative for maintenance and improvement of civic amenities provided;
- (x) whether the primary school provided has been upgraded to middle/high school;
- (xi) what is the source of health care—sub-centre, primary health centre and district hospital—and the distance from the Gaothan;
- (xii) identification, if any, of community and social groups within the Gaothan and their initiatives for social and welfare action TOR maintenance and upgrading of civic amenities provided; and
- (xiii) identification, if any, of Non-Government Organizations which are working with the community or which could work because of their presence in the neighborhood.

### **Scope of the Study**

7. On the basis of the interpretation and analysis of the information and data collected through Family and Gaothan Profiles, the study would provide the following inputs so that an appropriate package of benefits and action plans per Gaothan and per sub-project could be prepared for the economic rehabilitation of the project affected persons and the upgradation of civic amenities provided in the Gaothans:
  - (a) total number of PAPs resettled under each sub-project and their categorization in accordance with the Act;
  - (b) whether all the PAPs were aware of their entitlement, particularly for land and whether all entitlement had been provided. If not, what were the reasons for it;

- (c) identification of indicators to show that the standards of living of the PAPs have improved, remained the same or worsened and the factors behind these indicators;
- (d) identification of any significant changes in cropping pattern which may help or hinder the use of water in the reservoir and command areas;
- (e) suggestions, through a "package", for improving the economic status of the PAPs, including those living "below the poverty line" belonging to SC/ST and OBC through provision of land where necessary and linkage with Government schemes;
- (f) suggestions for upgrading and maintenance of the civic amenities provided in the resettlement Gaothans; and suggestions for improving the role of women.

### **Methodology of the Study**

- 8. The study would use secondary data (census records, land records, etc) in addition to generating its own primary data through direct interviews with individual PAN for the preparation of PAP Family Profiles and Resettlement Gaothan Profiles and discussion with the community leaders, project and other Government officials. GOM (Department of Revenue and Forests, Office of the Chief Engineer (specified projects), Irrigation Department, Pune and other relevant District and Zilla Parishad officials) will provide the consultants all necessary secondary data and any other details.
- 9. As part of the technical proposal, the consultants are requested to prepare and submit questionnaires (PAP family profile and resettlement gaothan profile) on the basis of these terms of reference. These questionnaires will be finalized during negotiations of the contracts.

### **General Conditions and Reporting**

- 10. While conducting the study, the consultants should maintain close communication with the Secretary (Rehabilitation), Department of Revenue and Forests, Government of Maharashtra.
- 11. All data collected through the study will be computerized on dBase. Prior to the submission of the report and the diskettes, each consultant firm should conduct a joint workshop with the officials of GOM, particularly the officials dealing with R&R in the Department of Revenue and Forests and in the offices of the District Collectors and Zilla Parishads.
- 12. In addition to one General report for each project area, there will be a separate report for each resettlement gaothan and -the village on the fringe of the reservoirs. The attached format could be used.

## Schedule for Completion of Study

13. There is a very urgent need to complete the study by December 31, 1994. It is important, therefore, that the study is completed within 180 days of signing the contracts in accordance with the estimated time-frame given below:

Survey organization and training of field teams	30 days
Field surveys of PAPs <sup>1</sup>	90 days
Analysis of information collected	15 days
Draft report, recommendation and action plan <sup>2</sup>	30 days
Seminar and final draft report	15 days
Total	180 days

14. As far as reporting is concerned, the consultants are required to follow the schedule given below:

Inception Report	30 days after contract signature
Progress Report on Field Surveys	60
Progress Report on Field Surveys	90
Progress Report on Field Surveys	120
Data Analysis Report	135
Draft Final Report with RAPS	165
Final Report	180

15. On the basis of the experiences in conducting such studies, the staffing and man day requirements for the study of 8,000 PAPs have been estimated as follows:

Project Director	30 man days
Sr. Sociologist	180 man days
Women Sociologist	180 man days
Survey team leaders <sup>3</sup>	600 man days
Surveyors <sup>4</sup>	1,800 man days
Computer Specialists	120 man days
Other specialists <sup>5</sup>	90 man days

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<sup>1</sup> The consultants will prepare the computer programs, input the field data and initiate processing during the field surveys.

<sup>2</sup> The consulting firms will assist the GM (Resettlement) in updating and finalizing the RAP for UKP II.

<sup>3</sup> 5 Team Leaders @ 1 per 4 surveyors during 120 days.

<sup>4</sup> 20 Surveyors @ 5 interviews per day during 90 days.

<sup>5</sup> Details to be provided by the consultants.



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16. The consultants are to adjust the above details to the actual requirements of their package. Any deviations in staffing or adjustments upward or downward in man days etc will have to be justified and agreed during contract negotiations.
17. After negotiations of the technical and financial proposals, the Secretary (Rehabilitation) will specify the fees, adjust the schedule of work, draw up conditions, specify the fees, and draw up the contracts for the study.

*Source:* India Maharashtra Composite Irrigation III Project, *Resettlement Action Plan*, n.d., Annex 1.

## India Upper Indravati Hydro Project

### Introduction

1. The Upper Indravati Hydro Project is located in the Koraput and Kalahandi districts of Orissa. In addition to generating 600 MW of electricity, it is also expected to irrigate 1.09 lakh ha of land. The foundation of the dam was laid in April 1978, though the environmental clearance was provided by the Environmental Appraisal Committee of the Department of Science and Technology, Government of India only in 1979.
2. The catchment area of the project is about 2,630 sq km and the reservoir is expected to cover 12,865 ha. About 25,000 people living in 95 villages (44 in Koraput district and 51 in Kalahandi) were expected to be affected. Of these, 65 villages (31 in Koraput and 34 in Kalahandi) were to come under total submergence necessitating displacement of people, while in the other 30 villages only some agricultural land was to come under submergence.
3. The evacuation of project affected persons -- 2,793 from Koraput and 2,528 from Kalahandi - has taken place in four phases in 1989, 1990, 1991 and 1992. The cut-off date for inclusion as PAPs has been fixed as January 1 of these years when evacuation took place.
4. The resettlement of the PAPs who were evacuated was an unorganized process and the PAPs had, on their own, settled down over a widespread area in four districts - Koraput, Kalahandi, Malkangiri and Navrangpura - in 560 dusters. Of these 560 dusters, only 163 have more than 10 PAPs each with a total of 4,191. These dusters are eligible to receive the provision of social infrastructure.
5. The other clusters, which have less than 10 PAPs, are not eligible for social infrastructure. They are to depend on the facilities, which are available within the "host villages", and this may affect not only the relations between the resettlers and the hosts, but also the effectiveness of the social infrastructure.
6. It is also not possible for the project authorities to correctly assess the actual number of PAPs as the process of including "major sons" is still going on. Since the resettlement was an unorganized process, it is also not possible to assess the impact of the package of entitlements provided by the Government of Orissa on the socioeconomic conditions of the PAPs and the social infrastructure of the clusters in which they live, as they are too widespread.
7. Since Government of Orissa's aim is to "improve or at least restore" the living standards, earning capacity and production levels of the PAPs, a socio-economic study is planned. Since a majority of the PAPs are Adivasis, the Government has also concluded that they do not suffer from the project and that they are resettled and rehabilitated with emphasis on their social and cultural identity.
8. A socio-economic study is expected not only to provide the actual number of affected persons, the impact of Government's efforts on their living standards and access to

social infrastructure, but also the social, economic and cultural factors which influence the process of their development through resettlement and rehabilitation.

### **Objectives of the Study**

9. The objectives of the study are:
  - (a) to develop a clear definition of “project-affected persons”;
  - (b) to see whether all such persons have been included as project-affected persons;
  - (c) to see whether all PAPs who have been identified so far have received all benefits of the package;
  - (d) to assess the impact of the package on their living standards;
  - (e) to see whether all clusters with more than 10 PAPs have adequate social infrastructure;
  - (f) to suggest ways to provide access to social infrastructure not only to these PAPs, but also to others in the clusters and “host” villages; and
  - (g) suggest appropriate policies which would help the PAPs not only to improve or regain their former living standards, but also to participate in this process.

### **The Study**

10. The study will cover all the 5,321 PAPs and others who can be classified as PAPs and who live in the project-affected areas, and the 560 clusters. The study will administer individual family profile for all the PAPs and cluster profile for all the 560 clusters (Annexes 1 and 2).

### **Scope of the Study**

11. On the basis of the interpretation and analysis of data, details and information collected, the study is expected to provide inputs for policy formulation so that appropriate decisions could be made for the resettlement and rehabilitation of the project affected persons. The study, in particular, should provide the following:
  - (a) demarcation of project-affected areas which are directly and indirectly affected by the project;
  - (b) definition of project-affected persons and their actual number;
  - (c) assessment of actual number of PAPs who have received all benefits of the package and have purchased the land;
  - (d) assessment of actual number of PAPs who have received only a part of the package and the reasons for not receiving the entire package;

## Appendix 9

- (e) assessment of the socio-economic impact of the package on those who have received it fully and those who have received it partly;
- (f) assessment of the socio-economic conditions of those who have purchased land and what could be done to improve their standards of living;
- (g) assessment of the impact of displacement of community's access to minor forest produce including fodder and firewood;
- (h) assessment of impact of displacement on women's role and status;
- (i) assessment of the socio-economic impact of the acquisition of different types of land, including forest land, on the PAPs in general and the Adivasi PAPs in particular;
- (j) suggestions for improving the socio-economic conditions of the PAPs, including women;
- (k) assessment of availability of social infrastructure within the clusters where PAPs have resettled or their access in the "host villages" and their impacts on use by the "host" community;
- (l) assessment of the possibility of regrouping the clusters so that PAPs have increased opportunities for improving their living standards and access to social infrastructure;
- (m) assessment of availability of adequate land from "willing sellers" for resettlement and rehabilitation;
- (n) assessment of choices expressed by the PAPs for their resettlement and rehabilitation; and
- (o) suggestions for policy so that the socio-economic and cultural conditions of the PAPs could be improved with their own participation.

### **Methodology of the Study**

12. The study would use secondary data (census, land records etc) in addition to generating its own data through the administration of PAP Family Profiles and Resettlement Cluster Profiles in the field with emphasis on observation and discussion with the community, Government officials, non-Government officials etc.
13. A Participatory Rural Appraisal, with the involvement of the community of the Village/Resettlement Clusters including its common resources and social infrastructure, would be an important aspect of the methodology if the community is organized, able and willing to participate. This is particularly so, as it will enable them to fully understand the process of their resettlement and rehabilitation.

14. While analyzing and interpreting data, it is necessary to give equal weight age to quantitative and qualitative aspects so that it reflects a balanced reality of the situation.
15. At the end of the study, before the report is formally submitted, the findings are to be presented in a seminar. It is also necessary to provide all data, tables etc. in dBase.

*Source:* India Upper Indravati Hydropower Project, *Resettlement Action Plan*, n.d.

## Appendix 10 Household Income Stream Analysis

### Village K – Annual Income from Various Sources in US \$ equivalent

<i>Household</i>		<i>Income Sources</i>								<i>Income Analysis</i>				
<i>Register Number</i>	<i>Family Size</i>	<i>Rainfed Agriculture</i>	<i>Irrigated Agriculture</i>	<i>Fishing</i>	<i>Livestock All types</i>	<i>Woodlots</i>	<i>Seasonal labor</i>	<i>Remittances</i>	<i>Commerce &amp; trade</i>	<i>Total HH Net income</i>	<i>Net income Per capita</i>	<i>Percent Agriculture &amp; livestock</i>	<i>Percent Non-agriculture</i>	<i>Percent Commerce</i>
K-002	11	444	4,778	1	975	1	2,225	1	1	8,426	766	74%	26%	0%
K-004	5	575	900	1	1	1	300	1	600	2,379	476	62%	13%	25%
K-006	9	1,325	1	1	450	1	750	1	1	2,530	281	70%	30%	0%
K-008	14	770	1,400	500	800	980	1,400	1	1	5,852	418	76%	24%	0%
K-010	8	1,466	1,335	440	440	275	450	600	1	5,007	626	79%	21%	0%
K-012	9	200	1	675	150	1	1	400	1	1,429	159	72%	28%	0%
K-014	8	1325	885	200	220	1	1	400	1	3,033	379	87%	13%	0%
K-016	6	1200	1,250	250	175	200	200	120	800	4,195	699	73%	8%	19%
K-018	4	770	1	400	150	1	1	1	1	1,325	331	100%	0%	0%
Total	151	16,654	16,938	6,446	9,685	4,210	8,418	5,148	18,113	85,612	9,757			
%		19%	20%	8%	11%	5%	10%	6%	21%	100%				
Average		925	941	358	538	234	468	286	1,006	4,756	65			

Source: IFC Handbook for Preparing a Resettlement Plan, 2003, p.18.

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## **Appendix 11**

### **Matrix of Resettlement Impacts**

#### **Categories of Affected People**

- a. APs with permanent land use rights, marginally and severely affected
- b. APs with temporary land use rights, but unlegalizable
- c. Loss of residential or commercial land without structures (with sufficient remaining area to reorganize)
  - Legal users with permanent use rights or temporary use rights (but legalizable)
  - Legal users of affected land with temporary use rights (but unlegalizable)
  - Illegal users of affected land
- d. Loss of residential or commercial land with structures (with sufficient remaining area to reorganize)
- e. Loss of residential or commercial land with relocation (without sufficient remaining area to reorganize)
  - Opting for cash
  - Group relocation site
  - Self-relocation
- f. Legal APs with temporary rights and not legalizable as permanent
- g. Illegal APs
- h. APs who have no rights to use the land acquired and no legal or legalizable land remaining will be entitled to one of the following options
- i. Loss of structures
  - Legal owners with permission to build structures
  - Illegal owners who built structures without permission
  - Tenants who have leased the building from the owner
- j. Legal owner of the affected structure
  - Partial impact on structure
  - Entire structure affected
- k. Illegal owner of the affected structure
- l. Tenant of the affected structure
- m. Independent shop owner
  - Shop owner with permanent rights to use the affected land
  - Shop owner with temporary rights but not legalizable to use the affected land
  - Shop owner with no rights to use the affected land (illegal AP)
- n. Loss of standing crops and trees
- o. Loss of public infrastructure and other assets

*Source:* Lao People's Democratic Republic, *Technical Guidelines for Resettlement and Cooperation*, Vientiane, Lao PDR, April 15, 2003, pp. 8-3, 8-4.

## Inventory of WJZ Dam site Physical Assets (Left Bank)

<i>No.</i>	<i>Item</i>	<i>Unit</i>	<i>Total</i>
<b>I</b>	<b>Land</b>		
1	Cultivated land	mu	1,790
2	Rotation spare land	mu	2,791
3	Grass land		
	Artificial grass land	mu	12
	Natural grass land	mu	15
4	Forest land		
	Collective forest land	mu	97
	Collective nursery	mu	25
5	House plot	mu	2
<b>II</b>	<b>Scattered Trees</b>		
1	Timber		
	Large	num.	4,980
	Medium	num.	2,012
	Small	num.	4,535
	Young	num.	686
	Nintiao	num.	10,968
2	Economic forest		
	Large fruit tree	num.	311
	Medium	num.	2
	Small	num.	1,271
	Young	num.	584
<b>III</b>	<b>Housing and auxiliary structures</b>		
1	Stone cave dwelling	m <sup>2</sup>	1,704
2	Earth cave dwelling	m <sup>2</sup>	1,399
3	Brick /earth dwelling	m <sup>2</sup>	85
4	Brick house	m <sup>2</sup>	511
5	Sundry house	m <sup>2</sup>	266
6	Stone pigsty	num.	8
7	Chicken coop	num.	4
8	Toilet	num.	5
9	Toilet of units	num.	1
10	Brick enclosing wall	m	7,760
11	Stone enclosure	m	19
12	Dry stone wall for land protection	m	3,000
13	Vegetable cellar	num.	18
14	Dry well	num.	118
15	Well of units	num.	1



## Matrix of Resettlement Impacts

<i>No.</i>	<i>Item</i>	<i>Unit</i>	<i>Total</i>
<b>IV Agricultural sideline and welfare facilities</b>			
1	Stones transported	m <sup>3</sup>	6,164
2	Stock of stones	m <sup>3</sup>	732
3	Stock of lines	t	682
4	Small temple		1
5	Brick kiln		15
6	Lime kiln		2
7	Oil tank		1
8	House with iron stand		2
9	Stage	m <sup>2</sup>	58
10	Tomb		372
<b>V Small hydraulic facility</b>			
1	Pumping station		2
2	Water pool	m <sup>3</sup>	349
<b>VI Special facilities</b>			
1	Quarry		65
2	Sand pit		1
3	Stone and sand processing factory		1
4	Lime pit		7
5	High-voltage power line	km	3
6	Communication line	km	1
<b>VII Temporary Land Acquisition</b>			
		mu	131

*Source: China Wanjiazhai Water Transfer Project, Resettlement Action Plan, n.d., p. 37.*

**Affected Enterprises and Infrastructure in WJZ Reservoir**

<i>Item</i>	<i>Unit</i>	<i>Inner Mongolia</i>		<i>Subtotal</i>	<i>Shanxi</i>	<i>Total</i>
		<i>Qingshuihe</i>	<i>Zhunger</i>		<i>Pianguan</i>	
<b>Water Facilities</b>						
Pump Station	no.	30	16	46	9	55
Channel	m	23,416	2,582	25,998		25,998
Culvert	no.	34	7	41	29	70
Water Pond	m <sup>3</sup>	2,400	5,802	8,202		8,202
Waterwheel	no.	4		4		4
Well	no.		5	5	12	17
<b>Enterprises</b>						
Stone Cutting Point	no.	177	5	182	57	239
Sand Collecting Point	no.	17	10	27		27
Crete kiln	no.	8	44	52		52
Coal Pit	no.	4	5	9		9
Whiteputty Mining	no.	4		4		4
Iron Mining	no.	14	4	18		18
Fireproof Material Mining	no.	2		2		2
Bauxite Mining	no.	1	1	2		2
Pighair Manufacturing Plant	no.	1		1		1
Cement Plant	no.	1		1		1
Heatproof Material Plant	no.	1		1		1
Fireproof Material Plant	no.	2		2		2
Construction Material Plant	no.	1		1		1
Brick Plant	no.	2		2		2
Pottery Clay Plant	no.	2		2		2
Other Enterprises	no.	9		9		9

Source: China Wanjiazhai Water Transfer Project, *Resettlement Action Plan*, n.d., p. 10.

## Affected Land of WJZ Reservoir

Item	Inner Mongolia		Subtotal	Shanxi	Total
	Qingshuihe	Zhunger		Pianguan	
<b>Farmland</b>					
Irrigated Lend	1,668	1,192	2,860	138	2,998
Dryland	422	904	1,326	297	1,623
Horticultural Land	412	100	512	20	532
Intermission land		18	18		18
Subtotal	2,502	2,214	4,716	455	5,171
<b>Orchard Land</b>					
Orchard	47	100	147		147
Orchard without income		228	228	55	283
Nursery	156	33	190		190
Medicinal Herbs Land	32		32		32
Subtotal	235	362	597	55	652
<b>Forest Land</b>					
Forest land	594	483	1,077	67	1,144
Bush Land	120	17	137		1,371
Subtotal	714	500	1,214	67	1,281
<b>Grassland</b>					
Grass land	1,418	200	1,618		1,618
Artificial grass land	11	528	539		539
Bush and grass land	120		120		120
Subtotal	1,549	728	2,277		2,277
<b>Pond</b>					
Fish Pond	2	9	11	6	17
Reed Pond				8	8
Subtotal	2	9	11	14	25
<b>Other</b>					
Trees. Ground	26	20	47		47
Reside. Land	378	60	438	18	456
<b>TOTAL</b>	<b>5,287</b>	<b>3,893</b>	<b>9,181</b>	<b>609</b>	<b>9,790</b>

Source: China Wanjiazhai Water Transfer Project, *Resettlement Action Plan*, n.d., p. 7.

## Affected Buildings of WJZ Reservoir

Item	Unit	Inner Mongolia		Subtotal	Shanxi	Total
		Qingshuihe	Zhunger		Pianguan	
<b>Houses</b>						
Brick-concrete house	m <sup>2</sup>	317	392	709		709
Stone-concrete house	m <sup>2</sup>	242	80	322		322
Brick-wood house	m <sup>2</sup>	11,590	4,265	15,855		15,855
Stone-wood house	m <sup>2</sup>	19,556	1,371	20,927		20,927
New stone cave house	m <sup>2</sup>	47,224	12,033	59,257	5,011	64,268
Old stone cave house	m <sup>2</sup>	20,207	2,905	23,112		23,112
Earth-wood house	m <sup>2</sup>	2,387		2,387		2,387
Earth cave house	m <sup>2</sup>	101	2,806	2,907	400	3,307
Other house	m <sup>2</sup>	8,171	2,456	10,627	612	11,239
<b>Subtotal</b>	m <sup>2</sup>	109,795	26,308	136,103	6,024	142,127
<b>Other Buildings</b>						
Gate	no.	207	17	224	17	224
Lavatory	no.	854	112	966	30	996
Pigsty	no.	934	174	1,108	29	1,137
Livestock barn	no.	279	88	367		367
Vegetable cellar	no.	1,333	229	1,562	34	1,596
Cock nest	no.	568	134	702	15	717
Meat cellar	no.	149	108	257		257
Cooking stove	no.	516	75	591		591
Wall	m <sup>3</sup>	22,646	1,448	24,094		24,094
Well	no.	133	46	179		179
Water cellar	no.	6	4	10		10
Tomb	No.	136	62	198	140	338

Source: China Wanjiashai Water Transfer Project, *Resettlement Action Plan*, n.d., p. 8.

## Summary of Affected Structures, Fixed Assets, and Population

<i>Item</i>	<i>Unit</i>	<i>Hubei</i>	<i>Hunan</i>	<i>Jiangxi</i>	<i>Total</i>
Affected Counties	Units	16	7	6	29
Affected Townships	Units	31	13	19	63
Affected Village	Units	84	52	36	172
A1. Households to be resettled	HH	5,400	4,464	2,735	12,599
a. Urban households	HH	3,216		1,556	4,772
A2. Population to be resettled	People	22,100	19,213	11,546	52,859
a. Urban Resettlers	People	12,871		6,037	18,908
A3. Houses needed to be resettled	m <sup>2</sup>	802,216	1,028,957	472,074	2,303,247
A3.1 Enterprises	m <sup>2</sup>	400,331	249,215	235,015	884,561
a. Frame-structure	m <sup>2</sup>	41,555		22,601	64,156
b. Brick-concrete structure	m <sup>2</sup>	201,509	125,724	174,012	501,245
c. Brick-wood structure	m <sup>2</sup>	152,814	111,571	37,241	301,626
d. Wood (earth) structure	m <sup>2</sup>		530		530
e. Miscellaneous	m <sup>2</sup>	4,453	11,390	1,162	17,005
A3.2 Private house	m <sup>2</sup>	401,885	779,741	237,059	1,418,685
a. Brick-concrete structure	m <sup>2</sup>	160,454	210,157	132,199	502,810
b. Brick-wood structure	m <sup>2</sup>	201,534	373,483	90,510	665,527
c. Wood (earth) structure	m <sup>2</sup>		9,485		9,485
d. Miscellaneous	m <sup>2</sup>	39,897	186,616	14,351	240,864
A4. Other fixed assets					
a. Fence wall	m <sup>2</sup>	60,254	87,386	43,138	190,778
b. Ground	m <sup>2</sup>	97,881	160,031	77,927	335,839
c. Water pool	m <sup>2</sup>		4,928		4,928
d. Tower	m <sup>2</sup>	66		35	101
e. Water well	pc	122	1,240	25	1387
f. Pressed-water well	pc	227		444	671
g. Tomb	pc	250	4,408	1,381	6,039
h. Simple building	pc	500		1,364	1,864
A5. Trees (including, fruits, timber)	mu	56,783	143,903	8,812	209,498
B. Land	mu	11,334	18,578	7,787	37,699
B1. Irrigation land	mu	2,649	3,054	5,162	10,865
B2. Dry soil	mu	3,876	7,085		10,961
B3. Vegetable land	mu		2,738		2,738
B4. Water pond	mu	2,246	1,213	363	3,822
B5. Frost	mu	844	2,443	293	3,580
B6. Hacienda	mu		466		466
B7. Land for house	mu		1,577		1577
B8. Miscellaneous	mu	1,719		1,969	3,688
C1. Traffic facilities					
a. Concrete road surface	km	12			12
b. Simple road	km	11	69		80
c. Machine-ploughed road	km		44		44
C2. Electrical facilities					
a. Low voltage transmission lines	km	118	125	8	251
b. 10 kV electrical transmission lines	km	30	50	6	86
c. 35 kV electrical transmission lines	km	4			4
d. Transformation device	pc		10		10
C3. Telephone lines		380	110	29	519
C4. Broadcasting lines	km	99	24		123
C5. Water mains	km	6	4		10

Source: China Yangtze Basin Flood Control Project, *Draft Final RAP*, n.d., Executive Summary.

**Population Impacts by Categories**

<i>Order</i>	<i>Descriptions</i>	<i>In plan base year</i>	
		<i>Population</i>	<i>Laborers</i>
A.	General impacts		
1.	Agricultural population		
	Population who lost houses and land	164,334	
	Population who lost land		
	Population who lost houses		
	Population who lost roads to the villages	5,306	
	<b>Subtotal</b>	169,640	78,400
2.	Non-agricultural population		
	Inhabitants in the township (lost houses)	9,598	4,702
	Population of industries and mines and the third industries	4,948	4,948
	Rural teachers and retired staff and workers (lost houses)	1,798	361
	Population in institutes not managed by townships	436	421
	Population in institutes managed by the province	1,717	672
	<b>Subtotal</b>	19,408	11,104
	<b>Total</b>	188,138	89,504

*Source:* China Xiaolangdi Resettlement Project, "Report on the Revised RAP and Implementation Progress," February 1997, p. 5.

**Population Impacts by Categories**

<i>Order</i>	<i>Description</i>	<i>In plan base year</i>	
		<i>Population</i>	<i>Laborers</i>
B.	Livelihood impact		
1.	Agricultural population		
	Engaged in planting (sideline activities)	134,466	46,079
	County run enterprises (workers on basis of contract)	3,412	3,412
	Township run enterprises	2,418	2,418
	Agricultural population with temporary non agricultural incomes	24,038	24,038
	<b>Subtotal</b>	164,334	75,948
	(Population who only lost roads)	5,306	2,452
	<b>Subtotal</b>	169,640	78,400
2.	Non-agricultural population		
	Rural teachers	361	361
	Retired staff and workers	1,437	
	Staff and workers engaged in township government	10,035	5,123
	Township enterprises(industries mines and commerce)	3,119	3,119
	County-run state owned enterprises(industries and mines)	1,829	1,829
	Institutions at the provincial level	1,717	672
	<b>Subtotal</b>	18,498	11,104
	<b>Total</b>	188,138	89,504

*Source:* China Xiaolangdi Resettlement Project, "Report on the Revised RAP and Implementation Progress," February 1997, p. 6.

## Township/District Land Acquisition Information

Township/District	<i>Total Permanent Land Acquisition</i>	<i>Land under Agriculture</i>		<i>Residential Land</i>		<i>Enterprises/Commercial Land</i>			<i>Other Affected Land</i>		
	<i>mu</i>	<i>mu</i>	<i>Labor Affected</i>	<i>Persons Affected</i>	<i>mu</i>	<i>Houses Affected</i>	<i>Persons Affected</i>	<i>mu</i>	<i>Enterprise Affected</i>	<i>Workers Affected</i>	<i>mu</i>
Yang Si township	115.37	32.95	40	70	1.50	40	133	19.34	25	6,415	61.58
San Lin Township	367.37	242.10	507	887	13.42	237	864	2.85	3	340	109.00
Kang Qiao Zhen	159.62	88.83	105	184	7.00	67	244	2.12	8	151	61.67
Heng Mian Zhen	55.31	26.01	30	53	1.50	4	22	0	0	0	27.80
Sun Qiao Township	15.22	11.25	9	16	2.00	15	45	0	0	0	1.97
Bei Cai Zhen	229.62	81.65	128	224	14.57	156	645	11.30	18	1,084	122.10
Hua Mu Township	111.72	34.00	68	119	5.81	26	105	15.00	1	18	56.91
Zhang Jiang Township	136.18	20.59	380	665	3.55	38	132	6.10	10	392	105.94
Jin Qiao Township	13.20	10.10	12	21	2.10	4	14	1.65	2	63	
Tang Zhen Township	89.27	53.14	56	98	0.90	1	34	2.40	4	35	32.83
Wang Gang Township	213.46	39.74	166	291	18.33	127	585	43.01	22	2,947	112.38
He Qing Township	1,302.96	636.38	1,300	2,275	31.35	138	490	110.74	34	2,583	524.49
Total Pudong	2,809.30	1,276.74	2,801	4,902	102.03	863	3,313	214.51	127	14,351	1,216.67
Puxi	4.23	4.23	13	23	0	0	0	0	0	0	0
<b>Grand Total</b>	2,813.53	1,280.97	2,814	4,924	102.03	863	3,313	214.51	127	14,351	1,216.67

Source: China Shanghai Second Sewerage Project, Appraisal Report, *Resettlement Action Plan*, July 1995.

### Information Regarding Houses Affected

<i>Township/District</i>	<i>Total Residential Units Affected</i>		<i>Temporarily Affected (No Relocation)</i>		<i>(A+B) to be Relocated</i>		<i>(A) Reconstructed in the Vicinity</i>		<i>(B) Relocated in Apartments</i>	
	<i>Houses</i>	<i>Persons</i>	<i>Houses</i>	<i>Persons</i>	<i>Houses</i>	<i>Persons</i>	<i>Houses</i>	<i>Persons</i>	<i>Houses</i>	<i>Persons</i>
Yang Si Township	56	196	16	63	40	133	40	133	0	0
San Lin Township	284	1,070	47	206	237	864	237	864	0	0
Kang Qiao Zhen	104	387	37	143	67	244	67	244	0	0
Heng Mian Zhen	4	22	0	0	4	22	4	22	0	0
Sun Qiao Township	15	45	0	0	15	45	15	45	0	0
Bei Cai Zhen	238	988	82	343	156	645	0	0	156	645
Hua Mu Township	36	144	10	39	26	105	26	105	0	0
Zhang Jiang Township	68	252	30	120	38	132	38	132	0	0
Jin Qiao Township	8	31	4	17	4	14	4	14	0	0
Tang Zhen Township	16	50	5	16	11	34	0	0	11	34
Wang Gang Township	155	617	28	32	127	585	127	585	0	0
He Qing Township	219	819	81	329	138	490	138	490	0	0
Total Pudong	1,203	4,621	340	1,308	863	3,313	696	2,634	167	679
Puxi	229	705	0	0	229	705	0	0	229	705
<b>Grand Total</b>	1,432	5,326	340	1,308	1,092	4,018	696	2,634	396	1,384

Source: China Shanghai Second Sewerage Project, Appraisal Report, *Resettlement Action Plan*, July 1995.



## Information Regarding Enterprises

Township/Disirict	<i>Permanently Affected Enterprises</i>						<i>Temporarily Affected Enterprises</i>					
	<i>Enterprises Workers</i>	<i>Workers Affected</i>	<i>(A) Reorg. in Same Location</i>	<i>Workers in (A)</i>	<i>(B) to be Relocated</i>	<i>Workers in (B)</i>	<i>Affected Enterprises</i>	<i>Workers Affected</i>	<i>(A) Reorg. in Same Location</i>	<i>Workers in (A)</i>	<i>(B) to be Relocated</i>	<i>Workers in (B)</i>
Yang Si Township	25	6,415	21	5,346	4	1,069	0	0	0	0	0	0
San Lin Township	3	340	3	283	0	57	0	0	0	0	0	0
Kang Qiao Zhen	8	151	7	126	1	25	1	0	0	0	0	0
Heng Mian Zhen	0	0	0	0	0	0	1	80	1	80	0	0
Sun Qiao Township	0	0	0	0	0	0	0	0	0	0	0	0
Bei Cal Zhen	18	1,084	15	903	3	181	1	60	1	60	0	0
Hua Mu Township	1	18	1	15	0	3	0	0	0	0	0	0
Zhang Jian Township	10	392	8	827	2	65	0	0	0	0	0	0
Jin Qiao Township	2	63	2	53	0	10	1	30	1	30	0	0
Tang Zhen Township	4	358	3	298	1	60	4	63	4	63	0	0
Wang Gang Township	22	2,947	18	2,456	4	491	0	0	0	0	0	0
He Qing Township	34	2,583	28	2,153	6	430	0	0	0	0	0	0
Total Pudong	127	14,351	106	11,960	21	2,391	7	233	7	233	0	0
Puxi	46	15,740	46	15,740	0	0	29	1,810	29	1,810	0	0
<b>Grand Total</b>	<b>173</b>	<b>30,091</b>	<b>152</b>	<b>27,700</b>	<b>21</b>	<b>2,391</b>	<b>36</b>	<b>2,043</b>	<b>36</b>	<b>2,043</b>	<b>0</b>	<b>0</b>

Source: China Shanghai Second Sewerage Project, Appraisal Report, *Resettlement Action Plan*, July 1995.

## Appendix 12

### Matrix of Compensation Unit Prices

#### List of Compensation Investment Unit Prices for YBFCP

Description	Unit	Unit price (yuan)			Remarks
		Hunan	Hubei	Jiangxi	
<b>1. Settlement</b>					
<b>1.1 Buildings</b>					
<b>1.1.1 Public buildings</b>					
Framework	m <sup>2</sup>		500	358	
Brick-concrete	m <sup>2</sup>	345	360	250	
Brick-wood	m <sup>2</sup>	260	270	185	
Clay/wood	m <sup>2</sup>	195			
Miscellaneous	m <sup>2</sup>	60	75	68	
<b>1.1.2 Private house</b>			Rural/urban		
Brick-concrete	m <sup>2</sup>	269	270/320	230	
Brick-wood	m <sup>2</sup>	203	240/260	165	
Clay/wood	m <sup>2</sup>	153			
Miscellaneous	m <sup>2</sup>	50	60/70	58	
<b>1.2 Auxiliaries</b>					
<b>1.2.1 Private-owned</b>			Rural/town		
Fence	m	20	24/26	23	
Sun-drying ground	m <sup>2</sup>	12	20/22	20	
Water pond	m <sup>3</sup>	80			
Well	piece		1,000/1,000	1,000	
Pressure well	piece	70		250	
Simple structure	piece		50/50	50	
Tomb	piece	100	190/190	185	
<b>1.2.2 Public-owned</b>					
Concrete fence	m		28	25	
Concrete ground	m <sup>2</sup>		25	22	
Water tower	m <sup>3</sup>		6,000 (per structure)	2,500	
Well	piece		2,000	1,500	
Simple structures	piece		60	50	
<b>1.3 Tree</b>	piece	20	30	30	
<b>1.4 Resettlement subsidy</b>			Rural/town		Hubei for each household
Materials relocation	person	50	500/550	100	
Materials loss	person	50	350/450	60	
For work delay	person	100	400/500	200	
For housing during relocation	person			60	
<b>1.5 Reconstruction of public facilities</b>					For Hubei: township building in host area/townships
Land acquisition in resettlement area	mu		7,000/10,000	6,328	
Land leveling	HH		800/1,320	1,028	

(cont.)

## Appendix 12

<i>Description</i>	<i>Unit</i>	<i>Unit price (yuan)</i>			<i>Remarks</i>
		<i>Hunan</i>	<i>Hubei</i>	<i>Jiangxi</i>	
Roads	HH		280/1,280	240	
Tap water	HH		280/800	6,400	
Drainage	HH		200/640	200	
Power supply	HH		320/720	280	
Others	HH		240/820		
<b>1.6 Other compensation</b>	person			120	
RS area township construction	HH		300		
Subsidy for moving to towns	HH		350		
<b>1.7 Vulnerable groups housing</b>	HH				
Elderly orphans and widows	HH		3,000	3,000	
Female headed households and inadequate male labor force communities	HH		4,000	4,000	
<b>1.8 Vulnerable groups livelihood subsidy</b>	person	600	600	600	
<b>2. Land compensation</b>					
<b>2.1 Per capita cultivated land less than 1 mu</b>	HH			7,460	
(1) Paddy field	mu	8,409	8,096		
(2) Dry land	mu	5,007	5,275		
(3) Market garden	mu	8,409			
(4) Water pond	mu	8,409	4,950	4,500	
(5) Forest land	mu	3,835	3,000	3,500	
(6) Garden plot	mu	5,990			
(7) House plot	mu	3,456			
(8) Other land	mu		3,000	3,500	
<b>2.2 Per capita cultivated land more than 1 mu</b>	mu				
(1) Paddy field	mu	6,932	8,096		
(2) Dry land	mu	3,854	5,275		
(3) Market garden	mu	6,932			
(4) Water pond	mu	6,932	4,950		
(5) Forest land	mu	3,835	3,000		
(6) Garden plot	mu	3,835			
(7) House plot	mu	4,425			
<b>2.3 Temporary land requisition</b>	mu				
Cultivated land	mu		1,800	3,500	
<b>3. Special facilities</b>					
<b>3.1 Roads</b>	km		250,000		
<b>3.2 Simple roads</b>	km	169,038	170,000		
<b>3.3 Tractor road</b>	km	12,531			

(cont.)

## Matrix of Compensation Unit Prices

<i>Description</i>	<i>Unit</i>	<i>Unit price (yuan)</i>			<i>Remarks</i>
		<i>Hunan</i>	<i>Hubei</i>	<i>Jiangxi</i>	
<b>3.4 Power facilities</b>	km				Overhead transmission line will take Jiangxi's as the Unit
(1) Low-voltage lines	km				
380v transmission line	km		12,000	1,000	
220v transmission line	km	9,127	9,000	1,000	
(2) High-voltage lines	km				
35kv transmission line	km		35,000		
10kv transmission line	km	22,525	23,000	2,000	
(3) Transforming facilities	set	3,000			
<b>4. Telecommunication lines</b>	km	12,860	13,000	1,000	
<b>5. Broadcasting lines</b>	km	8,000	8,000		
<b>6. Cable T.V lines</b>	km		10,000		
<b>7. Steel tower</b>	pole		150,000		
<b>8. Tap water trunk lines</b>	km	50,000	70,000		

*Source:* China Yangtze Basin Flood Control Project, *Draft Resettlement Action Plan*, n.d., Executive Summary.

## Unit Rates for Compensation

<i>No.</i>	<i>Items</i>	<i>Unit</i>	<i>Unit rate 1000 VND</i>	<i>Unit rate USD<sup>1</sup></i>
1.	Permanent structures			
1.1	House grade 1	m <sup>2</sup>	1000	83
1.2	House grade 2	m <sup>2</sup>	900	75
1.3	House grade 3	m <sup>2</sup>	880	73
1.4	House grade 4	m <sup>2</sup>	550	46
	Temporary structures	m <sup>2</sup>		
1.5	Sheet metal roof	m <sup>2</sup>	220	18
1.6	Wood frame	m <sup>2</sup>	160	13
1.7	Thatch	m <sup>2</sup>	60	8.3
1.8	Animal house	m <sup>2</sup>	40	8.3
2.	Land (87 CP)			
2.1	Homestead	m <sup>2</sup>		
2.2	Permanent loss	m <sup>2</sup>	10.0	0.78
	(temporary loss)	m <sup>2</sup>	0.65	0.05
2.3	Agriculture	m <sup>2</sup>		
	(permanent loss)	m <sup>2</sup>	5.0	0.39
	(temporary loss)	m <sup>2</sup>	0.65	0.05
2.4	Shrimp pond	m <sup>2</sup>	5.0	0.38
2.5	Perennial crops forestry	m <sup>2</sup>	5.0	0.38
3.	Agricultural products/trees			
3.1	Paddy	ha	4000	307
3.2	Coconut	tree	160	12.5
3.3	Mango	tree	250	19.5
3.4	Orange	tree	60	4.5
3.5	Longan	tree	100	7.5
3.6	Sapuche	tree	100	7.5
3.7	Banana	tree	5	0.4
3.8	Custard apple	tree	30	2.3
3.9	Tamarind	tree	75	5.8
3.10	Eucalyptus	tree	5	0.4
3.11	Papaya	tree	10	0.8
3.12	Nipapalm	m <sup>2</sup>	1.5	0.11
3.13	Melaleuca	tree	0.3-1.5	0.02-0
4.	Other structures			
4.1	Stone tomb	unit	800	60
4.2	Earthen tomb	unit	350	27
4.3	Dryer area	m <sup>2</sup>	100	7.7
4.4	Well	unit		
	Drilled	unit	2200	169
	Dug	unit	1000	77
4.5	Cement pipe	m	15	1.1
4.6	Cement sluice	unit	6000	461
4.7	Wooden sluice	unit	2000	154

1. 13,000 VND = 1 USD.

Source: Vietnam Mekong Delta Water Resources Development Project, Feasibility Study Update, Resettlement Action Plan, August 1998, Annex II, p.78.

## Compensation Cost (Left Bank)

<i>No.</i>	<i>Item</i>	<i>Unit</i>	<i>Quantity</i>	<i>Unit price (yuan)</i>	<i>Investment (yuan)</i>	<i>Remarks</i>
<b>I</b>	<b>Compensation for land acquisition</b>				493.8	
1	Cultivated land	mu	1,790.2	1288.0	230.6	
2	Arid level land	mu	2,790.5	644.0	179.7	
3	Grass land				1.8	
3.1	Artificial grass land	mu	12.0	900.0	1.1	
3.2	Natural grass land	mu	14.7	500.0	0.7	
4	Forest land				815	
4.1	Collective forest land	mu	97.0	8,000.0	77.6	
4.2	Collective nursery	mu	245.0	1,610.0	39.4	
5	House lot	mu	1.9	644.0	0.1	
<b>II</b>	<b>Compensation for resettlement</b>				391.7	
1	Cultivated land	mu	1,790.2	1,288.0	230.6	
2	Arid land	mu	2,790.5	483.0	134.8	
3	Forest land				26.3	
3.1	Collective forest land	mu	97.0	1,200.0	11.6	
3.2	Collective nursery	mu	245	6,000.0	14.7	
<b>III</b>	<b>Compensation for scattered trees</b>				65.2	
1	Timber				36.2	
1.1	Large		4,980.0	40.0	19.9	
1.2	Medium		2,012.0	30.0	6.0	
1.3	Small		4,335.0	10.0	4.5	
1.4	Young		686.0	3.0	0.2	
1.5	Nintiao		10,968.0	5.0	5.5	
2	Economic forest				29.0	
2.1	Large fruit tree		311.0	300.0	9.3	
2.2	Medium fruit tree		2.0	200.0	0.0	
2.3	Small fruit tree		1,271.0	150.0	19.1	
2.4	Young fruit tree		581.0	10.0	0.6	
<b>IV</b>	<b>Compensation for housing and auxiliary structures</b>				139.8	
1	Stone cave dwelling	m <sup>2</sup>	1,704.4	210.0	35.8	
2	Earth cave dwelling	m <sup>2</sup>	1,399.0	150.0	21.0	
3	Brick/arch dwelling	m <sup>2</sup>	85.0	160.0	1.4	
4	Brick house	m <sup>2</sup>	510.7	730.0	11.7	
5	Sundry house	m <sup>2</sup>	265.6	160.0	4.2	
6	Stone pigsty	num.	8.0	200.0	0.2	
7	Chicken coop	num.	4.0	20.0	0.0	
8	Toilet	num.	5.0	100.0	0.1	
9	Toilet of units	num.	1.0	1,000.0	0.1	
10	Brick enclosing wall	m	7,760.0	60.0	46.6	
11	Stone enclosure	m	19.2	50.0	0.1	

(cont.)

## Appendix 12

<i>No.</i>	<i>Item</i>	<i>Unit</i>	<i>Quantity</i>	<i>Unit puce (yuan)</i>	<i>Investment (yuan)</i>	<i>Remarks</i>
12	Dry stone wall for land protection	m	3,000.0	27.0	8.1	
13	Vegetable cellar	num.	18.0	100.0	0.2	
14	Dry well	num.	118.0	800.0	9.4	
15	Well of units	num.	1.0	10,000.0	1.0	
<b>V</b>	<b>Compensation for farming, sideline production and welfare facilities</b>				26.9	
1	Since transport	m <sup>2</sup>	6,164.0	5.0	3.1	
2	Stone storage	m <sup>2</sup>	731.8	23.0	1.7	
3	Lime storage	t	682.0	40.0	2.7	
4	Small temple		1.0	200.0	0.0	
5	Brick kiln		15.0	4,000.0	6.0	
6	Lime kiln		2.0	300.0	0.1	
7	Oil tank		1.0	100.0	0.0	
8	House with iron stand		2.0	21,100.0	0.4	
9	Stage	m <sup>2</sup>	57.6	300.0	1.7	
10	Tomb	num.	372.0	300.0	11.2	
<b>VI</b>	<b>Compensation for small hydraulic facility</b>				18.2	
1	Rebuilding pump ing station	num.	2.0		15.4	
2	Water pool	m <sup>2</sup>	349.0	80.0	2.8	
<b>VII</b>	<b>Compensation for special facilities</b>				241.9	
1	Quarry	num.	65.0		197.8	
2	Sand pit	num.	1.0	71,000.0	7.1	
3	Stone and sand processing factory	num.	1.0	82,000.0	8.2	
4	Lime pit	num.	7.0		8.6	
5	Rebuilding high-pressure power line	km	2.7	70,000.0	18.6	
6	Rebuilding communication line	km	0.9	18,000.0	1.6	
<b>VIII</b>	<b>Compensation for saplings</b>				102.6	
1	Cultivated land	mu	1,790.2	322.0	57.6	
2	Arid land	mu	2,790.5	161.0	44.9	
<b>IX</b>	<b>Compensation for land acquisition</b>				4.2	
	Cultivated land	M.	131.2	322.0	4.2	
<b>X</b>	<b>Grain subsidy</b>				159.3	
1	Cultivated land	mu	1,790.2	500.0	89.5	
2	Arid land	mu	2,790.5	250.0	69.8	
<b>XI</b>	<b>Tax on land occupation</b>				743.7	
1	Cultivated	000s m <sup>2</sup>	119.4	3.5	417.9	
2	Arid land	000s m <sup>2</sup>	186.1	1.8	325.7	
	<b>Total of 10 and 11</b>				903.9	
	<b>Total</b>				2,387.3	

Source: China Wanjiashai Water Transfer Project, *Resettlement Action Plan*, n.d., p. 50.

**Annual Yield and Output Value for Agricultural Land**

<i>Land</i>	<i>Unit</i>	<i>First Grade</i>	<i>Second Grade</i>	<i>Third Grade</i>
Vegetable land	annual output value per mu	6000-7000 yuan in vegetable sheds	5000-6000 yuan in vegetable sheds	800-1000 yuan in open land
Irrigated land	annual yield per mu	600-700 kg	500-600 kg	400-500 kg
Low-land	annual yield per mu	400-500 kg	300-400 kg	200-300 kg
Slope land	annual yield per mu	200-300 kg	150-200 kg	100-150 kg
Fish pond	annual yield per mu	calculated on the annual output value of third grade vegetable land		

*Source:* China Wanjiazhai Water Transfer Project, *Resettlement Action Plan*, n.d., p. 63.

**Compensation Standards for Forest Land and Grass Land**

<i>Item</i>	<i>Unit</i>	<i>First Grade</i>	<i>Second Grade</i>	<i>Third Grade</i>
Lucerne growing land	Yuan/mu	900-1000	700-800	500-600
Nintiao land	Yuan/mu	600-700	500-600	400-500
Young forest land	Yuan/mu	650-750	550-650	450-550
Natural grass land	Yuan/mu	400-500	300-400	200-300
Reed growing field	Yuan/mu	700-800	600-700	500-600
Nursery	Yuan/mu	5000-6000	4000-5000	3000-4000

*Source:* China Wanjiazhai Water Transfer Project, *Resettlement Action Plan*, n.d., p. 64.

**Compensation Standard for Scattered Trees**

<i>Variety</i>	<i>Diameter of 1 m high tree above ground</i>	<i>Unit</i>	<i>Compensation Standard (yuan)</i>	<i>Remarks</i>
Normal	below 3cm		1-3	
Miscellaneous	below 5cm		3-4	
Trees	6-10 cm		8-10	
	11-20cm		30-40	
	21-30cm		40-50	
	Above 30cm		15-20	
Fruit trees	Young tree		10-20	10 yuan for tree planted in that year, 15-20 yuan for tree planted in the next year
	Tree growing fruit for first time		150-200	growing more than three years
	Tree growing fruits luxuriantly		300-400	growing more than five years

*Source:* China Wanjiazhai Water Transfer Project, *Resettlement Action Plan*, n.d., p. 65.



### Compensation Standards for Housing Amenities and Other Structures

<i>Item</i>	<i>Unit</i>	<i>Compensation Standard (yuan)</i>	<i>Adopted Standard (yuan)</i>	<i>Remarks</i>
Stone cave dwelling	m <sup>2</sup>	210-280	210	
Stone-faced earth cave dwelling	m <sup>2</sup>		160	
Earth cave dwelling	m <sup>2</sup>	150-170	150	
Stone mat cave dwelling	m <sup>2</sup>	190-210	190	
Stone-faced earth mat cave dwelling	m <sup>2</sup>		150	
Earth mat cave dwelling	m <sup>2</sup>	140-150	140	
Brick/concrete house	m <sup>2</sup>	210-280	230	
Brick/timber house	m <sup>2</sup>		180	
Stone/timber mat room	m <sup>2</sup>		160	
Earth house	m <sup>2</sup>	150-170	150	
Paperboard house	m <sup>2</sup>		60	
Simply built brick house	m <sup>2</sup>		120	
Brick/timber work shed	m <sup>2</sup>		100	
Simply work shed	m <sup>2</sup>		100	
Iron sheet house	no.		500	
Stone rattle shed	m <sup>2</sup>	50-60	50	Referring to brick/timber rattle shed
Earth/timber rattle shed	m <sup>2</sup>	20-30	30	
Stone pigsty	no.	200-300	200	
Earth cave	m <sup>2</sup>		50	Referring to stone rattle shed
Earth toilet	no.	40-50	50	
Chicken coop	no.	20-30	20	
Grass cave	no.	60-80	80	
Chinese pam cellar	no.	100-150	100	
Sand cellar	no.		60	
Kitchen	no.	40-50	50	
Meat storehouse	no.		150	
Dry well	no.	600-800	800	
Excavation in yard	m <sup>2</sup>		2	Determined by TSDI
Stone enclosure	m	50-60	60	
Places for business	m <sup>2</sup>		2	
Stone transported	m <sup>2</sup>		5	Referring to data of left bank
Small temple	no.		200	Referring to data of left bank
Tomb		300-400	300	

Source: China Wanjiazhai Water Transfer Project, *Resettlement Action Plan*, n.d., p. 69.

### Compensation Rates for Economic Rehabilitation

<i>Resettlement Method</i>		<i>Resettlement Cost (Excluding Management)</i>	<i>Allotment of Resettlement Costs (all figures in RMB)</i>		
			<i>Entrusted Units</i>	<i>Unit Providing Jobs</i>	<i>Individual</i>
Self-absorption units (Temporary worker becoming permanent staff after resettlement)		30,000		30,000 Labor service comp. under SSPCC	30,000
Local absorption units	Township Enterprises	40,000		30,000	40,000
	Other Units	90,000		30,000	
Entrusted resettlement	Labor Service	50,600	50,600	5,000 to 20,000	50,600
	Training Enterprises	Compensation divided between the two sides			
	Other Units				
United absorption of labor					
Administrative allotment		40,000		30,000 Township enterprises	10,000 Employment insurance
		30,000		30,000 Other enterprises	
Self-employment		Determined by the above method		Male <35yr Female < 25 yr 5,000 Male > 35 yr Female > 25 yr 1000/yr, but max. of 30,000	30,000
Subsistence for workers losing their job		Determined by above method		Living cost 245/month + medical costs	1,000
Old age pension		57,840 (males) 76,875 (females)		Old age pension compensation— 245/month + 60/month medical expenses	57,840 (males) 76,875 (females)
Early retirement due to health or other condition. (Advance Pension)		46,000 Plus 1 yr 3,000 2 yr 6,000 3 yr 9,000 4 yr 12,000 5 yr 15,000		Advance Pension compensation 245/month + medical cost	46,000 Plus 3,000 to 15,000

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995, p.34.

**Compensation rates of other affected assets**

	<i>Unit</i>	
Warehouses (less than 1000 m <sup>2</sup> )	m <sup>2</sup>	214.14
Pigsty	m <sup>2</sup>	208.86
Poultry	m <sup>2</sup>	157.78
Duck farm	m <sup>2</sup>	133.31
Auxiliary Structures		
Wall	m <sup>2</sup>	44
Threshing grooves	m <sup>2</sup>	51
Trees and Bushes		
Bushes	per bush	20
Orchard	per mu	2000
Bamboo shoot	m <sup>2</sup>	6-10
Loss of animals		
Pig		65
Chicken		4
Duck		3
Fishery Products		
Fish pond	per mu	880-1320
Electric Lines		
Electric line	m	22
Domestic electric tine	m	14
Communication	m	8
Vegetable farmland facilities		
Ditches	m	85
Sprinkler facilities	per mu	818
Sheds	per set	4000
Vegetable storage		255 800
Greenhouse 5 enclosures by 7 enclosures	per	255 800
Irrigation Facilities		
Underground pipeline	m	55-90
Pipeline checking man hole	per piece	215
Watercourse	m <sup>2</sup>	5
Septic tank	m <sup>2</sup>	22-32
Roads		
Road	m <sup>2</sup>	23-48

*Source:* China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995, p.35.

**Compensation Rates for Affected Enterprises**

	<i>Unit</i>	<i>Compensation Rate (RMB)</i>
Reinforced concrete and framed structure	m <sup>2</sup>	713.44
Mixed structure	m <sup>2</sup>	497.28
Brick and wood structure	m <sup>2</sup>	398.72
Walls	m	150
Concrete floor	m <sup>2</sup>	60
Equipment transfer, dismantling cost & reconstruction	m <sup>2</sup>	300
Workers salary compensation	per worker/year	7401
High voltage transformer station	KV	420
Temporary transfer compensation	m <sup>2</sup>	250

Note: Enterprises compensation also includes: (i) compensation for affected fixtures and fittings at the replacement value; (ii) compensation from net losses due to production stoppage.

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995, p. 36.

### Guidelines for Compensation Calculations

<i>Lost Asset</i>	<i>Compensation under Ugandan Law (C1)</i>	<i>AES Uplift (C2)</i>
Land	Valuation based upon market value of unimproved land. In practice, standard rates are applied of UgSh 1.2 M per acre on the mainland and UgSh 0.8 M per acre on the islands + 15 or 30% disturbance allowance	C2=0 for these households who opt for cash compensation For those who opt for resettlement, see details on incentives under § 7.10
Permanent Houses	Valuation on a case-by-case basis, based upon the depreciated cost + 15 or 30% disturbance allowance	C2= Full replacement value less depreciated value
Non-Permanent Houses	Valuation based upon official rates with type of materials, condition and age taken into account + 15 or 30% disturbance allowance	C2= Full replacement value less depreciated value In-kind compensation only for those Who opt for land-for-land compensation.
Other Structures (Graves, Granaries, Latrines...)	Valuation based upon official rates with type of materials, condition and age taken into account + 15 or 30% disturbance allowance	No uplift (C2=0)
Perennial Crops	Valuation based upon count and official rates + 15% disturbance allowance	No uplift (C2 = 0)
Annual Crops	No compensation	No compensation. The notice period allows affected people to harvest their annual crops.
Cost of Moving	No compensation	Uganda Sh. 200,000 per household served in cash or provision of a truck for one day
Communal Assets (such as access to river for fishing or water supply, public tracks and paths)	No compensation	Compensated through development actions at community level. See Community Development Action Plan

*Source:* Bujagali Project Hydropower Facility Resettlement and Community Development Action Plan, prepared for AES Nile Power by ESG International (Guelph, Canada) and W.S. Atkins International (Epsom, UK), March 2001, Vol. 1, p. 68.

**Rates of Compensation, Officially Approved by Mukono District Land Board for Year 2000 Buildings**

Depreciation	New & Good	0%
	Fair Condition	25%
	Poor	50%
	Very Poor	70%
A	Temporary	U.sh. per sq. m.
1	Grass thatched roof / rough mud and wattle / earth floor	8,000
2	Grass thatched roof / smooth mud and wattle / earth floor	10,000
3	Grass thatched roof / plastered mud and wattle walls / earth floor	12,000
B	Busihira Beehive Type	15,000
C	Semi-Permanent	
1	Corr. Iron sheets / rough mud and wattle walls / earth floor	25,000
2	Corr. Iron sheets / smooth mud and wattle walls / earth floor	25,000
3	Corr. Iron sheets / smooth mud and wattle walls I cement floor	30,000
4	Corr. Iron sheets / plastered mud and wattle walls	45,000
	with rough floor	50,000
	without floor	50,000
5	Corr. Iron sheets / unburnt brick walls / earth floor	35,000
6	Tiles / asbestos / unburnt brick walls / cement floor	60,000
7	Tiles / asbestos / unburnt brick walls / cement floor	50,000
8	Corr. Iron sheets / Murram blocks / plastered walls/ cemented floor	40,000
9	Tiles / asbestos / plastered unburnt brick walls / earth floor	60,000
10	Tiles / asbestos / plastered unburnt brick walls / cement floor	80,000

## Appendix 12

**Crops (excerpt)**

<i>No.</i>	<i>Item</i>	<i>Assumption</i>	<i>Shs Per Clump, Shs Per Tree, Shs Per Unit</i>	<i>Shs Per Acre</i>
1. Bananas				
(a)	Mature & good	Three plants per stool, one with a bunch, well mulched, weed free, well pruned, soil and water conserved	4,000	1,600,000
(b)	Mature & average	4-5 plants per stool, distorted spacing, localized sports of weed, disintegrated mulch poorly maintained damaged and channels	3,000	1,200,000
(c)	Mature & poor	Abandoned field, over populated, mixed cropping, population per stool not easily determined	750	300,000
(d)	Young & good	A promising crop, intercropped well spaced, significant costs for land preparation and sucker procurement and treatment	2,500	1,000,000
	Young & average	Well spaced soil conversation measures	1,700	765,000
(e)	Young & poor	Abandon, weed infected, poor spacing, pests and disease infected	1,000	450,000
2. Cassava				
(a)	Mature & good	Spacing 1.2 m x 1.2 m for mono crops, mosaic free tuberstemmed 2720	2000	1,600,000
(b)	Mature & average	(Half-mature) 2720	500	400,000
(c)	Young & good	Well spaced intercropped	750	600,000
(d)	Poor	Diseased, weed infected, poor soils, population below optimum	200	150,000
3. Robusta coffee				
			Per tree	Per acre
(a)	Mature & good	Field green, disease and post free, manured, soil and water conserved	3,000	1,500,000
(b)	Mature & average	Field half green yellow due to nitrogen deficiency, some degree of crop husbandry practiced	1,500	750,000
(c)	Mature & poor		750	375,000
(d)	Young & good	Abandoned, weed infected, umbrella like trees, population per acre not easily determined	1,000	800,000
(e)	Young & average	Less than 5 years old, cover crop got from seedlings	500	400,000
(f)	Young & poor		300	240,000
4. Clonal coffee				
			Per tree	Per acre
(a)	Mature & good	Above 2.5 years, well managed spaced at 10'x 10' about 8kg per plant per year (1 acre = 450 trees)	6,000	2,700,000
(b)	Mature & average	Above 2.5 years, not well managed, signs of nutrient deficiency, about 5kg per plant per year	3,500	1,575,000
(c)	Poor	Above 2.5 years, weed infected with nutritional deficiency, neglected	1,500	675,000

*(cont.)*

Matrix of Compensation Unit Prices

<i>No.</i>	<i>Item</i>	<i>Assumption</i>	<i>Shs Per Clump, Shs Per Tree, Shs Per Unit</i>	<i>Shs Per Acre</i>
5.	Sweet potatoes		Per m2	Per acre
(a)	Mature & good (if not harvested)	Pest free, good soils, spacing 1 m x 1 m, 4,000 mounds per acre	250	1,000,000
(b)	Mature & poor (if not harvested)	Not well managed, not infected, 4,000 mounds per acre	150	600,000
(c)	Young & good	Pests and disease free, good soil	200	800,000
(d)	Young & poor	Pest and disease free, good soil, expected yield 3kg per sq. m., 4,000 mounds per acre	100	400,000
6.	Irish potatoes		Per m2	Per acre
(a)	Good & mature	Pests and disease free, good soils, expected yield 3kg per sq. m., 400 mounds an acre	300	1,200,000
(b)	Poor & mature	Diseased, poor soils, poor spacing and agronomy	150	600,000
(c)	Young & good		250	1,000,000
7.	Ground nuts		Per m2	Per acre
(a)	Well managed		120	360,000
(b)	Average			200,000
(c)	Poor			100,000
8.	Maize		Per m2	Per acre
(a)	Mature, young & good	Well spaced, expected yield of 15 bags per acre, weeded twice	100	400,000
(b)	Average			250,000
(c)	Poor			100,000
9.	Yams (Mayuni)		Per plant	Per acre
(a)	Mature & Good	One plant per sq. m., 4000 plants an acre	200	800,000
(b)	Young & good	Well managed	100	400,000
10.	Sorghum		Per m2	Per acre
			100	200,000
11.	Cotton		Per plant	Per acre
(a)	Young & good	Pest free, weed high, quality limit expected yield 1000kg per acre	350	350,000
(b)	Young & poor	Weedy pest infected	150	150,000
12.	Millet		Per m2	Per acre
(a)	Mature & good unharvested	Weed free, pest free, well managed	150	300,000
13.	Beans		Per plant	Per acre
(a)	Mature & good unharvested	Weed free, pest free, well managed, well spaced	600	600,000

Rates also exist for all sorts of trees (timber and fruit), and some other crops.

*Source:* Bujagali Project Hydropower Facility Resettlement and Community Development Action Plan, prepared for AES Nile Power by ESG International (Guelph, Canada) and W.S. Atkins International (Epsom, UK), March 2001, Vol. 1.



## Unit Price for Structural Components by Type of Construction (Sample from Cambodia)

No.	Building Components	Unit	Quantity (\$)	Unit Cost (\$)
<b>I Foundation and floor</b>				
1	Mortar	m <sup>2</sup>	1	4.25
2	Lean concrete	m <sup>2</sup>	1	5.00
3	Floor tiles (Esp)	m <sup>2</sup>	1	10.50
4	Floor tiles (Chi)	m <sup>2</sup>	1	3.35
5	Floor tiles (Khm)	m <sup>2</sup>	1	2.00
6	Burned clay floor tile		1	3.40
7	Pavement brick	m <sup>2</sup>	1	5.00
8	Concrete foundation	m <sup>3</sup>	1	150.00
9	Fence beam	m	1	9.50
<b>II Column, Bracing and other wooden structures</b>				
1	Fence pole 100x100x2000	Pole	1	1.20
2	Fence pole 100x100x2500	Pole	1	1.50
3	Wooden	m <sup>3</sup>	1	210.00
4	Sugar palm wood	m <sup>3</sup>	1	120.00
5	Wooden plank	m <sup>3</sup>	1	150.00
6	Reinforced concrete column and beam	m <sup>3</sup>	1	120.00
7	Footing 0.30m	Pole	1	0.64
8	Footing 0.50m	Pole	1	0.89
<b>III Wall</b>				
1	Wooden wall plank	m <sup>2</sup>	1	4.20
2	Thatch	m <sup>2</sup>	1	0.79
3	Layered hollow brick 100mm	m <sup>2</sup>	1	2.45
4	Layered solid brick 100mm	m <sup>2</sup>	1	4.90
5	Layered hollow brick 200mm	m <sup>2</sup>	1	4.90
6	Layered solid brick 200mm	m <sup>2</sup>	1	9.80
7	Mall plastering	m <sup>2</sup>	1	1.20
8	Bamboo (round)	m	1	0.14
9	Split bamboo	m	1	0.01
10	Wooden frame	m	1	0.08
<b>IV Door and Window</b>				
1	Hinged folding wooden door	m <sup>2</sup>	1	6.70
2	Glassed door with steel bar	m <sup>2</sup>	1	18.00
3	Sliding door	m <sup>2</sup>	1	24.00
4	Wooden frame fence door	m <sup>2</sup>	1	3.70
5	Wooden door with corrugated steel sheet	m <sup>2</sup>	1	5.00
6	Bracing corrugated steel sheet and wooden frame window	m <sup>2</sup>	1	2.64
7	Glassed window with decorated steel bar	m <sup>2</sup>	1	18.00
<b>V Floor</b>				
1	Plastic sheet floor	m <sup>2</sup>	1	1.00
2	Wooden floor	m <sup>2</sup>	1	4.20
3	Reinforced concrete floor	m <sup>3</sup>	1	120.00
4	Split bamboo floor	m <sup>2</sup>	1	0.50
<b>VI Ceiling and roof</b>				
1	White corrugated steel sheet	m <sup>2</sup>	1	1.68
2	White and green corrugated steel sheet	m <sup>2</sup>	1	1.98
3	Burnt clay roof tile	m <sup>2</sup>	1	2.37
4	Asbestos corrugated steel sheet	m <sup>2</sup>	1	2.13
5	Wooden roof structures for corrugated steel sheet	m <sup>2</sup>	1	2.50
6	Plywood ceiling and wooden structures	m <sup>2</sup>	1	3.33
7	Aluminum and corrugated steel structure	m <sup>2</sup>	1	8.00
8	Corrugated steel sheet and steel structures	m <sup>2</sup>	1	10.00

Source: Lao People's Democratic Republic, *Technical Guidelines for Resettlement and Cooperation*, Vientiane, Lao PDR, April 15, 2003, Annex 8.4.

## Compensation Rates for Trees and Crops (Sample from Cambodia)

## TREES:

<i>Type</i>	<i>Description</i>	<i>Wood Value per m<sup>2</sup> Plank</i>	<i>Annual Production</i>	
			<i>CEDAC farmer bulletin</i>	<i>Appraisal among Chamka</i>
			<i>In US\$</i>	
1. Special trees	Mango	2.6	40	30.0
	Durian	2.6	68	25.0
	Rambutan	2.6	68	18.2
	Palm juice producing tree	4.7 per piece	25	118.4
2. Common trees	Tamarind sour	2.6	13	7.9
	Tamarind sweet	2.6	20	65.7
	Coconut	1.3 per piece	12	6.6
	Sugar palm	4.7 per piece	25	10.7
	Jackfruit	2.6	21	33.6
	Guave	2.6	12	2.0
	Banana	0	3	1.5
	Milk fruit	2.6	20	25.0
	Longana	2.6	20	27.7
	Mangosteen	2.6	10	1.6
	Lemon	0.8	4	5.2
	Papaya	0	5	2.6
	3. Bamboo stands	small size	0.5 per piece	4
medium size		0.7	6	2.1
large size		1.0	21	10.5

**VEGETABLE & RICE GARDEN:**

<i>Type</i>	<i>Description</i>	<i>Lowest</i>	<i>Highest</i>	<i>Average</i>
		<i>Annual Product</i>	<i>Annual Product</i>	<i>Annual Product</i>
		<i>In US\$ per m<sup>2</sup></i>		
1. Home garden	Only for own consumption	0.30	1.30	0.80
2. Cash crop garden	Mostly for sale	1.30	2.60	2.00
3. Rice field	Own consumption or sale	0.07	0.10	0.08

**FENCES & WALK BRIDGE**

<i>Type</i>	<i>Description</i>	<i>Unit</i>	<i>Lowest</i>	<i>Highest</i>	<i>Average</i>
			<i>Rate</i>	<i>Rate</i>	<i>Rate</i>
		<i>In US\$</i>			
1. fence, wooden poles	with wire or bamboo, etc.	m	1.5	2.5	2.0
2. fence, cement poles	with wire or bamboo, etc.	m	3.0	7.0	5.0
3. fence, bricks or cement	with bricks and cement	m	15.0	20.0	17.5
4. wooden bridge	per m <sup>2</sup>	m <sup>2</sup>	8.0	12.0	10.0
5. concrete/brick bridge	per m <sup>2</sup>	m <sup>2</sup>	20.0	25.0	22.5

**WELLS**

<i>Type</i>	<i>Description</i>	<i>Lowest</i>	<i>Highest</i>	<i>Average</i>
		<i>Rate</i>	<i>Rate</i>	<i>Rate</i>
		<i>In US\$ per well</i>		
1. Simple well	hole, not tube, no cement	15	35	25
2. Drill well	hole with tube	125	175	150
3. Drill well finished	hole with tube, pump and concrete	220	230	225

*Source: Lao People's Democratic Republic, Technical Guidelines for Resettlement and Cooperation, Vientiane, Lao PDR, April 15, 2003, Annex 8.5.*

## Appendix 13 Resettlement Entitlement Matrix

<i>Type of loss</i>	<i>Unit of Entitlement</i>	<i>Entitlement</i>	<i>Agency responsible</i>	<i>Methodology</i>
Land affected	Individual and collective township, government and private enterprises	110,000 Y/mu a) Provision of job b) Old age pension and rehab measures to elderly people c) Self-employment subsidy	SSPCC District/County/Lab or service management center Township Governments	SSPCC will pay money to township government (township land planning office-local labor service management center) who will provide job or distribute compensation to individuals.
Agricultural facilities	Collective unit, individual	Compensation at replacement cost for restoration	SSPCC District/county/LAB AS	SSPCC pay and sign agreement with township LPO, who will then distribute compensation to collective units or individuals
Private houses	Family	a) House with ownership b) Apartment with or without ownership c) Compensation at replacement rates	SSPCC, HSHLAB	SSPCC provide built-up houses or cash for home reconstruction to township LPO or entrusted sectors who will then sign agreement with affected households and get them relocated
Buildings affected	State-owned	Owner (Housing Management Bureau/collective unit)	SSPCC Township land planning office and LABAS	SSPCC provide built-up houses a cash for house reconstruction to township LPO or LABAS who will then sign agreement with the affected owner
	Enterprises	Enterprise owner	SSPCC LABAS	a) SSPCC will entrust local LABA for the compensation b) SSPCC directly sign agreement with affected owners
Indirect impacts in disturbance zone	Owner of affected property	Compensation at replacement rates	SSPCC	SSPCC will pay the full cost of repair or relocation (if the damage is severe)
Relocation	Individual	300-400 Y - Transfer Cost 100 Y/person/month allowance 400-600 Y relocation incentive	SSPCC, LABAS	SSPCC will pay compensation to LABAS

*(cont.)*

<i>Type of loss</i>	<i>Unit of Entitlement</i>	<i>Entitlement</i>	<i>Agency responsible</i>	<i>Methodology</i>	
Temporary land acquisition	Township government affected individuals	48,600 mu paid to township government for providing temporary join. sideline activities or allocating agricultural land	SSPCC. Township government	SSPCC will pay compensation to township government through LABA and township responsible for rehabilitation arrangement	
Other structures and infrastructure	Owners, local government agencies concerned	Compensation at replacement value a actual replacement of structures	SSPCC, LABAS	SSPCC pays compensation in local government or species concerned who reconstruct the infrastructure. For private structure, paid to affected individual.	
Temporarily affected enterprises	Enterprise owner	Place for temporary relocation Compensation for affected assets at replacement value Salary allowance, compensation for production losses	SSPCC, LABAS	SSMC pays compensation to local government or agencies concerned, who reconstruct the Infrastructures. For private structures, paid to affected individual.	
Enterprise Affected	Job affected	Individual	a) Salary allowance b) Job at new location	SSPCC Township land planning office	SSPCC will entrust local LPO or other sectors to sign agreement with the enterprise who will then give the compensations to the affected worker each month.
	Transfer cost – production loss	Enterprise owner	Cost of transfer and reconstruction Compensation for loss of production	SSPCC	SSPCC will agree with the affected enterprises and then pay losses

*Source:* China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995, p.33.

## JOB CREATION

### Non-agriculture Based Rehabilitation Options

The persons affected by land acquisition will be provided jobs in non-agricultural enterprises or have the option of self-employment in case they possess some technical/production skills. Those above the age of 55 for males and 45 for females will be eligible for payment of monthly pension, and specific rehabilitation measures to be taken jointly by the township governments and SSPCC.

The number of persons to be provided with non-agricultural jobs is calculated for each production team as follows: the affected land divided by the average land/labor ratio before acquisition. Based on the land-labor ratio in Pudong, 2,801 persons need to be economically rehabilitated in nonagricultural occupations. Eleven persons in Puxi also need to be rehabilitated. Those between 16 and 55 years of age for males and 16 and 45 years for females qualify for provision of jobs while those above these age limits will be provided old age pension. Also, special provision for their economic rehabilitation will be made jointly by SSPCC and the township governments. Out of the 2,801 such persons in Pudong, 2,132 are eligible for provision of jobs in non-agricultural enterprises while the remaining 669 are eligible for old age pension provision. All of the 11 people in Puxi need to be provided with non-agricultural jobs.

After registration of eligibility for provision of non-agricultural jobs, the residence registration of the affected persons is converted from rural to urban. The land/labor ratio after resettlement would, therefore remain unchanged.

The persons whose land is acquired and who are already working in State or township enterprises will be converted to regular staff with the approval of the labor department. The length of service in this case will be calculated from the original date of joining the enterprises. SSPCC would still provide resettlement subsidies to the enterprise for job regularization.

Jobs to eligible persons can be provided through one of the following methods:

- 1) Provide job in state enterprises.
- 2) Provide job in collective (township and village) enterprises. This is referred to as "Local Absorption".
- 3) Provide job in the land user department (SSPCC). This process is referred to as "Self Absorption".
- 4) Provide jobs in other land user agencies who have also acquired land in the vicinity of the project area. This is termed "Joint Absorption".
- 5) Provide resettlement subsidy for self-employment in lieu of jobs

The details regarding job creation are given in Table 9.

For options 1-4, SSPCC will pay the State or collective enterprises, 30,000 Yuan/worker for job creation (another 10,000 Yuan per worker is paid for unemployment insurance for jobs in township enterprises). Job creation is the responsibility of SSPCC, assisted by the Shanghai Municipal Labor Bureau (SMLB), Pudong New Area Labor Management Center (PNALMC, for Pudong new area) and the Labor Bureaus at the county and district (for Puxi) level. After the Planning Land Use Certificate is issued, SSPCC should finalize job creation arrangements for the eligible persons to obtain the "Land Acquisition Labor Resettlement Permit" (LALRP). The LARLP is necessary for obtaining the Construction Land Use Certificate (CLUC) from SHLAB. Thus job creation arrangements for persons affected by land acquisition on any contract/section will be finalized before the application for CLUC is submitted by SSPCC. Resettlement practice in Shanghai requires that jobs be provided within 1 month of signing agreement with LABAs. In case the eligible persons cannot be provided with jobs immediately, a subsistence allowance of 250 Yuan/month will be paid for the first 3 months. Jobs must be provided within this period of 3 months from the date of land acquisition. If some affected person cannot be provided a job even at the end of the 3 months period, SSPCC will provide temporary jobs to these persons until the time that they are provided permanent enterprise jobs.

Since the implementation of the project will be in phases, (13 separate contracts) the requirement to provide jobs to the affected persons will also be spread over a long period of time. Table 10 shows the annual implementation schedule for the process of job creation, by township.

The local township/district governments will coordinate with PNALMC/the local Labor Assistance Bureau/centers for finding appropriate enterprises for provision of jobs. The jobs will be provided after the affected persons give their approval regarding the type of job and the enterprises providing the job. The affected persons will also be provided training before they are employed on regular jobs. They will receive allowances equivalent to their salaries before while they are being trained. Planning for the first year of project implementation has been carried out. The names of enterprises which have agreed to provide employment and the number of workers who could be absorbed in each of these enterprises is given in Table 11. The proposed program for provision of jobs will be prepared 9 months before the start up date of construction on a certain section. The detailed program for job creation will be finalized 6 months before the proposed date of start of construction on a particular section.

The various ways in which jobs will be arranged for the eligible affected persons are as follows:

- (i) Administrative allotment: Under this process, the Shanghai Municipal Government or the governments of the affected districts/county/Pudong new area, issue administrative directions to the enterprises to employ the project affected persons.
- (ii) Local Absorption: The local collective enterprises employ the persons affected by the project in their area.
- (iii) Self Absorption: The eligible, affected persons are employed by the land user (SSPCC in this case).
- (iv) Joint Absorption: The land users with projects in the same area as SSPCC agree to employ some of the eligible affected persons.

- (v) Self-Employment: The affected persons are paid resettlement subsidy and they make their own arrangements for self-employment.

### **Self-Employment Subsidy**

Affected persons possessing some special production skills can opt for self employment and they will be paid a one time resettlement subsidy at the following rate: The local district/county governments will accordingly permit them to create self employment and the Labor department will record their option.

Minimum 15,000 Yuan/person for males < 35 years of age and females < 25 years of age.

For males > 35 years of age and females > 25 years of age, an additional 1000 Yuan/year will be paid for each additional year subject to a maximum of 30,000 Yuan/person.

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995, pp. 37-9.



## Resettlement Entitlement Matrix

<i>Project Impact</i>	<i>Affected Population/Entity</i>	<i>Compensation Policy</i>	<i>Other Measures</i>
Loss of arable land resulting from permanent land acquisition	Arable land, vegetable garden, trees and orchard areas, reservoirs/ponds, located in the path of dyke strengthening and the farmer and worker population working these land areas	<ul style="list-style-type: none"> <li>• Provision of equivalent land nearby (if available).</li> <li>• Cash compensation to village for arable land for both more and less than 1 mu/family categories (compensation unit prices based on output value of cultivated land, land compensation times and relative land management regulations).</li> <li>• Detailed compensation rates in Table 3-2.</li> </ul>	<ul style="list-style-type: none"> <li>• Readjustment of village land within affected villages and host villages where applicable.</li> <li>• Use of cash compensation for farm intensification, crop diversification and other land development and agricultural extension techniques for more efficient use of land.</li> </ul>
Loss of land from temporary land acquisition	Arable and cultivable land located in the path of dyke strengthening	<ul style="list-style-type: none"> <li>• Compensation for temporary land acquisition based on the annual output of the leased land plus the costs associated with land preparation and re-cultivation.</li> <li>• Detailed compensation rates in Table 3-2.</li> </ul>	<ul style="list-style-type: none"> <li>• Return of temporary land to the land user after use.</li> </ul>
Loss of settlements (including housing, auxiliary buildings, scattered trees and transfer subsidy)	Housing and auxiliary buildings in the path of dyke strengthening and the residential population living in the houses	<ul style="list-style-type: none"> <li>• Compensation for housing including private housing (rural and urban).</li> <li>• Replacement land for households to be provided within the original village (internal settlement), if available.</li> <li>• If replacement land not available provide alternative household enterprise location as close to the original location as possible (collective resettlement).</li> <li>• House-for-house replacement in urban areas.</li> <li>• Cash compensation based on original house area to urban resettlers.</li> <li>• Detailed compensation rates in Table 3-2.</li> </ul>	<ul style="list-style-type: none"> <li>• Building materials may be salvaged from old housing or enterprise building to be utilized in new structures.</li> <li>• Assistance to be provided to the resettlers in procurement of labor and material for construction of new housing.</li> <li>• Provisions to be made for temporary housing and financial assistance accorded where rental support needed for temporary accommodation.</li> <li>• Transportation/relocation allowance to be provided to the resettlers on household basis.</li> </ul>
Loss of crops	Crops located in the path of dyke strengthening	<ul style="list-style-type: none"> <li>• Cash compensation to affected farmers based on the average of the previous three years production value</li> </ul>	<ul style="list-style-type: none"> <li>• Crop loss to be minimized to the extent possible by avoiding acquisition during harvesting</li> </ul>

(cont.)

<i>Project Impact</i>	<i>Affected Population/Entity</i>	<i>Compensation Policy</i>	<i>Other Measures</i>
Loss of enterprises	Enterprise and workers employed with the enterprises	<ul style="list-style-type: none"> <li>• Compensation for land and reconstruction of enterprises' structure/buildings and facilities.</li> <li>• Compensation for loss in production and relocation of enterprises.</li> <li>• Detailed compensation rates in Table 3-2.</li> </ul>	<ul style="list-style-type: none"> <li>• Provision for continuance of employment of workers affected from enterprise relocation during the transition period through provision of temporary premises, or compensation for lost wages.</li> </ul>
Loss of settlement utilities	Water supply, power and sanitation in resettled houses and enterprises	<ul style="list-style-type: none"> <li>• Compensation for reconstruction/reconnection to water supply/electricity/sanitation (previous infrastructure).</li> <li>• Detailed compensation rates in Table 3-2.</li> </ul>	
Loss of public infrastructure	Roads, power supply, water supply, telecommunication and media broadcast facilities in the affected areas	<ul style="list-style-type: none"> <li>• Compensation to owners/operators for infrastructure replacement.</li> <li>• Detailed compensation rates in Table 3-2.</li> </ul>	<ul style="list-style-type: none"> <li>• Prompt allocation of land for reconstruction of public infrastructure including labor and material.</li> </ul>
Impact to vulnerable groups	Elderly, orphans, widows, and female headed households being resettled	<ul style="list-style-type: none"> <li>• Additional cash allowances provided to vulnerable and economically disadvantaged groups</li> <li>• Detailed compensation rates in Table 3-2</li> </ul>	<ul style="list-style-type: none"> <li>• Prompt payment to vulnerable and economically disadvantaged groups early in the resettlement process.</li> </ul>
Loss of cultural property	No significant impacts arising from the project	Not applicable	Not applicable

*Based on:*

(a) *Land Management Act of the Peoples Republic of China 1998*

(b) *Water Act of the Peoples Republic of China 1988*

(c) *Land Compensation and Resettlement Regulation for Large and Medium-Sized Water Conservancy & Hydropower Projects, State Council promulgated Order No. 74, February 15, 1991*

(d) *Design Regulation for Flooded Reservoir Area Treatment at Water Conservancy and Hydropower Projects, 1985, the Ministry of Hydropower*

(e) *Investigation Details for the Reservoir flooded Physical Substances at Water Conservancy and Hydropower Project, the Ministry of Hydropower, 1986*

(f) *Standards for Village/Town Planning, the Ministry of Construction, September 27, 1993, 2) Classification of Villages. and Towns; 4) Standards for Construction occupied Land*

(g) *Hunan Province Land Management Implementation Method, Hunan Province, April 28, 1992, Chapter 4, Land for National Construction*

(h) *Hubei Province Land Management Implementation Method, Hubei Province, September 3, 1987*

(i) *Jiangxi Province Implementation of Land Management Act, July 15, 1989, Chapter 4- Land for use in State Construction*

*Source: China Yangtze Basin Flood Control Project, Draft Final Resettlement Action Plan, Executive Summary.*

## Allowances for PAPs

<i>Application</i>	<i>Definition of Entitled Person</i>	<i>Allowance</i>	<i>Implementation Issues</i>
1. Materials transport allowance	Relocating PAPs	All relocating PAFs are entitled to assistance (US \$155) from DRCs to transport household affected, salvaged and new building materials to RS.	At the time of compensation, allowances will be adjusted to account for inflation.
2. Transition subsistence allowance	Reorganizing and relocating PAPs	All reorganizing and relocating PAPs are entitled to subsistence allowance during transition period at US \$30/month for 3 months for reorganizing HH and for 6 months for relocating HH.	
3. Training allowance		One member of age 15-35 of each HH to be relocated will be entitled to follow a training course at an institute approved by the MDWRD-MDWRD project at a maximum cost of \$100 and for a maximum period of 3 months.	
4. Training subsistence allowance	PAF to be relocated or reorganized and participating in training course	All PAPs participating in training courses are entitled to \$30/month subsistence allowance during training (maximum 3 months).	
5. Special income rehabilitation allowance for shopkeepers relocating	PAP HH who have business and are to be relocated	PAPs are entitled to \$100 cash payment of a special rehabilitation allowance to provide for loss of income during the transition period.	
6. Special restoring allowance for illegal PAPs with no right to use land and who have another property	PAP HH who have no rights to use the affected land and are not entitled to move to RS	All PAPs whose illegal residential and/or commercial land is affected, who cannot reorganize and are not entitled to a RS plot because they have another property in the commune, and who are entitled to 60% assistance for their illegally built structures, will be receive an additional special rehabilitation allowance \$100.	
7. Relocation incentive	Relocating PAFs	All relocating PAPs who dismantle their structure and relocate on time in accordance with the resettlement schedule as issued by the Resettlement Committee may be entitled to an incentive allowance of maximum US \$385.	An average relocation bonus of US \$77 for each relocation family is calculated.

## Entitlement Matrix

No.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues
1	Arable land	<p>Less than 20% of total land due to acquisition of arable land (marginal impact on household income and living standards). The approach taken is restoration of income loss.</p> <p>More than 20% of total land lost. The approach taken is restoration of income loss. Severe impact on household income and living standards</p>	<p>a) Legal user with permanent rights to use the affected land and temporary or leasehold user who provides supporting documents which will be legalized before compensation as a permanent land.</p> <p>b) Legal user of affected land with temporary use rights.</p> <p>c) Legal user of affected land with lease rights to use land (but unlegalizable)</p> <p>a) Legal user with permanent rights to use the affected land, and temporary or leasehold user who will be legalized before compensation as a permanent land user</p> <p>b) Legal user with temporary rights to use the affected land, but not legalizable as a permanent user.</p>	<ul style="list-style-type: none"> <li>• Cash compensation for acquired land at 100% of replacement cost; AND</li> <li>• Cash compensation for crops and trees at market price.</li> <li>• Cash compensation for crops and trees at market price; AND larger of the following:               <ul style="list-style-type: none"> <li>(a) Cash compensation for affected land corresponding to 30% of the replacement cost of affected land OR</li> <li>(b) Cash assistance for lost income from the affected land for the remaining time of the lease.</li> </ul> </li> <li>• Cash compensation for crops and trees at market price; AND</li> <li>• Cash assistance for loss of income for the remaining lease period</li> <li>• Cash compensation for crops and trees produce at market price;</li> <li>• Full title to land of equal productivity acceptable to PAPs, in the same or surrounding communes; OR</li> <li>• Cash compensation for lost land at 100% replacement cost at the informed request of Pips AND a rehabilitation package (training in current or new occupation, agricultural extension services including training and farming inputs); and training, subsistence &amp; transport allowances.</li> <li>• PAPs who have full title to land more than or equal to in area to the commune allocation will be entitled to:               <ul style="list-style-type: none"> <li>(a) Cash compensation for crops and trees produce at market price; AND</li> <li>(b) Full title to land equivalent to 30% of the affected area AND a rehabilitation package (training, for, HH member in current or new occupation agricultural extension services including training and farming inputs and training, subsistence and transport allowances; OR</li> </ul> </li> </ul>	<p>Priority will be given to land compensation of equal area and productivity within the same or surrounding communes.</p> <p>Cash in lieu of land will be offered only if land is unavailable or at the informed request of the PAP.</p> <p>Priority will be given by communes to ensure all PAPs have at least the commune allocated amount of land as provided for by Decree 64/CP.</p>

(cont.)

No.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues
1	Arable land (cont.)			<ul style="list-style-type: none"> <li>(c) Cash equivalent to 30% of the replacement cost of the affected land AND a rehabilitation package (training for 1 HH member in current or new occupation, agricultural extension services including training and farming inputs) and training, subsistence &amp; transport allowances; OR</li> <li>(d) Cash assistance to provide for lost income from the land for the remaining period of the lease.</li> <li>• PAPs who have no other agricultural land than the one acquired or they have less than the commune allocation under Decree 64/CP, will be allocated full title to replacement land up to the commune allocation amount in addition to the above entitlements</li> <li>• PAPs who have full titled to land more than or equal to in area to the commune allocation will be entitled to.:               <ul style="list-style-type: none"> <li>(a) Land for land compensation of equal area or equivalent productive capacity satisfactory to the PAPs on a similar lease basis; OR</li> <li>(b) Cash assistance to provide for lost income from affected land for the remaining period of lease; AND</li> <li>(c) Cash compensation for loss of crops and trees at market prices; AND</li> <li>(d) Rehabilitation package</li> </ul> </li> <li>• PAPs who have no other agricultural land than the one acquired or they have less than the commune allocation under Decree 64/CP will be entitled to, in addition to the above, full title to replacement land up to the commune allocation amount.</li> <li>• Cash compensation for loss of crops at market prices</li> </ul>	Priority will be given by commune to ensure that all PAPs have at least the commune allocated amount of land as provided for by Decree 64/CP.
	Temporary loss of arable land	Loss of use of the land for a period of less than one year	Legal user of affected agricultural land		
2	Loss of residential and/or commercial land (without structures)	Loss of residential or commercial land (without structures built therein)	<ul style="list-style-type: none"> <li>a) Legal user with permanent use rights or temporary use rights (will be legalized as a permanent land user before compensation).</li> <li>b) Legal user with temporary right to use the land (but unlegalizable).</li> </ul>	<ul style="list-style-type: none"> <li>• PAPs will be entitled to cash compensation for land at 100% of replacement cost of the land.</li> <li>• PAPs will be entitled to cash assistance equivalent to 30% of replacement cost of the land acquired.</li> </ul>	PAPs who have leases and who are not legalizable because they do not meet the criteria, will be assisted as temporary (30%)

(cont.)

<i>No.</i>	<i>Type of Loss</i>	<i>Application</i>	<i>Definition of Entitled Person</i>	<i>Compensation Policy</i>	<i>Implementation Issues</i>
2	Loss of residential and/or commercial land (without structures) (cont.)	Loss of residential or commercial land with remaining legal residential and/or commercial land sufficient to reorganize (at least equal to 60 sq. m. in rural area)	c) Illegal user with no right to use affected land. a) Legal user of affected land with permanent use rights.	<ul style="list-style-type: none"> <li>• PAPs are not entitled to compensation for the land acquired</li> <li>• Cash compensation for land acquired at 100% of replacement cost; AND</li> <li>• Reorganization on remaining legal land behind the SL and issued with LURC in due time; AND</li> <li>• A rehabilitation package (training for one person in each HH if income is affected, and subsistence and training allowance) and repair cost to re-build the house front if structures partially affected.</li> </ul>	<p>In exceptional cases permission may be given to PAPs to organize on their remaining legal land in area less than the standard, with approval of PRCs.</p> <p>PAPs will be entitled to a special rehabilitation allowance to ensure restoration of living standards (equivalent in value to the difference in land area between the standard plot size on a RS and the remaining area on which PAP is reorganizing, at the rate of RS land).</p> <p>PAP also entitled to repair costs for partially demolished structures.</p> <p>PAPs relocated</p>
		PAP has remaining permanently legal or legalizable residential and/or commercial land less than 60 sq. m.	a) Legal PAPs of the affected land with permanent use rights.	<ul style="list-style-type: none"> <li>• Cash compensation for land required at 100% of replacement cost</li> <li>• <u>Group Relocation</u>: Full title to a plot of land in fully serviced group resettlement site according to the determined standard sizes (PAPs losing an area greater than the plot in RS will receive compensation in cash for the difference); OR</li> <li>• <u>Individual Relocation</u>: Full titled to a plot land equivalent to their area of legal land lost, and sufficient cash at replacement cost to develop their own infrastructure and services (access road, water, electricity if available, landfill); OR</li> <li>• <u>Self Relocation</u>: At the informed request of the PAP cash in lieu of land at replacement cost and PAPs will make their own arrangements for relocation;</li> <li>• Relocating PAPs will be entitled to a rehabilitation package (training for one HH member in new or current occupation, and subsistence, transport, training allowances).</li> </ul>	

(cont.)

No.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues
2	Loss of residential and/or commercial land (without structures) (cont.)		b) Legal PAPS of the affected land with temporary use rights	<ul style="list-style-type: none"> <li>• PAPs who have their business affected will be entitled to a special income rehabilitation allowance (US \$100 per household) to provide for loss of income during the transition period.</li> <li>• <u>Reorganization</u>: Only in exceptional cases permission may be given to PAPs to organize on their remaining legal land in less than standard area, with approval of PRCs. PAPs will be entitled to a special rehabilitation allowance to ensure restoration of living standards (equivalent in value to the difference in land area between the standard plot size on a RS and the remaining area on which PAP is reorganizing, at the rate of RS land) PAP also entitled to repair costs for partially demolished structures.</li> <li>• PAPs who already have been allocated a property in the commune for the same use purpose as the affected property will not be allotted any more land and shall have to return to the already allotted land, but will be provided with cash equivalent to 30% of the replacement cost of the total acquired land.</li> <li>• PAPs who have no other government – allocated land of the same use purpose in the commune will be entitled to:               <ul style="list-style-type: none"> <li>(a) <u>Group Relocation</u>: Full title to a fully serviced group resettlement site of standard sizes and provided with sufficient cash at replacement cost to develop their own infrastructure and services (access road, water, electricity if available, landfill); OR</li> <li>(b) <u>Self Relocation</u>: At the informed request of PAPs, cash equivalent to 30% of the replacement cost of their lost land, and make their own arrangements for relocation; AND</li> </ul> </li> <li>• PAPs will be entitled to compensation or assistance for their structures according to the legality of their structures; AND</li> <li>• PAPs will be entitled to a rehabilitation package (training for one HH member) and subsistence, transport and training allowances; AND</li> <li>• PAPs who had business at their affected location and who must relocate are entitled to a special income rehabilitation allowance (\$100).</li> </ul>	<p>PAPs reorganized</p> <p>Temporary land users who have a permit to build a structure will be entitled to 100% compensation as owners of a legally built structure. If they do not have a permit, they will be entitled as owners of an illegally built structure and entitled to 60% of replacement cost.</p> <p>For commercial land a standard plot area of 14 sq. m. will be provided.</p>

(cont.)

<i>No.</i>	<i>Type of Loss</i>	<i>Application</i>	<i>Definition of Entitled Person</i>	<i>Compensation Policy</i>	<i>Implementation Issues</i>
2	Loss of Residential or commercial land (with structures)	PAPs with no rights to use the affected land and no legal remaining land	PAP has no right to use the affected land (unlegalizable).	<ul style="list-style-type: none"> <li>• PAPs will not be entitled to reorganize it they do not have legal or legalizable land.</li> <li>• PAPs who have other government-allocated land of the same use purpose in the commune, will not be entitled to a plot of land, but will be entitled to a special rehabilitation package of \$100 for residential or residential/commercial land affected.</li> <li>• PAPs who have no other government-allocated land of the same use purpose in the same commune, will be entitled to one of the following:               <ol style="list-style-type: none"> <li>(a) <u>Group Relocation</u>: Full titled to a plot of land of standard size in a fully serviced group resettlement site; OR</li> <li>(b) <u>Individual Relocation</u>: Full title to a standard size plot on an individual site with sufficient cash at replacement cost to develop their own infrastructure and services (access road, water, electricity if available, landfill); OR</li> <li>(c) <u>Self Relocation</u>: PAPs who refer to make their own arrangements for better business potential, will be entitled to cash payment in lieu of a fully serviced resettlement site plot. AND</li> </ol> </li> <li>• In addition, reorganizing PAPs will be entitled to 80% of the replacement cost of their structures, AND</li> <li>• A rehabilitation package (training for one HH in a new or current occupation and transition, transportation and training allowances).</li> <li>• PAPs who have their business affected will be entitled to a special income rehabilitation allowance of US \$100 per household.</li> </ul>	<p>PAPs who are occupying land illegally and temporarily and do not meet the criteria for legalization as permanent users will only be entitled to a plot allocation if they are not already in possession of government allocated property of the same user purpose within the commune.</p> <p>For commercial land a plot of 14 sq. m. and for residential commercial land a plot of 60 sq.m. will be provided.</p>
3	Structures	Structures located in the area required.	a) Legal owner of the affected structure.	<ul style="list-style-type: none"> <li>• PAPs with legal right to build the affected structure will be entitled to compensation at 100% of replacement cost of the affected structure in material, cash or a combination of the two. No deduction will be made for depreciation or for salvageable materials.</li> <li>• Partially affected structures will be compensated for the affected part at replacement cost and additional cash assistance will be made to cover the cost of repairing the house.</li> </ul>	In rural areas, right to use land implies right to build a structure

(cont.)



<i>No.</i>	<i>Type of Loss</i>	<i>Application</i>	<i>Definition of Entitled Person</i>	<i>Compensation Policy</i>	<i>Implementation Issues</i>
3	Structures <i>(cont.)</i>		b) Illegal owner of the affected structure.	<ul style="list-style-type: none"> <li>• PAPs without legal right to build the full-affected structure will be entitled to assistance equivalent to 80% of replacement cost of the affected structure in material, cash or a combination of the two. No deduction will be made for depreciation or for salvageable materials.</li> <li>• Additionally PAPs will be provided with full title to land on a resettlement site (for relocating PAPs who have no other Government-allocated residential land within the commune) AND</li> <li>• A rehabilitation package (training for one HH member and subsistence, transport, and training allowances).</li> <li>• PAPs with partially affected structures will be provided with cash assistance equivalent to 80% of the replacement cost of the whole affected structures.</li> </ul>	PAPs who have no right to use land cannot have a permit to build a structure on that land.
			c) Tenants of leased affected structure	<ul style="list-style-type: none"> <li>• Tenants of structures will be entitled to 6 months rent allowance and assistance in finding alternate rental accommodation</li> </ul>	
4	Independent shops	Shops located in the area of embankment strengthening or canal digging or widening (with residences at a different location).	a) Legal owner of the shop with permanent rights to use the affected land.	<ul style="list-style-type: none"> <li>• PAPs will be entitled to:               <ol style="list-style-type: none"> <li>(a) <u>Group Relocation</u>: Full title to plot of land equivalent in area to their former plot (minimum 14 sq. m.) in fully serviced group resettlement site suitable to restore business and income; OR</li> <li>(b) <u>Individual Relocation</u>: Full title to a standard size plot on an individual site equivalent in area to their former plot (minimum 14 sq. m.) and sufficient cash at replacement cost to develop their own infrastructure and services (access road, water, electricity if available, landfill); OR</li> <li>(c) <u>Self Relocation</u>: Cash compensation in lieu of land at replacement cost and make own arrangements for relocation.</li> </ol> </li> <li>• PAPs relocating will be entitled to special income rehabilitation assistance of \$100 to provide for income lost during the transition period.</li> <li>• PAPs relocating will be entitled to compensation or assistance at replacement cost for affected structure according to the legal status of the structures.</li> <li>• Normal rehabilitation measures (training for one HH in a new or current occupation such as training to enhance business skills, and transport, subsistence and training allowances).</li> </ul>	

*(cont.)*

<i>No.</i>	<i>Type of Loss</i>	<i>Application</i>	<i>Definition of Entitled Person</i>	<i>Compensation Policy</i>	<i>Implementation Issues</i>
4	Independent shops ( <i>cont.</i> )		<p>b) Legal owner of the shop with temporary land use rights</p> <p>c) Illegal owner of the shop with no land use rights</p>	<ul style="list-style-type: none"> <li>• PAPs who have other allocated residential/commercial or commercial land in the commune, will not be entitled to another plot of land, but will be entitled to a rehabilitation assistance of cash equivalent to 30% of the replacement cost of the affected land to restore living standards and income.</li> <li>• PAPs who have no other allocated residential land only and no commercial land in the commune, will be entitled to one of the following options: <ul style="list-style-type: none"> <li>(a) <u>Group Relocation</u>: Full title to a plot of land of 14 sq. m.) on a fully serviced group resettlement site suitable to restore business and income; OR</li> <li>(b) <u>Individual Relocation</u>: Full title to a standard size plot on an individual site of 14 sq. m. suitable for restoring business and income, and sufficient cash at replacement cost to develop their own infrastructure and services (access road, water, electricity if available, landfill); OR</li> <li>(c) <u>Self Relocation</u>: At the informed request of PAPs, cash equivalent to 30% of the replacement cost of the lost land and make own arrangements for relocation.</li> </ul> </li> <li>• PAPs relocating are also entitled to special income rehabilitation assistance of \$100 to provide for lost income during the transition period.</li> <li>• In addition, PAPs are entitled to compensation or assistance for affected structures at replacement cost according to the legal status of the structure, AND</li> <li>• Rehabilitation package (transport, subsistence and training allowance and training for one HH member in a new or current occupation).</li> <li>• PAPs who have other government-allocated residential/commercial or commercial land in the commune, will not be entitled to another plot of land, but will be entitled to a special rehabilitation allowance of \$100 to restore living standards.</li> <li>• PAPs who have no other government-allocated commercial land in the Commune, will be entitled to one of the following options: <ul style="list-style-type: none"> <li>(a) <u>Group Relocation</u>: Full title on a fully serviced group resettlement site (14 sq. m.) suitable to restoring business and income; OR</li> </ul> </li> </ul>	

*(cont.)*

No.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy	Implementation Issues
4	Independent shops (cont.)			<p>(b) <u>Individual Relocation</u>: Full title to an individual site of 14 sq. m. suitable for restoring business and income, and sufficient cash at replacement cost to develop their own infrastructure and services (access road, water, electricity if available, landfill); OR</p> <p>(c) <u>Self Relocation</u>: Cash assistance in lieu of a 14 sq. m. fully serviced Resettlement site plot if PAPs refers self relocation to re-establish Business.</p> <ul style="list-style-type: none"> <li>• Assistance equivalent to 80% of the replacement cost of their structure; AND</li> <li>• A rehabilitation package to restore income (training for one HH member in a new or current occupation, and transportation, subsistence and training allowances).</li> <li>• PAPs are also entitled to special income rehabilitation assistance of \$100 to provide for lost income during the transition period.</li> </ul>	
5	Additional PAPs	<p>PAPs affected by acquisition of land for, resettlement site and access roads.</p> <p>PAFs outside project area affected by higher water level</p> <p>PAPs affected by spoil soil deposit land permanently unusable</p> <p>PAPs affected by spoil soil deposit land temporarily unusable</p>	<p>a) Legal user with permanent or temporary use rights and illegal land user</p> <p>b) Legal user with permanent or temporary use rights</p> <p>c) Legal user with permanent or temporary use rights</p>	<ul style="list-style-type: none"> <li>• The same policies will apply as for other land acquisition. In addition, if PAPs have to be relocated temporarily during RS development. They will be entitled to a subsistence allowance and accommodation during temporary relocation.</li> <li>• Same policies will apply as for other land acquisition.</li> <li>• PAP will receive full compensation for loss of crops at market rate during full period of settling of spoil soil.</li> </ul>	
6	Graves	Graves located in the area acquired.	Household who owns the graves.	<ul style="list-style-type: none"> <li>• PAPs are entitled to cash compensation for all costs of excavation, movement and reburial.</li> </ul>	
7	Private wells	Wells located in area acquired.	Household who owns the well.	<ul style="list-style-type: none"> <li>• Cash compensation at replacement cost.</li> </ul>	
8	Loss of public infrastructure	Infrastructure (electric and telephone lines electric substation, public wells).	Relevant provinces or districts or villages.	<ul style="list-style-type: none"> <li>• Compensation in cash at replacement cost.</li> </ul>	

Source: Vietnam Mekong Delta Water Resources Development Project, Feasibility Study Update, *Resettlement Action Plan*, Annex II, August 1998, pp. 41 -53.

<i>Sr. No.</i>	<i>Type of Loss or Disturbance</i>	<i>Definition of Entitled Person (EP)</i>	<i>Definition of Entitlement</i>	<i>Additional Facilities/Services</i>	<i>Actions</i>	<i>Actors</i>
I.	Loss of previously-owned agricultural land					
A.	Irrigated	Owner of land as recorded in the Revenue Record updated through the census survey and to be verified in accordance with legal requirements.	<ol style="list-style-type: none"> <li>Cash cum land compensation: <ul style="list-style-type: none"> <li>Cash compensation at full market value plus additional 15% of the value for compulsory acquisition.</li> <li>Entitled to purchase same size of plot on Irrigated spoil banks. but at baranl rate. The difference will enable EPs to maintain their standard of living during the transition period.</li> </ul> </li> <li>Blue work permits (one for each EP).</li> <li>Lend owners who are losing their entire land and who have no other sources of income will be given green work permits. This facility will be extended to all adult members of such affected families.</li> <li>Project will provide tubewells on spoil banks. The proprietary rights of which will be transferred to TUAs along with the transfer of land rights on spoil banks to the TUAs' members.</li> </ol>	<ol style="list-style-type: none"> <li>Access to a credit facility provided under IRDP in line with priorities fixed In accordance with the impact of the project.</li> <li>Vocational training and self-employment schemes under IRDP in line with priorities fixed as above.</li> <li>License to cultivate the acquired land until such time that the land is required for construction. EPs will be notified about the date of this requirement before the start of the next sowing period. EPs will not be allowed to do any development on the land during the license period.</li> <li>Assistance in Tubewell User's Association (TUA) formation and operation.</li> <li>Agricultural extension services for spoil banks.</li> <li>Access to the Interest on the deposit in joint account for the purchase of land on the spoil banks.</li> </ol>	<ol style="list-style-type: none"> <li>Determination of market value for the land through a Land Valuation Committee (LVC) consisting of: <ul style="list-style-type: none"> <li>Assistant Commissioner (AC) of respective subdivision (Chairman)</li> <li>WAPDA Representative (Grade 10)</li> <li>PNGO Representative</li> <li>Two representatives of EPs of the respective village. The representatives shall be EPs losing private land and nominated by other EPs losing private land.</li> </ul> </li> <li>Issuance of orders for the formation of LVC.</li> <li>Updating of land record in respect of land classification and ownership as per census survey after legal verification.</li> <li>Prompt payments within stipulated period.</li> <li>Payment of compensation amount through crossed cheques into accounts of EPs opened by mobile commercial banks.</li> <li>Opening joint accounts In the name of each EP end WAPDA for the amount required for purchase of spoil bank land. The amount will remain deposited In joint account till It Is payable to WAPDA.</li> <li>Issuance of Compensation Certificates to EPs.</li> </ol>	<p>Overall management by LAC, AC. WAPOA. PNGO &amp; Representatives of EPs</p> <p>District Collector</p> <p>District Administration &amp; Project Resettlement Organization (PRO), WAPDA</p> <p>Land Acquisition Collector (LAC)</p> <p>LAC. Commercial Banks &amp; EPs</p> <p>LAC. PRO &amp; EPs</p> <p>PRO</p>

(cont.)

<i>Sr. No.</i>	<i>Type of Loss or Disturbance</i>	<i>Definition of Entitled Person (EP)</i>	<i>Definition of Entitlement</i>	<i>Additional Facilities/Services</i>	<i>Actions</i>	<i>Actors</i>
A.	Irrigated ( <i>cont.</i> )				8. Public Notice of awards to EPs to make process transparent.	PRO
					9. Grievance resolution relating to entitlements.	PRO, PNGO A LVC
					10. Payment of stamp duty on purchase of land on spoil banks by WAPDA If not exempted by Provincial Governments.	Provincial Governments & WAPDA
					11. Provision of the guardianship certificates for minors pilot to payment being released.	Guardians of minors. LAC & PRO
					12. Assure payment cheques b woman owners are made out In their own name and deposited In trek own accounts.	LAC, PRO & Commercial Banks
					13. Ensure proper construction of spoil banks, top soil placement, grading. Etc.	Contractor. Project Consultants, PRO & Environmental Cell
					14. Layout demarcation and allotment of plot on spoil banks.	PRO. PNGO. Environmental Cell & EPs
					15. Siting and Installation of tubewells, and formation of TUAs.	PRO, PNGO. Environmental Cell, EPs & Provincial Governments
					16. Research into rapid, achievement of agricultural production from spoil banks.	WAPDA Technical Divisions, Provincial Departments of Agriculture and PNGO
					17. Issuance of work permit.	PRO. PNGO & Contractor
					18. Access to training and credit.	PRO, PNGO & Commercial Banks

*(cont.)*

<i>Sr. No.</i>	<i>Type of Loss or Disturbance</i>	<i>Definition of Entitled Person (EP)</i>	<i>Definition of Entitlement</i>	<i>Additional Facilities/Services</i>	<i>Actions</i>	<i>Actors</i>
B.	Barren land	Owner of land as recorded in the Revenue Record updated through the census survey and to be verified In accordance with legal requirements	<ol style="list-style-type: none"> <li>1. Cash cum land compensation <ul style="list-style-type: none"> <li>• Cash compensation at full market value plus additional 15% of the value for compulsory acquisition.</li> <li>• Entitled to purchase half size of plot on Irrigated spoil banks but at barani rate. The differences will enable EPs to maintain their standard of living during the transition period.</li> </ul> </li> <li>2. Blue work permits (One for each EP).</li> <li>3. Landowners who are losing their entire land and who have no other sources of income will be given green work permits. This facility will be extended to all adult members of such affected families.</li> <li>4. Project will provide tubewells on spoil banks, the proprietary rights of which will be transferred to TUAs along with the frontier of land rights on spoil banks to the TUAs' members.</li> </ol>	<ol style="list-style-type: none"> <li>1. Access to a credit facility provided under IRDP in line with priorities fixed in accordance with the Impact of the Project.</li> <li>2. Vocational training and seat-employment schemes under IRDP in line with priorities fixed as above.</li> <li>3. License to cultivate the acquired land till such time that the land is required for construction. EPs will be notified about the date of this requirement before the start of the next sowing period. EPs will not be allowed to do any development on the land during the license period.</li> <li>4. Assistance In TUA formation and operation.</li> <li>5. Agricultural extension services for spoil banks.</li> <li>6. Access to the interest on the deposit in joint account for repurchase of land on the spoil banks.</li> </ol>	Actions 1 through 16 as for Category IA above.	Actors for various actions as for Category IA above
II.	Loss of privately owned uncultivable land	Owner of land as recorded in the Revenue Record updated through the census survey and to be verified in accordance with legal requirements	<ol style="list-style-type: none"> <li>1. Cash compensation at full market value plus additional 15% of the value for compulsory acquisition.</li> <li>2. Blue work permit (one for each EP).</li> </ol>	<ol style="list-style-type: none"> <li>1. Access to a credit facility provided under IRDP In line with priorities liked in accordance with the Impact of the Project.</li> <li>2. Vocational training and set-employment schemes under IRDP In line with priorities fixed above.</li> <li>3. Provided that surplus land is available on the spoil banks. owners of uncultivable land will have the right to purchase land on spot banks equal to one-quarter of their holding of uncultivable land.</li> </ol>	Actions 1 to 5, 7 to 18 as for Category IA above.	Actors for relevant actions as for Category IA above.
III.	Loss of Shamilat (common) land	As recorded in the Revenue Record	1. Cash compensation according to the share of owners in Shamilat.	None.	Actions 1 to 5, 7 to 9, 11, 12, 17 & 18 as for Category IA above.	Actors for relevant actions as for Category IA above.

(cont.)

<i>Sr. No.</i>	<i>Type of Loss or Disturbance</i>	<i>Definition of Entitled Person (EP)</i>	<i>Definition of Entitlement</i>	<i>Additional Facilities/Services</i>	<i>Actions</i>	<i>Actors</i>
IV.	Loss of crops, orchards and other trees.	Landowners, tenants, renters as per Revenue Record updated through census survey and be verified in accordance with legal requirements.	1. Cash compensation, as provided under the law. 2. If shamilat land is cultivated, compensation will be paid to the cultivators.	None.	1. Value will be determined through the Land Valuation Committee (LVC). 2. If the construction schedule permits, the cultivator will be allowed to harvest the crops.	LAC, LVC  PRO & Project Consultants
V.	Loss of agricultural infrastructure (e.g. tubewells, open wells, cattle sheds and farms, fish & poultry farms, private irrigation diversion structures, etc.)	Land owners, tenants, renters as appropriate.	1. Replacement coil In cash.	None.	1. Value of the facility will be determined through the Land Valuation Committee (LVC) as structured above.	LAC, LVC & WAPDA Engineering Division
VI/	Loss of residential house.	A. Owner/occupant	1. Allotment of a plot equal to the plot on which the house is built (min 500 sq. m. provided to plot owner). 2. Allotment of a plot of 500 sq. m. to the occupant of the house if different from owner. 3. Full replacement value to be paid in 4 advance installments for construction of a house on the allotted plot paid to the owner of the house structure. 4. If occupant of house is different from the owner of the house structure, the occupant will be allotted a plot of 500 sq. m. and given credit facility for construction of a house.	1. Additional plot(s) of 500 sq m in the resettlement village for member(s) of the family of over 25 years of age sharing the present residence, up to a maximum of 1000 sq. m. for each house to be relocated. 2. Occupant will have the right to salvage housing materials free of cost. 3. WAPDA will provide transport to move the family and its belongings.	1. Valuation by WAPDA Engineering Division. 2. Payments of Installments at appropriate times, in advance, after foundation completed, after walls completed, and when roofing is completed. 3. Evacuation to be completed prior to requirement of land for construction. If the structure is not completed in time by the EP, then WAPDA will shift the EP to rented accommodation at EP's cost.	LAC, LVC & WAPDA Engineering Division LAC. PRO & PNGO  PRO. PNGO & WAPDA Engineering Division
VII.	Loss of public/community infrastructure	Affected Institution/community	1. The Project is responsible for relocation of Infrastructure such as graves, mosques, water supply system and overhead tanks near Ghazl-Khalq and village roads leading to Garotha and Dher.	None	1. Insure that the structures are timely relocated so that construction does not interrupt the relevant services to the community.	PRO. PNGO & WAPDA Engineering Division

(cont.)

<i>Sr. No.</i>	<i>Type of Loss or Disturbance</i>	<i>Definition of Entitled Person (EP)</i>	<i>Definition of Entitlement</i>	<i>Additional Facilities/Services</i>	<i>Actions</i>	<i>Actors</i>
VIII.	Fragmented land	Person who are losing part of a contiguous landholding and the residual fragment is smaller than 2 kanal.	If desired by the EP, the residual fragment of the land will be acquired.	None	Same actions as for appropriate category of land being acquired.	Actors for relevant actions as for appropriate category of land being acquired.
IX.	Severed land	Persons whose land is severed by the Project.	1. As permissible under the Law.	None.	LAC, PRO and PNGO to assess claims of EPs.	LAC, PRO & PNGO
X.	Loss of land tenancy rights					
A.	Legal tenants	Legal tenants in accordance with updated Revenue Record.	<ol style="list-style-type: none"> <li>1. Right to part of the cash compensation on the land owner in accordance with the provisions of the Law.</li> <li>2. Cash compensation for physical investments in land, including crops and trees.</li> <li>3. Blue work permits (one lot each EP).</li> </ol>	<ol style="list-style-type: none"> <li>1. Access to a credit facility provided under IRDP in line with their priorities lined in accordance with the impact of the Project.</li> <li>2. Vocational training and silt-employment schemes under IRDP in line with priorities.</li> <li>3. Provided that surplus land is available on the spoil banks, tenants with a residual tenancy of less than 0.5 ha will have the right to purchase land on spoil banks equal to one-half of the tenancy land acquired.</li> </ol>	Actions 1 to 5, 7 to 18 as for Category IA above.	Actors for relevant actions as for Category IA above
B.	Informal tenants	Informal tenants as documented by the census survey.	<ol style="list-style-type: none"> <li>1. Green work permits will be provided to all adult members of the affected families.</li> <li>2. Cash compensation for physical investments in land including crops and trees.</li> </ol>	<ol style="list-style-type: none"> <li>1. Priority access to credit facility provided under IRDP.</li> <li>2. Vocational training and self-employment schemes under IRDP on priority basis.</li> <li>3. On spoil banks, tenants with a residual tenancy of less than 0.5 ha will have the right to purchase land on spoil banks equal to one-half of the tenancy land acquired</li> </ol>	Actions 9,10,13 to 18 as for Category IA above.	Actors for relevant actions as for Category IA above.
XI.	Loss of rental rights (Ijaradar)	Ijaradar as per contract	<ol style="list-style-type: none"> <li>1. Right to part of the payment made to the landowner in accordance with the provisions of the law.</li> <li>2. Blue work permit.</li> </ol>	1. Access to a credit facility provided under IRDP in line with their priorities fixed in accordance with the Impact of the Project.	Actions 1 to 5, 7 to 10 as for Category IA above.	Actors for relevant actions as for Category IA above.

(cont.)



<i>Sr. No.</i>	<i>Type of Loss or Disturbance</i>	<i>Definition of Entitled Person (EP)</i>	<i>Definition of Entitlement</i>	<i>Additional Facilities/Services</i>	<i>Actions</i>	<i>Actors</i>
XI.	Loss of rental rights (Ijaradar) (cont.)			2. Vocational training and self-employment schemes under IRDP on priority basis. 3. On spill banks, tenants with a residual tenancy of less than 0.5 ha will have the right to purchase land on spoil banks equal to one-half of the tenancy land acquired.		
XII.	Loss of employment	Permanent agricultural laborer or family laborer documented by census survey Seasonal laborer	Green work permit Blue work permit.	Priority access to a credit facility provided under IRDP. Vocational training and self-employment schemes under IRDP on priority basis.	Issuance of green work permits Access to training and credit	PRO, PNGO and Contractors PRO, PNGO & Commercial Banks
XIII.	Loss of fisheries	Formal and Informal survey Fisherman fishing in the Indus reach between barrage and confluence with Kabul river.	Recognizing EPs' fishing rights, WAPDA will issue permit for fishing at barrage pond and headponds.	Access to vocational training and self-employment scheme under IRDP.	Directorate of Fisheries, WAPDA, will prepare and implement fisheries development plan at barrage pond and headponds.	Directorate of Fisheries, WAPDA, and SSB.

*Notes* : Holders of grown work permit will be given priority over time holding blue work permit who in turn will have priority over non - permit holders. Holders of green work permit will be paid Rs. 500 per month until they find work.

*Source*: Pakistan Water and Power Development Authority (WAPDA), *Ghazi-Barotha Hydropower Project Resettlement Action Plan*, September 1994, Table 2.10.

## Entitlement Matrix (Sample)

<i>Type of Loss</i>	<i>Application</i>	<i>Definition of Entitled Person</i>	<i>Compensation Policy</i>
Arable land	Less than 20% of total land holding to be acquired (marginal impact on household income and living standards).	a) Legal user of affected land with permanent land, and APs who meet the criteria for permanent land use rights and will therefore be issued with permanent LURC in due time	<ul style="list-style-type: none"> <li>• Cash compensation for crops and trees at market price; AND</li> <li>• cash compensation for acquired land at 100% of replacement cost.</li> </ul>
		b) Legal user of affected land with temporary land rights (unlegalizable)	<ul style="list-style-type: none"> <li>• Cash compensation for crops and trees at market price; AND</li> <li>(a) Cash compensation for affected land corresponding to 100% of the replacement cost of affected land; OR</li> <li>(b) Cash assistance for lost income from the affected land for the remaining period of the temporary land use right.</li> </ul>
		c) Legal user of affected land with lease land rights (unlegalizable)	<ul style="list-style-type: none"> <li>• Cash compensation for crops and trees at market price; AND</li> <li>• Cash assistance for loss income for the remaining lease period.</li> </ul>
	More than 20% of total land holding and remaining land is rendered unlegalizable for continued use. (severe impact on household income and living standards.)	a) Legal user of affected land with permanent land rights, and APs who meet the criteria for permanent land use rights and will therefore be issued with permanent LURC in due time	<ul style="list-style-type: none"> <li>• Cash compensation for crops and trees at market price; AND</li> <li>(a) Full title to land of equal productivity at location acceptable to AP's, wherever available; OR</li> <li>(b) Cash compensation for lost land at 100% replacement cost at the informed request of APs;</li> <li>• Transport allowance;</li> <li>• Subsidence allowance for six months;</li> <li>• Rehabilitation package (training for one family member in current or new occupation and training allowance/agricultural extension services, and farm inputs to increase productivity on remaining land, or any other type of suitable assistance).</li> </ul>
		b) Legal user of affected land with temporary land rights (unlegalizable)	<ul style="list-style-type: none"> <li>• Cash compensation for crops and trees at market price; AND</li> <li>(a) Cash equivalent to 100% of the replacement cost of the affected land; OR</li> <li>(b) Cash assistance to provide for lost income from the land for the remaining period of temporary land use right;</li> <li>• Transport allowance;</li> <li>• Subsistence allowance for 6 months;</li> <li>• Rehabilitation package (training for one family member in current or new occupation and training allowance/agricultural extension services, and farm inputs to increase productivity on the farm land, or any other suitable assistance).</li> </ul>

(cont.)

<i>Type of Loss</i>	<i>Application</i>	<i>Definition of Entitled Person</i>	<i>Compensation Policy</i>
Arable land (cont.)		c) Legal user of affected land with lease land rights (unlegalizable)	<ul style="list-style-type: none"> <li>• Cash compensation for loss of crops and trees at market prices; AND</li> <li>(a) Land for land compensation of equivalent productive capacity at location acceptable to the APs and on a suitable lease basis if available; OR</li> <li>(b) Cash equivalent to provide for lost income from affected land for the remaining lease period;</li> </ul>
		c) Legal user of affected land with lease land rights (unlegalizable)	<ul style="list-style-type: none"> <li>• Transport allowance;</li> <li>• Subsistence allowance for each family member for 6 months;</li> <li>• Rehabilitation package (training for one family member in current or new occupation and training allowance OR agricultural extension services, and farm inputs to increase productivity on the farm land OR any other suitable assistance).</li> </ul>
	Temporary loss of use of the land for a period up to a maximum of 1 year.	Legal user of affected agricultural land	<ul style="list-style-type: none"> <li>• Cash compensation for loss of crops at market prices.</li> </ul>
Residential and/or commercial land (without structures built thereon)	Loss of residential or commercial land due to the Project works	a) Legal land user with permanent rights or temporary rights (but legalizable)	<ul style="list-style-type: none"> <li>• Cash compensation at 100% of replacement cost of the affected land.</li> </ul>
		b) Legal land user with temporary right (unlegalizable)	<ul style="list-style-type: none"> <li>• Cash assistance equivalent to 30% of replacement cost of the affected land.</li> </ul>
Residential and/or commercial land (with structures built hereon)	Loss of residential or commercial land. With remaining legal residential and/or commercial land sufficient to reorganize (at least equal to 100 m <sup>2</sup> in rural area)	a) Legal user of affected land with permanent use rights or temporary use rights that will be legalized in due time	<ul style="list-style-type: none"> <li>• Cash compensation for land lost at 100% of replacement cost;</li> <li>• Subsistence allowance for 3 months; AND</li> <li>• Repair cost to rebuild the house front if structures partially affected.</li> <li>• APs who are allowed to reorganize will be issued a permanent LURC in case not yet obtained.</li> <li>• In exceptional cases, permission may be given to APs to reorganize on their remaining legal land in area less than the standard.</li> <li>• APs will be entitled to a special allowance equivalent in value to the difference in land area between the standard plot size and the remaining area on which AP is reorganizing, at the rate of replacement APs are also entitled to repair costs for partially demolished structures.</li> </ul>

(cont.)

<i>Type of Loss</i>	<i>Application</i>	<i>Definition of Entitled Person</i>	<i>Compensation Policy</i>
Loss of residential or commercial land (with structure)	APs has remaining permanently legal or legalizable residential and/or commercial land less than 100m <sup>2</sup>	a) Legal APs of the affected land with permanent use rights	<ul style="list-style-type: none"> <li>• <b>Group Relocation:</b> Land-for-land compensation of full title to a standard size plot on a project-sponsored relocation site (for residential or residential and commercial 100 sq. m. and for commercial only 14 sq. m.) of land of the same quality (or better) as the affected land and for their remaining legal land (not less than the minimum standard plot size) AND losing an area greater than the plot in RS will receive compensation in cash for the difference; sites will be serviced with electricity, water, drainage, access and internal road, and will provide the same access to services (health, education, market) as at the former location, either on site or in the vicinity; OR</li> <li>• <b>Self Relocation:</b> At the informed request of the APs they may make their own arrangements for relocation and will be entitled to cash in lieu of land at 100% replacement cost transport allowance; subsistence allowance for a period of 6 months; APs who have their business affected will be entitled to a special income rehabilitation allowance (USD 100 per household) to provide for loss of income during the transition period; assistance from local authorities to locate possible plots and to purchase land for resettlement.</li> <li>• <b>Reorganization:</b> Only in exceptional cases permission may be given to organize on their remaining legal land in less than standard area. APs will be entitled to a special allowance equivalent in value to the difference in land area between the standard plot size on a RS and the remaining area on which AP is reorganizing, at the rate of RS land. Reorganizing will get subsistence allowance for three months.</li> </ul>
		b) Legal APs of the affected land with temporary use rights (but unlegalizable)	<ul style="list-style-type: none"> <li>• <b>Group Relocation:</b> Same as for entitled persons category a); OR</li> <li>• <b>Self Relocation:</b> At the informed request of APs they may make their own arrangements for relocation and will be entitled to cash equivalent to 100% of the replacement cost of their lost land; cash compensation to 100% of replacement cost of structures; subsistence allowance for 6 months; transport allowance; APs who had business at the affected location and who must relocate are entitled to a special income ration allowance of USD 100 to provide for loss of income during the transition period; assistance from local authorities to locate possible plots and to purchase land for resettlement.</li> </ul>
		c) Legal APs with no rights to use the affected land and not legalizable	<p>APs who have no rights to use the land acquired and no legal or legalizable land remaining will be entitled to one of the following options:</p> <ul style="list-style-type: none"> <li>• <b>Group Relocation:</b> Same as for entitled persons category a); OR</li> </ul>

(cont.)

<i>Type of Loss</i>	<i>Application</i>	<i>Definition of Entitled Person</i>	<i>Compensation Policy</i>
Loss of residential or commercial land (with structure) (cont.)			<u>Self Relocation</u> : At the informed request of APs they may make their own arrangements for relocation and will be entitled to cash assistance equivalent to the actual cost of a plot in resettlement site; cash compensation at replacement cost for their structures; transport allowance to relocation site; subsistence allowance; APs who are entitled to relocation and who have business affected will be entitled to a special income rehabilitation allowance of USD 100 to provide for loss of income during the transition period; assistance from local authorities to locate possible plots and to purchase land for resettlement.
Structures	Structures affected by the project	a) Legal owner of the affected structure	<ul style="list-style-type: none"> <li>• APs with legal right to build the affected structure will be entitled to compensation at 100% of replacement cost of the affected structure, including material, cash or a combination of the two.</li> <li>• No deduction will be made for depreciation or for salvageable materials.</li> <li>• Partially affected structures will be compensated for the affected part at replacement cost and additional cash assistance (Repair allowance) will be made to cover the cost of repairing the structure.</li> </ul>
		b) Tenants of leased affected structure	<ul style="list-style-type: none"> <li>• Tenants of structures will be entitled to 3 months rent allowance and assistance in finding alternate rental accommodation.</li> </ul>
Independent shop owners	Shops located in the project area (with residences at a different location).	a) Legal owner of the shop with permanent rights to use the affected land	<p>APs will be entitled to one of the following options:</p> <ul style="list-style-type: none"> <li>• <u>Group Relocation</u>: Land-for-land compensation of full title to a plot of land on a group resettlement site of the same area and quality as the area lost (minimum 14 sq. m.) on the site suitable for restoring business or at a market place; cash compensation for affected structure at replacement cost; transport allowance; subsistence allowance for 6 months; special income rehabilitation allowance of US\$100 to provide for lost income during the transition period; suitable rehabilitation assistance; OR</li> <li>• <u>Self Relocation</u>: At the informed request of APs they may make their own arrangements for relocation; cash compensation at replacement cost for their land lost; cash compensation for their structures; transport allowance; subsistence allowance; suitable rehabilitation assistance; special income rehabilitation allowance of US\$100 to provide for lost income during the transition period; assistance from local authorities in identifying individual resettlement sites.</li> </ul>
		b) Illegal owner of the shop with no land use rights	<p>APs will be entitled to one of the following options:</p> <ul style="list-style-type: none"> <li>• <u>Group Relocation</u>: Assistance to relocate to suitable site or at market place; cash compensation for affected structure; transport assistance; special income rehabilitation allowance US\$50 to provide for lost income during the transition period; subsistence allowance; suitable rehabilitation assistance. OR</li> </ul>

(cont.)

<i>Type of Loss</i>	<i>Application</i>	<i>Definition of Entitled Person</i>	<i>Compensation Policy</i>
			<p><u>Self Relocation</u>: At the informed request of AP's they may make their own arrangements for relocation and will be entitled to cash assistance at 100% of replacement cost for their structures; transport allowance; subsistence allowance; special income rehabilitation allowance US \$50 to provide for lost income during the transition period; Suitable rehabilitation assistance; Assistance from local authorities in identifying individual resettlement sites.</p>
Graves	Graves located in the area acquired	Household who owns the graves	<ul style="list-style-type: none"> <li>• Cash compensation for all costs of excavation, movement and reburial.</li> </ul>
Private wells	Wells located in area acquired	Household who owns the well	<ul style="list-style-type: none"> <li>• Cash compensation at replacement cost or a replacement well if requested by the AP.</li> </ul>
Crops	Affected crops	Owner of affected crops	<ul style="list-style-type: none"> <li>• Compensation in cash at current market prices (farmgate price of crops plus cost of production)</li> </ul>
Perennial trees	Affected trees	Owner of trees	<ul style="list-style-type: none"> <li>• A lump sum amount for young non-fruit bearing trees to cover for the cost of maintenance and inputs, For fruit bearing trees compensation at 3 years production value at current market prices.</li> </ul>

*Source: Lao People's Democratic Republic, Technical Guidelines for Resettlement and Cooperation, Vientiane, Lao PDR, April 15, 2003, Annex 8.2.*

## Appendix 14

### ASSISTANCE TO VULNERABLE PERSONS

#### Vulnerable People

Vulnerable people may be such before the displacement process because of a disability or disadvantage, or may be made vulnerable by the displacement/ compensation/ resettlement process.

The census carried out in late 1999 and 2000 included the identification of all people currently suffering from disabilities. Within the Project-Affected Area, 481 people have various disabilities. The following table shows the main type of disabilities encountered:

<i>Type of disability</i>	<i>Number</i>	<i>%</i>
Lame Legs	162	33.7%
Mental Problem	61	12.7%
Deaf	49	10.2%
Blind	34	7.1%
Lame Arms	28	5.8%
Sight Problems	26	5.4%
Blind in one eye	16	3.3%
Polio	13	2.7%
Dumb	11	2.3%
Legs	10	2.1%
Hearing Problems	9	1.9%
Paralyzed	8	1.7%
Deaf and Dumb	7	1.5%
Asthmatic	6	1.2%
Hump	6	1.2%
Epilepsy	5	1.0%

#### Assistance to Vulnerable People

Assistance to vulnerable people includes the following steps:

- Identification of person and cause of vulnerability—this may either come directly or through the community; this step is critical because often vulnerable people do not participate in community meetings, and their disability/vulnerability may remain unknown;
- Identification of required assistance at the various stages of the process—negotiation, compensation, moving;
- Implementation of the necessary measures;

## Appendix 14

- Monitoring and continuation of assistance after moving if required.

Assistance may take the following forms, depending upon vulnerable peoples' requests and needs:

- Assistance in the compensation payment procedure (going to the bank with the person to cash the check);
- Assistance in the post payment period to secure the compensation money;
- Assistance in moving: providing vehicle, driver and facilitation at the moving stage, providing ambulance services for disabled persons during moving;
- Assistance in building: providing materials, workforce, or building houses;
- Health care if required at critical periods: moving, transition period.

*Source: Bujagali Project Hydropower Facility Resettlement and Community Development Action Plan, prepared for AES Nile Power by ESG International (Guelph, Canada) and W.S. Atkins International (Epsom, UK), March 2001, Vol. 1, pp. 86-87.*



## Appendix 15 Income Restoration Measures

<i>No.</i>	<i>APs with Different Compensation Package</i>	<i>Impact on Income</i>	<i>Income Restoration Activities</i>
1.	Landed farmers with land allotments of the same quality in the same locality where access to services and market remain unchanged	<ul style="list-style-type: none"> <li>• Temporary disturbance in production</li> </ul>	<ul style="list-style-type: none"> <li>• Maintenance allowance during transition period</li> </ul>
2.	Landed farmers with land allotments of different quality in the same locality where access to services and market remain unchanged	<ul style="list-style-type: none"> <li>• Disruption of farming pattern</li> <li>• Possible failure without experience/techniques required</li> </ul>	<ul style="list-style-type: none"> <li>• Technical Training for new mode of production</li> <li>• Development cost of the new land</li> <li>• Subsistence until the new land reaches productivity</li> </ul>
3.	Landed farmers with land allotments of the same quality in different locality where services and markets have changed	<ul style="list-style-type: none"> <li>• Disruption of farming</li> <li>• Change in support services and market situation</li> </ul>	<ul style="list-style-type: none"> <li>• Necessary support services and economic infrastructure (financial, communication and market)</li> <li>• Maintenance allowance</li> </ul>
4.	Landed farmers with land allotments of different quality in different locality where services and market situation have changed	<ul style="list-style-type: none"> <li>• Disruption of farming pattern</li> <li>• Change in support services and market situation</li> <li>• Possible failure without experience/techniques required</li> </ul>	<ul style="list-style-type: none"> <li>• Technical training for new mode of production</li> <li>• All previous extension and financial services</li> <li>• Maintenance allowance</li> </ul>
5.	Landed farmers with cash package	<ul style="list-style-type: none"> <li>• Loss of sustainable productive assets</li> <li>• Loss of income sources</li> <li>• Possible misuse of cash compensation</li> <li>• Possible failure of schemes for income generation</li> </ul>	<ul style="list-style-type: none"> <li>• Maintenance allowance</li> <li>• Income generation activity identified</li> <li>• Training</li> <li>• Extension services</li> <li>• Financial services</li> <li>• Market analysis</li> </ul>
6.	Landed farmers provided jobs	<ul style="list-style-type: none"> <li>• Job insecurity</li> <li>• Possible failure due to no knowledge or technique required</li> </ul>	<ul style="list-style-type: none"> <li>• Employment guarantee for three years</li> <li>• Training</li> </ul>
7.	Landless agriculturist seriously affected due to displacement of the community	<ul style="list-style-type: none"> <li>• Loss of income</li> <li>• Loss of livelihood</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum economic holding of land or a cash package sufficient for purchasing economic holding</li> <li>• Technical training</li> <li>• All previous extension and financial services</li> <li>• Any new necessary services</li> <li>• Maintenance allowance</li> </ul>
8.	Landless tenants affected through marginal land acquisition	<ul style="list-style-type: none"> <li>• Contract termination</li> <li>• Loss of income</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum economic holding or a cash package sufficient for purchasing economic holding</li> <li>• Other rehabilitation assistance</li> <li>• Maintenance allowance</li> </ul>
9.	Other landless agriculturist affected through marginal land acquisition	<ul style="list-style-type: none"> <li>• Loss of job opportunity</li> <li>• Loss of income</li> </ul>	<ul style="list-style-type: none"> <li>• Maintenance allowance</li> </ul>
10.	Employees in affected enterprises that can resume the same line of operation	<ul style="list-style-type: none"> <li>• Possibility of greater distance to work</li> <li>• Relocation cost</li> </ul>	<ul style="list-style-type: none"> <li>• Satisfactory relocation of enterprises</li> <li>• All relocation costs</li> <li>• Continued employment</li> </ul>

*Source: Lao People's Democratic Republic, Technical Guidelines for Resettlement and Cooperation, Vientiane, Lao PDR, April 15, 2003, Annex 9.1.*

## Appendix 16 Risk Assessment\*

Operational Policy 4.12 begins by stating that involuntary resettlement “often gives rise to severe economic, social, and environmental risks...People face *impoverishment* when their productive assets or income sources are lost... (and) social networks are weakened”. Because impoverishment can occur under a variety of forms, “the Bank’s resettlement policy includes *safeguards* to address and mitigate these impoverishment risks” (OP 4.12, Para. 1).

In light of these provisions, it is very helpful to employ an adequate method for risk diagnostic and risk management in resettlement. Like in all projects requiring safeguards, risk management must be a central concern throughout all project stages. Risk management will orient the preparation of resettlement plans towards mitigation and reconstruction, will emphasize counter-risk measures during implementation, and will structure monitoring around results in risk countenance.

This paper describes such a methodological tool: the “*Impoverishment Risks and Reconstruction*” (IRR) model. This is an analytical and operational instrument, tailored to serve the preparation and monitoring of projects entailing resettlement. This instrument enables staff working on such projects to focus from the earliest project stage on the poverty issues that are at the heart of involuntary resettlement. It does not add new tasks on top of the existing ones in resettlement work. Instead, it facilitates RAP preparation by (a) moving risk discovery upstream in the project cycle, and (b) guiding towards early risk-elimination or reduction. The IRR tool, developed in the World Bank, was first applied in the 1994 Resettlement Review, has been widely discussed in the literature, and is increasingly applied in practice.

The present *operationalized* description of the IRR’s tool explains how to use it and clarifies its place among other analytical and planning techniques. The key premise of this tool’s effectiveness is its focus on “prevention first”. It identifies socio-economic risks *before* they materialize into painful effects and it guides towards safeguarding risk-exposed people through counter-risks targeted actions.

At the heart of the IRR model are four basic concepts: *risks*, *impoverishment*, *safeguards* and *reconstruction*, which are germane to, and central, in the Bank’s OP 4.12. “Risks” and “safeguards” are twin concepts, intimately linked, because any thinking and action for safeguarding must start with discovering the risks against which safeguards are necessary. *Risk* is a positive and action-mobilizing concept, since it prods into preventive, safeguarding activities.

The issues of risks, in turn, must be addressed in three practical ways, namely as: (a) risk diagnosis; (b) risk measurement; and (c) risk management. *Risk diagnosis* refers to the detection of hazards involved in a certain course of action. *Risk measurement* makes a step further, calling for ex-ante analysis of magnitude, intensity, time and other risk-dimensions. Finally, *risk management* refers to the purposive action for mastering risks by initiating counter-actions for

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\* Michael M. Cernea, “Risks Diagnostic and Risk Management in Involuntary Resettlement”.

reducing a specific risk. The ability to detect risks and evolve safeguards against them is a prerequisite and feature of sustainable development interventions.

## **Overcoming Resettlers' Decapitalization**

The essence of good resettlement is impoverishment prevention and livelihood improvement. Project experiences and social research show that involuntary resettlement tends to cause the decapitalization of resettlers, many of who are very poor even before displacement. Displaced people are at great risk of losing capital in all its forms: natural capital (land, trees), man-made capital (houses, other assets), as well as human and social capital. The World Bank's overarching objective of reducing the *existing* poverty goes hand in hand with *preventing the onset of new causes* of impoverishment. Development itself is not free from the risks of adverse impacts, and risks of new poverty risks do surface in projects that entail resettlement. This is why the general policy of poverty reduction must be translated also in analytical techniques targeted against adverse impacts and risks.

Planners usually encounter difficulties when they try to target mitigatory activities precisely, to safeguard the risk-exposed populations segments against adverse impacts. Yet, the currently used analytical and planning tools are often not sharp and versatile enough to lead to tailored and differentiated responses to risks. Regular use of risk identification tools upstream in the project cycle is indispensable. It should also result in the direct commitment of borrowing agencies to the formulation of *specific* risks reductions measures before project appraisal.

## **Methods for Analyzing Impoverishment Risks during Project Preparation**

As a framework for risks assessment, the impoverishment risks and reconstruction (IRR) model has a dual emphasis: (a) on risks to be prevented or mitigated; and (b) on reconstruction measures to be implemented. For feasibility and project preparation studies, the IRR framework performs two functions:

1. *A diagnostic and predictive function*, to anticipate risks in resettlement, assess their nature and their expected intensity; and
2. *A problem resolutions and planning function*, to guide the incorporation of measures commensurate with each identified risk, for prevention or mitigation.

The analytical advantage of the IRR framework results from relying on knowledge of past processes, “stored” and synthesized in the model. It saves considerable time and effort in feasibility work by avoiding going to “square one” in risk analysis in each project, and instead offering *ex-ante* a well-tested starting point: the matrix of eight basic risks which, in light of historical experience, are predictable in most resettlement situations. Applying it to the circumstances of each project has several cognitive and operational advantages:

- (a) ensures that no single major risk to resettlers is overlooked during project preparation, only to surface later in implementation as an unwanted “surprise”;
- (b) organizes data collection and the thinking-through of project design along pre-identified variables; and

- (c) allows the assessment of the different intensity of each risk (high risks from low risks, in the given project context) instead of treating all risks uniformly.

Advance consideration of risks permits mobilization of proportionate resources against the highest risk or against the risks affecting the largest numbers of people, and to allocate less to risks that in a local context may have lower incidence or intensity. In practice, this calibrated approach may vastly increase project effectiveness and rationalize resource allocation. Such upstream risk analysis may also conclude that one or another of the IRR framework's risks is not likely to occur at all in the project's local context. Conversely, it also can help identify some locally specific risks, albeit of limited scope, which are not part of the basic matrix but need to be addressed.

### Impoverishment Risks

The IRR as an analytical tool embodies the multidimensional definition of poverty given in the Bank's 2000/2001 World Development Report "*Attacking Poverty*". Namely, it encompasses poverty measurements not only in terms of income, but also in terms of employment opportunities, assets, ownership, shelter, health care, nutrition and food security, education, empowerment or social capital. Indeed, the nine most common impoverishment risks captured in the IRR model are: (a) landlessness; (b) joblessness; (c) homelessness; (d) marginalization; (e) increased morbidity and mortality; (f) food insecurity; (g) educational loss; (h) loss of access to common property; and (i) social (community) disarticulation. Each risk is presented below briefly, after which, in the second part of the IRR framework, this risks matrix will be turned on its head to derive counter-risk strategies.

- (a) **Landlessness.** Expropriation of land removes the main foundation on which many people build productive systems, commercial activities and livelihoods. Often land is lost forever; sometimes it is partially replaced, seldom fully replaced or fully compensated. This is the main form of de-capitalization and pauperization of the people who are displaced. Both natural and man-made capital is lost.
- (b) **Joblessness.** Loss of salaried employment occurs both in rural and urban displacement. People losing jobs may be industrial or service workers, landless agricultural laborers, or artisans. Unemployment or underemployment among resettlers may linger long after physical relocation. Creating new jobs for them is difficult and requires substantial investments, new creative approaches, and reliance on sharing project benefits.
- (c) **Homelessness.** Loss of shelter may be only temporary for many people, but for some it remains a chronic condition and is also felt as loss of identity and cultural impoverishment. Loss of housing may have consequences on family cohesion and on mutual help networks if neighboring households of the same kinship group get scattered. Therefore, group relocation of neighbors is usually preferable over dispersed relocation.
- (d) **Marginalization.** Marginalization occurs when relocated families lose economic power and slide down towards lesser socio-economic positions: middle-income farm-households become small landholders; small shopkeepers and craftspeople lose business and fall below poverty thresholds. Economic marginalization tends to be accompanied by social and psychological marginalization, expressed in a drop to a lower social status with its attached stigma, in resettlers' loss of confidence in society and in themselves.

- (e) **Increased morbidity and mortality.** Vulnerability of the poorest people to illness is increased by forced relocation, because it tends to be associated with increased stress, psychological traumas, or the outbreak of parasitic diseases. Decreases in health levels result from unsafe water supply and sewage systems that proliferate epidemic infections, diarrhea, dysentery, etc.
- (f) **Food insecurity.** Forced uprooting diminishes self-sufficiency, dismantles local arrangements for food supply, and thus increases the risk of chronic food insecurity. This is defined as calorie-protein intake levels below the minimum necessary for normal growth and work.
- (g) **Educational loss.** Involuntary displacement disrupts all public services at the departure sites, with heavy effects particularly on schools' functioning. Interruption of school attendance causes prolonged loss of access to education; some children *do not return* to school at all and are prematurely sent by their families to join the labor force.
- (h) **Loss of access to common property.** Poor farmers, particularly those without assets, suffer a loss of access to the common property goods belonging to communities that are relocated (e.g., loss of access to forests, water bodies, grazing lands, cemetery lands, etc.). This represents a form of income loss and livelihood deterioration that is typically overlooked by planners and therefore uncompensated.
- (i) **Social disarticulation.** The dismantling of community structures and social organization, the dispersion of informal and formal networks, local associations, etc. is a massive loss of social capital. Such disarticulation undermines livelihoods in ways usually not recognized and not measured by planners, and is a cause of disempowerment and impoverishment.

Because resettlers are non-homogeneous groups, the risks highlighted above differentially affect various categories of people: rural and urban, tribal and non-tribal groups, etc. Research shows that women suffer the impacts of displacement more severely than men do.

The extent and intensity of each of these risks in a contemplated project area must be assessed at the starting stage of project preparation, however preliminary this assessment is. The first responsibility for carrying it out rests with the borrowing agency. The IRR model provides the conceptual "scaffolding" for such assessment. As preparation advances, the initial assessments are refined, verified, and made more complete. It is very important to start developing, from this initial stage, the risk reduction responses and the positive project provisions for reconstructing resettlers' livelihoods.

### **Risk Reversals and Reconstruction**

Before displacement actually begins, the social and economic risks of impoverishment are only impending risks. If unaddressed, however, these potential hazards convert into actual, material impoverishment processes.

The internal logic of the IRR as analytical and planning tool indicates that attacking the risks *early on* is essential for preventing impoverishment. Similar to how its risk analysis deconstructs displacement into distinct risks, the IRR also deconstructs risks-reversal and

reconstruction into a set of precisely oriented actions. The emphasis must be placed on positive, constructive, pro-poor support activities, able to lead: (1) from landlessness to land-based resettlement; (2) from joblessness to reemployment; (3) from homelessness to house reconstruction; (4) from marginalization to social inclusion; (5) from increased morbidity to improved health care; (6) from food insecurity to adequate nutrition; (7) from educational loss to resumed schooling; (8) from loss of access to restoration of community assets and services; and (9) from social disarticulation to rebuilding networks and communities.

This reconstruction orientation indicates that the IRR model is not just a predictor of inescapable pauperization: on the contrary, it also maps the way for restoring the livelihoods of the displaced. Like with any model, the components of the IRR framework can be acted upon one by one and be influenced through planning, in order to diminish the impact of one or several risks, as given conditions permit. Understanding the linkages among the co-related risks of resettlement enables project designers to capture synergies and in practice adopt measures that address more than one risk at a time.

### **Risk-Reduction through Policy Measures**

Beyond measures at the project level, however, there are also policy ways to reduce resettlement risks. For instance, economic policies that keep the costs of energy too low tend to encourage overconsumption and tolerate waste, thus leading to more dams or thermal plants, with displacements risks. This suggests that the risks of resettlement can be diminished also through better demand-management policies. Single means—for instance, just cash compensation—cannot respond to all risks. Asset compensation alone cannot substitute for multi-sided risk-reduction strategies. Ultimately, the risks interlocked in displacement can be controlled when borrowers' adopt and implement broad national policies for risk reversals and safety nets.

### **Including Risk Reduction into Resettlement Action Plans**

The structure of a project's RAP becomes better targeted by incorporating the set of reconstruction components listed above. Of course, the RAP needs to contain other elements as well, such as: institutional arrangements for organizing the resettlement process; the timetable for implementing it; cost calculations; financial allocations; monitoring provisions; etc. But the core content of the RAP is the actions to counter the risks and rebuild the income generating activities of the resettlers. Several such types of activities are considered below, as well as in other sections of this Sourcebook.

### **Specific Steps**

The use of the IRR tool should begin with assessing at the project site how the general risks would surface or would vary in the given local context, for the main population groups. The necessary information for this results from the population census and asset-census for the areas to be condemned. Differences in risk incidence among segments of the population will stand out immediately.

Maximum safeguarding is achieved when involuntary displacement is avoided altogether. Avoidance is the first response to risks that should be considered. Recognizing risks upfront and their financial implications is often a powerful stimulus to search for an alternative that

eliminates the need for displacement or cuts down its size. This is technically possible, for instance, by changing the site of a projected dam, or by re-routing a highway around (rather than through) a dense human settlement; many other technical optimization solutions can be found through creative search.

The experience of successful resettlement offers a range of risk-reduction measures that can be activated for each of the common risks in resettlement. These are described in detail in several other sections of this Sourcebook. Some brief examples follow here:

### **Land-based Resettlement to Prevent Landlessness**

- Creating land reserves through pooling lands available on land-markets; this is achieved best when land pooling starts before displacement begins;
- Bringing new lands into cultivation (e.g., terracing steep or hilly lands, as is often done in projects in China);
- Introducing farm-size ceilings and purchase and reallocation of above-the-ceiling land in newly irrigated areas.

### **House Reconstruction to Prevent Homelessness**

- Project allocation of homestead plots rather than only cash-compensation for houses;
- In urban areas, saving scarce space for house plots by encouraging the building of multiple-story houses (the so-named “vertical resettlement”);
- Facilitation of resettlers’ access to house/construction materials;
- Avoidance of intermediary “colonies” for resettlers;
- Packaging compensation for lost dwellings with housing grants and long-term credit facilities for home-improvement.

### **Reemployment to Mitigate Joblessness**

- Including employment provisions as part of the RAP can considerably increase jobs' availability.
- Fully exploit the employment openings created through the construction of the new project. Provisions in tenders for civil works can require project employers to recruit a set proportion of their labor force from among project-displaced families.
- In cash-scarce areas, help re-capitalize the dispossessed through employment in private sector service activities that grow rapidly in “boom-towns” and areas surrounding the project.
- Stimulate self-employment through incentives to resettlers to rebuild their houses with space for commercial food-stalls, rental rooms, small workshops, etc.
- Offer training in new-skills to resettlers, marketable both during, and after, the project.

Comparable RAP provisions can address the other risks highlighted in the IRR framework. The above examples are only illustrations. The challenge in preventing impoverishment is to *develop a vast spectrum of local solutions that make best use of opportunities* in a given project area.

## Resources for Risks Reduction

The IRR tool enables project designers to count not only on the project's financial inputs as outlays for preventing impoverishment, but also to use project outputs as a resource. The implementation of reconstruction strategies must continue after project completion ensuring (through initial project design) that resettlers *share in the benefits of the project* for which they were displaced. For instance, practical solutions for enabling resettlers to *share* in the project's benefits may be:

- In projects that create reservoirs, promote aquaculture and duck-raising programs, but also legally ensure priority access to resettlers for benefiting from reservoir opportunities.
- Promote new income generating activities related to productive resources (irrigation, factories) created by the project.
- Support, through upfront policy decisions, the allocation of a small percentage of newly generated recurrent project-benefits for the continuous development of the resettlers' new areas (e.g., a percentage of power generation revenues).

The potential to re-channel projects benefits to resettlers remains unused in many projects. This is both inequitable and unjustified. Often, such potential is overlooked because of trivial, not structural, reasons: lack of commitment and concern of project decision makers, poor methodologies of economic and financial analysis at the project planning level, poorly designed resettlement components, a lack of creativity and inventiveness in using resources available to the project. Such aspects can be addressed at project design levels. However, such apparently trivial reasons sometimes also have deeper roots: the absence of national policies and of legally compelling regulations that would make it mandatory to open access for those displaced to the project's stream of benefits. These aspects of risk-reduction need to be addressed beyond projects, through policy dialogue, CASs and sectoral strategies.

## Monitoring Risk Management

Risk reduction during resettlement implementation must be monitored continuously. The IRR tool helps structure the monitoring work so as to follow up the same key risk variables considered in project preparation and design. Monitoring units are well advised to simplify their work by disaggregating ongoing evaluations and impact studies along distinct risks, providing project managers and supervision teams updated findings on how one or another dimension of reconstruction is evolving. Such risk management monitoring would produce focused findings, immediately helpful for targeting better implementation and reconstruction efforts.



## Project Risk Assessment

During the course of carrying out the RAP there may be occasions when risks to effective implementation will be considerable. Should these risks become obstacles or roadblocks, the interests of the EPs will be set back rather than advanced. Therefore, it is important to identify areas of risk and try and assess how likely they are to become problems. Should they then develop, they will not be unexpected and measures can be planned for to resolve or ameliorate them in a timely fashion.

There are several areas of particular concern and risk for the EPs. These include:

- equitable and timely valuation, acquisition and compensation of their lost assets;
- difficulties in demarcating and allocating the plots on the spoil banks;
- delays in construction that postpone their resettlement;
- staffing of key positions;
- the potential for social and political unrest developing from local issues; and
- the effectiveness of the PNGO.

The first is a critical risk area that will determine the fate of the Project's resettlement efforts. This issue, frequently raised in scoping sessions, reflects local worries that, based on past experience, these activities will not go smoothly, fairly or efficiently. However, the establishment of a Land Valuation Committee (LVC), with sufficient standing and broad representation to reach decisions that can be endorsed and implemented by the Land Acquisition Collector, should serve to allay such fears. As noted, the LVC will also have dispute settling authority which will further enhance its standing in the eyes of affectees.

The second is a key challenge to the Project's staff and the PNGO as they will need to identify an effective mechanism that allows EPs to work together in making decisions that will have far reaching consequences. Yet a challenge of this kind presents a major opportunity which if handled properly by the PNGO and the PRO should result in successful resettlement that could become a showcase for the Project. The PNGO will work closely with the new farmers and train them in organizational and leadership techniques along with orienting them to the responsibilities of operating and maintaining a tubewell for irrigation purposes.

They will also be exposed to ways to fairly and effectively settle disputes. A motivation, if not an incentive, to cooperate will be the knowledge that they are all in the TUA together, and that delays arising from disputes will result in losses to each of them.

The provision of allowing farmers to continue farming activities even after WAPDA has taken possession of the land until the land is required for construction will reduce the impact of construction delays to local areas. Even so contingency plans will be drawn up ahead of time that either make cash provisions or extend Project services to those who are adversely affected by construction delays.

Another area of Project risk involves the organizational arrangements for the Project. Specifically, it involves issues of staff who are not posted to key Project-related positions, or staff who are posted to such positions but after a time are transferred to another post and their position is not promptly re-filled. To avoid or minimize these contingencies, high-level support and commitment will be required to have competent-staff placed in key positions over the Project's entire life. The importance attached to this Project by the Government provides a reasonable degree of surety that such support and commitment will be available.

Another area of risk is the potential for social and political unrest developing from local issues and demands that are not properly addressed. These will need to be carefully handled and contained through deliberate planning and judicious exercise of authority if the Project is not to suffer.

There are also risks that pertain to the PNGO's effectiveness in representing and advancing EP interests; the availability of staff sufficiently trained to monitor the resettlement process and assist in organizing TUAs; and in organizing credit programs, vocational training activities and self-employment schemes. These risks will be reduced by ensuring that the PNGO's staff itself has the necessary expertise and experience in these areas so that they can effectively carry out their Project responsibilities.

Sources: *Ghazi-Barotha Hydropower Project Resettlement Action Plan*, Pakistan Water and Power Development Authority (WAPDA), September 1994, pp. 2.18-2.19; Pakistan Hydro Consultants; Ghazi-Barotha Hydropower Project, *Additional Supplementary Environmental Studies*, August 1994.

## Appendix 17 Resettlement Budget

### Sample Budget for a Resettlement Action Plan

<i>Item</i>	<i>Cost US\$</i>	<i>Comment</i>	<i>Timing</i>	<i>Source of Funds</i>	<i>Channel of Disbursement</i>
Compensation to land owners for agricultural land	590,000	Based on average price of land per hectare as determined by market survey multiplied by number of hectares to be acquired from all affected households.	5/98	Sponsor	Govt. Land Acquisition Office (LAO)
Compensation for lost crop production for landowners and tenants	32,200	for each land type multiplied by 8 months (i.e. time between last crop and commencement of project-related employment) per land-holding of all affected households.	3/98	Sponsor	Sponsor
Compensation for dwellings and structures	32,000	Based on estimated replacement value per m <sup>2</sup> multiplied by total area of dwellings and structures multiplied by number of all affected households.	5/98	Sponsor	LAO
Compensation for house plots	39,900	Based average price of land per hectare multiplied by 2 hectares multiplied by number of all affected households.	5/98	Sponsor	LAO
Compensation for trees	17,000	Based on an inventory of trees per affected household and market value per variety.	5/98	Sponsor	LAO
Compensation for enterprises	24,000	Based on a flat-rate estimate of revenue loss during relocation of enterprise to new site established by resettlement committee.	5/98	Sponsor	Sponsor
Compensation for moving/disturbance	3,000	A moving/disturbance allowance of \$200 per family or enterprise (i.e., 15% of average house/enterprise value).	5/98	Sponsor	Sponsor
Land acquisition	80,000	200 hectares of comparable productive potential at \$400 per hectare.	9/97	LAO	LAO
Site Planning	5,790	Surveying, land use assessment, master plan, demarcation and registration of plots in consultation with resettlement committee.	10/97	Sponsor	Engineering Services Contractor
Infrastructure	34,000	Drains, water points, pavement, community center, community lighting in consultation with resettlement committee.	1-4/98	Sponsor	Building Contractor
RAP Monitoring	15,000	Quarterly monitoring for six quarters @ \$2,500 per quarter.	6, 9, 12/98 3, 6, 9/99	Sponsor	National NGO
RAP Evaluation	4,000	Final quarter evaluation	10-11/99	Sponsor	Consulting Services Contractor
Agricultural extension services	40,000	Agricultural inputs, training, post-production and marketing services	6/98-12/99	Sponsor	Consulting Services Contractor
Small enterprise training	25,000	Small manufacturing and services		Sponsor	National NGO
Revolving credit	50,000	Enterprise development		Sponsor	National NGO
<b>Subtotal all items</b>	991,890				
<b>Contingency</b>	99,189	10% of sub-total			
<b>Total</b>	1,091,079				

Ed. Note: Exclusive of RAP preparation costs including mapping, census and surveys, consultation, community development plans, monitoring & evaluation framework, etc.

Source: *IFC Handbook for Preparing a Resettlement Plan*, IFC, 2003, p.65.

## Appendix 17

**Summary of Cost Estimates for Elevation 275m Relocates (thousands of RMB)**

<i>Description</i>	<i>Total</i>	<i>Henan</i>	<i>Shanxi</i>	<i>Other</i>
I. Rural Area	329,253.51	242,334.82	86,918.69	
1. Allowance for land compensation	145,749.98	103,315.12	42,434.86	
2. Rural residential sites relocation	169,987.81	129,322.06	40,665.75	
(a) Houses	104,500.85	78,155.25	26,345.60	
(b) Others	65,486.96	51,166.81	14,320.15	
3. Compensation for agricultural sidelines	3,494.38	1,973.76	1,520.62	
4. Compensation for small-sized hydraulic facilities	10,021.34	7,723.88	2,297.46	
II. Town Relocation	16,817.63	9,899.73	6,917.90	
1. Houses	10,450.91	5,764.95	4,685.96	
2. Others	6,366.72	4,134.78	2,231.94	
III. Cost of Industrial and mineral enterprises and road relocation	124,128.52	97,067.92	27,060.60	
1. Institutes outside towns	1,450.91	776.55	674.36	
2. Compensation for industrial and mineral enterprises	85,360.00	70,136.00	15,224.00	
3. Cost of the special items such as roads etc.	37,317.61	26,155.37	11,162.24	
(a) road	27,449.85	19,267.69	8,182.16	
(b) power	5,928.82	3,985.52	1,943.30	
(c) communication	988.71	732.38	256.33	
(d) broadcasting	1,185.79	886.78	299.01	
(e) compensation for pumping station in the reservoir	130.00	130		
(f) compensation for ferries and ferryboats	73.00	73.00		
(g) restoring the transportation in the reservoir	1,561.44	1,080.00	481.44	
IV. Reservoir Clearance and Public Health	1,251.00	909.35	341.65	
V. Compensation for Special Items	2,484.82	1,925.34	559.48	
VI. Relocation & Construction Cost for the Large Special Items above County Level	16,897.48			16,897.48
VII. <i>Overhead Cost</i>	74,609.05			74,609.05
(a) Implementation management	14,724.99			14,724.99
(b) Reconnaissance and design	7,362.49			7,362.49
(c) Reconnaissance and design of design institute	6,184.50			6,184.50
(d) Scientific studying	2,454.16			2,454.16
(e) Supervision and Monitoring	4,908.33			4,908.33
(f) Technical training	1,646.27			1,646.27
(g) Contingency	34,358.31			34,358.31
(h) Counterpart funds with the WB	1,050.00			1,050.00
(i) Startup cost for resettlement agencies	1,920.00			1,920.00
VIII. Taxes for Farmland Occupation	16,425.03	12,340.86	4,084.17	
<b>Total</b>	<b>581,867.04</b>	<b>364,478.02</b>	<b>125,882.49</b>	<b>91,506.53</b>

Source: China Xiaolangdi Resettlement Project Resettlement Action Plan, 1994, pp. 81-2.

## Resettlement Budget

<i>Item</i>	<i>Uganda Shillings</i>	<i>USD</i>	<i>%</i>
<b>West Bank</b>			
Compensation for land	450,000,000	281,250	2.50%
Compensation for perennial crops	4,605,000,000	2,878,125	25.90%
Compensation for buildings	97,600,000	61,000	0.50%
Disturbance allowance	1,030,520,000	644,000	5.80%
AESNP uplift	400,000,000	250,000	2.20%
Compensation for moving	30,000,000	18,750	0.20%
Purchase of resettlement land	200,000,000	125,000	1.10%
In-kind compensations of buildings	300,000,000	187,500	1.70%
Assistance to vulnerable people	75,000,000	46,875	0.40%
<b>Subtotal West Bank</b>	<b>7,188,120,000</b>	<b>4,492,500</b>	<b>40.40%</b>
<b>East Bank</b>			
Compensation for land	171,000,000	106,875	1.00%
Compensation for perennial crops	5,290,000,000	3,306,250	29.70%
Compensation for buildings	33,720,000	21,075	0.20%
Disturbance allowance	1,098,944,000	686,840	6.20%
AESNP uplift	400,000,000	250,000	2.20%
Compensation for moving	21,000,000	13,125	0.10%
Purchase of resettlement land	200,000,000	125,000	1.10%
In-kind compensations of buildings	210,000,000	131,250	1.20%
Assistance to vulnerable people	45,000,000	28,125	0.30%
<b>Subtotal East Bank</b>	<b>7,469,664,000</b>	<b>4,668,540</b>	<b>41.90%</b>
<b>Implementation organization</b>			
AESNP staff and logistics	1,200,000,000	750,000	6.70%
Witness NGO	180,000,000	112,500	1.00%
Legal counsel	75,000,000	46,875	0.40%
Evaluation	75,000,000	46,875	0.40%
<b>Subtotal Implementation</b>	<b>1,530,000,000</b>	<b>956,250</b>	<b>8.60%</b>
<b>Contingencies 10%</b>	<b>1,620,000,000</b>	<b>1,012,500</b>	<b>9.10%</b>
<b>Grand Total</b>	<b>17,807,784,000</b>	<b>11,129,790</b>	<b>100.00%</b>

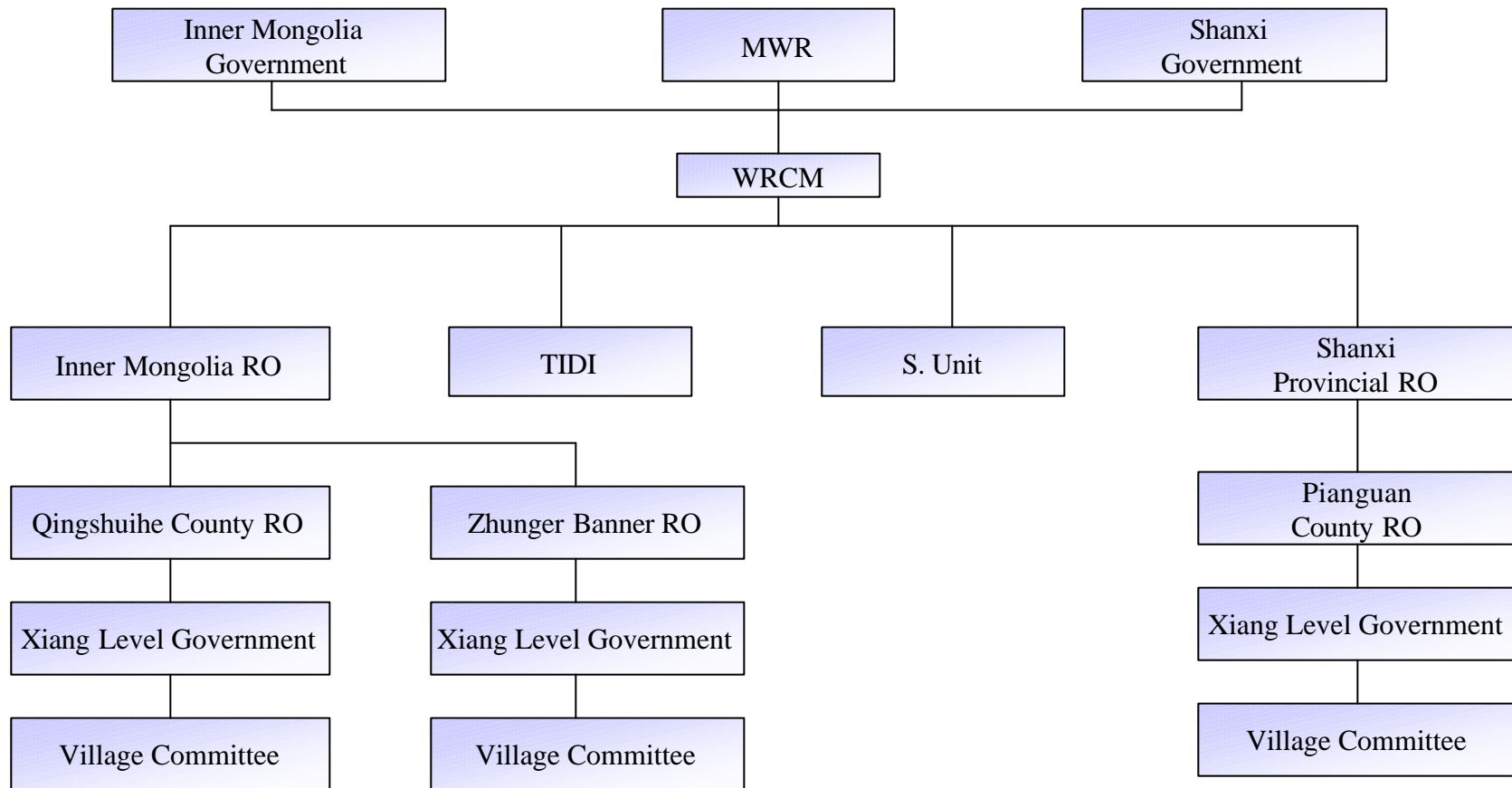
*Source: Bujagali Project Hydropower Facility Resettlement and Community Development Action Plan, prepared for AES Nile Power by ESG International (Guelph, Canada) and W.S. Atkins International (Epsom, UK), March 2001, Vol. 1, pp. 91-92.*

**Resettlement Budget**

<i>Contract</i>	<i>Incurred Cost (10,000 Y)</i>						<i>Yearwise Cost (10,000 Y)</i>			
	<i>Processing LAR Permission Certificates</i>	<i>LAR agreements with LABA</i>	<i>Relocation of State Enterprises and urban dwellings</i>	<i>Labour resettlement (job Creation)</i>	<i>Reinforcement of Structures in the disturbance zone</i>	<i>Total</i>	<i>1995</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>
1.1	100	600	2,343		340	3,383			2,343	1,040
1.2	50	400	346		162	958		28	630	330
2.1	80	200	360	251		891	583	232	76	
2.2	400	2,518	2,850	1,572	1,559	8,899		4,599	3,800	500
2.3	200	2,714	1,261	1,000	64	5,239	1704	2,228	1,307	
2.4	200	1,000	1,000	900		3,100		2,361	739	
2.5	120	1,660	1,250	708	353	4,091	245	2,475	684	687
2.6	800	4,528	5,454	1,737	585	13,104	1193	8,394	3,517	
2.7	300	1,947	2,045	3,125	465	7,882	112	3,915	3,035	820
2.8	500	4,438	3,545	1,998	397	1,0878		3,996	5,247	1635
2.9	400	8,000	4,000	6,700	385	1,9485		6,486	9,628	3,371
3.1	80	703	500	390	210	1,883	23	1,413	447	
3.2	80	800	609	237	88	1,814		468	1,288	58
3.3	100	540	576	680	35	1,931		1,171	760	
3.4, 4.0 5.0	400	8,068	1,314	5,000		14,782	368	6,702	4,844	2,868
7.0	200	843	1719	540	202	3,504			1314	2,190
<b>Total</b>	4,010	38,959	29,172	24,838	4,845	101,824	4,228	44,468	39,659	13,444

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995, p.54.

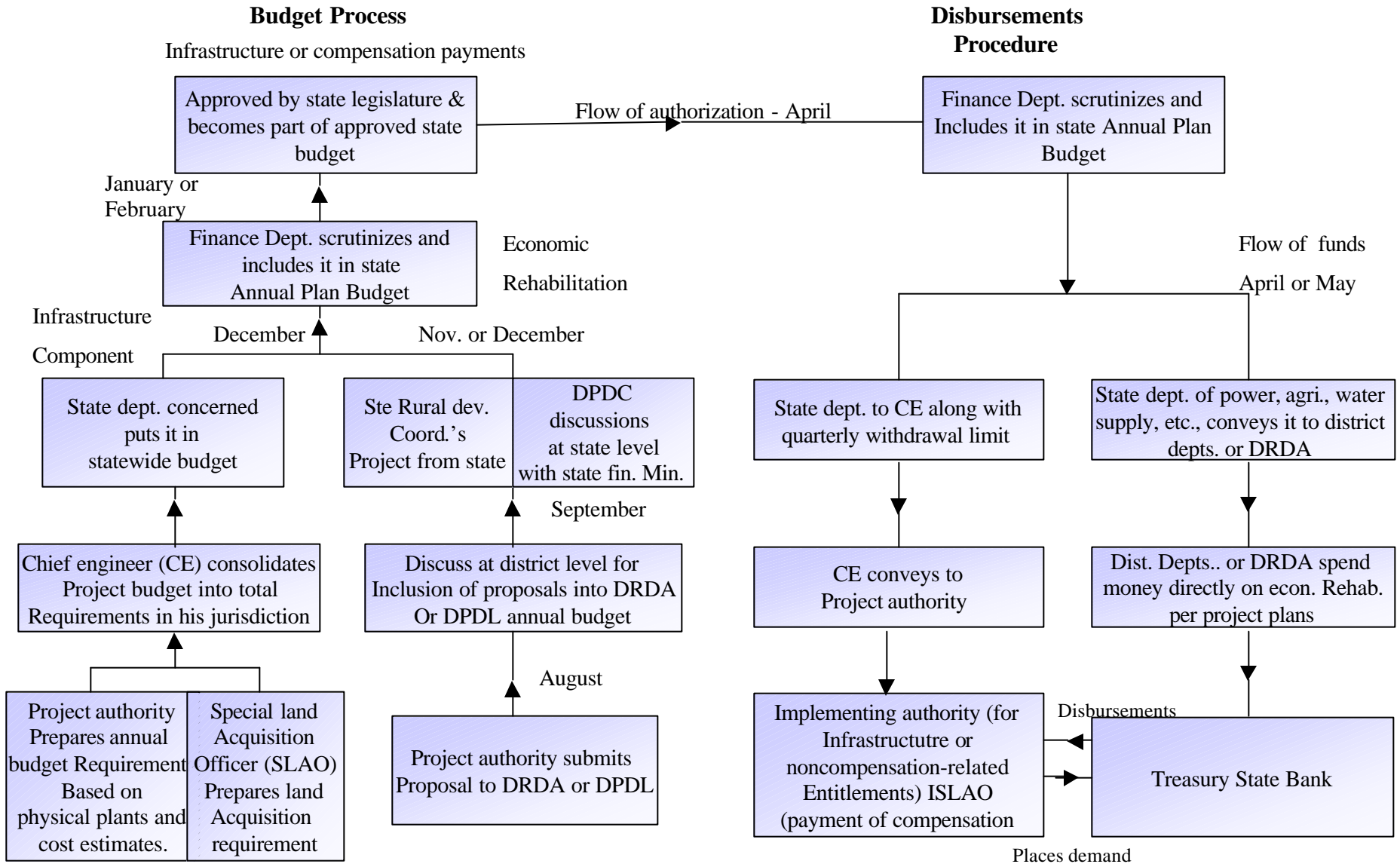
# Appendix 18 Resettlement Flow of Funds



**WRCM** WJZ Reservoir Construction and Management Bureau Office      **RO** Resettlement Office

**S. Unit** Supervision Unit      **Source:** China Wanjiashai Water Transfer Project RAP, p. 29

# Flow of Funds for Resettlement and Rehabilitation



Expenditures on infrastructure and compensation

Source: *India Resettlement Handbook*, World Bank, 1995, p. 12



## Appendix 19

### Resettlement Cost Eligible for Bank Financing

<i>No.</i>	<i>Category</i>	<i>Description</i>	<i>Mode of Compensation Payment</i>	<i>Eligibility for Financing out of the Bank Loan</i>
1.	Compensation	Land	Cash or in kind	Not eligible
		Structures	Cash	Not eligible*
			Building material	The cost of building material and labor is eligible
			Built housing	Eligible. The cost of built house provided to AP in lieu of compensation for affected structure can be covered out of the Bank loan
2.	Allowances	Crops/trees	Cash	Not eligible*
		Transition subsistence allowance	Cash or in kind	Not eligible*
		Training cost allowance	Payment to Training Institute	Eligible
			Payment to AP during the training	Not eligible*
		Allowance for business loss	Cash	Not eligible*
		Repair cost	Cash	Not eligible*
Transport	In kind	Eligible. Cash payment is not eligible		
3.	Resettlement site	Civil works		Eligible
		Consultants fee for surveys, site-planning, and technical design during project implementation		Eligible
		Management and supervision fee to consultants during project implementation		Eligible
		Fee paid to government departments for review and approval of plans and designs		Not eligible
4.	RP preparation	Costs incurred by Executing Agency		Eligible through project preparation technical assistance
5.	Public facilities and infrastructure	Costs of replacement of affected infrastructure		Eligible
6.	Fee and taxes	Fee and taxes paid to different government agencies for review of designs and RPs		Not eligible
7.	RP implementation and supervision	Costs incurred by Executing Agency		Only the incremental costs incurred for RP implementation are eligible
8.	External monitoring	Fee paid to independent monitoring agency or consultants		Eligible

\*The eligibility in the matrix for these items is based on the current practices in World Bank funded projects.

Source: Lao People's Democratic Republic, *Technical Guidelines for Resettlement and Cooperation*, Vientiane, Lao PDR, April 15, 2003, Annex 14.2.

## Appendix 20 Resettlement Timetable

Actions	1994	1995				1996				1997				1998			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
1 Inform local governments and affected persons																	
2 Conduct census survey																	
3 Conduct socio-economic survey																	
4 Obtain permissions																	
5 Approve land acquisition and borrowing																	
6 Sign contracts with local governments for LA&R																	
7 Finalize compensation and resettlement strategies																	
8 Finalize relocation sites (residential and industrial)																	
9 Fix compensation levels																	
10 Pay compensation																	
11 Complete construction of resettlement sites																	
12 Transfer people to new sites; relocate enterprises																	
13 Provide jobs to eligible persons																	
14 Demolition of buildings																	
15 Start construction																	

Source: China Second Shanghai Sewerage Project, *Staff Appraisal Report*, Vol. 5, Resettlement Action Plan, p. 70, July 1995.

Action Steps	1993				1994												1995											
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Application for land acquisition																												
Section 3 notification																												
Appointment of NGO (CCDB)																												
Survey by CCDB																												
Preparation of RAP																												
Approval of RAP																												
Establish RRMP - II/RU in RHD																												
Establish CCDB/RU																												
Training of resettlement personnel																												
Joint verification																												
Public information campaign																												
Market survey, land valuation																												
Legal Possession of land by RHD																												
Issue ID cards and finalize entitlements																												
Disbursement of cash compensation																												
Identification of land for resettlement																												
Notification of eviction																												
Resettlement of persons provided with land																												
Possession of land by contractor																												
Monitoring of resettlement impacts																												

Source: Bangladesh Second Road Rehabilitation and Maintenance Project, Staff Appraisal Report, Annex 3, 1994, p. 133.

## Resettlement Timetables

<i>Tasks</i>	<i>Month 1</i>	<i>Month 2</i>	<i>Month 3</i>	<i>Month 4</i>	<i>Month 5</i>	<i>Month 6</i>	<i>Month 7</i>	<i>Month 8</i>	<i>Month 9</i>
Completion of draft RAP by sponsor									
Approval of draft RAP by IFC									
Community consultation (on-going)									
Negotiation for relocation sites									
Confirmation of relocation sites									
Establish resettlement committees									
Notification of entitlements									
Agreement on entitlements									
Notification on demolition									
Payment of compensation									
Establish links w/gov't programs									
Initiate grievance redress procedure									
Prepare relocation sites									
Construct resettlement housing									
Demolition of old structures									
Movement of PAPs to new site									
Training for PAPs									
RAP performance monitoring									
Impact M&E (quarterly for 2 years)									

Source: IFC Handbook for Preparing a Resettlement Plan, 2003, p. 36.

Appendix 20

ID	Task Name	Start	Finish	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
				'92	'93	'94	'95	'96	'97	'98	'99	'00	'01	'02
1	Resettlement Plan for the WWTP	8/3/92	12/31/01											
2	General Main Line	2/22/93	9/30/99											
3	Population survey	2/22/93	3/25/93											
4	Resettlement planning	3/26/93	5/26/93											
5	Land use approval	5/28/93	4/28/95											
6	Land acquisition contract	7/1/93	4/30/96											
7	Disbursement of compensation	7/1/93	4/30/96											
8	Permanent land acquisition	7/22/93	5/21/96											
9	Temporary land acquisition	7/22/93	5/21/96											
10	Land redistribution	7/22/93	5/21/96											
11	Land development	8/12/93	5/11/99											
12	Terracing (688 mu)	8/12/93	6/10/97											
13	Wasteland exploitation (130 mu)	8/12/93	5/11/99											
14	House construction	4/1/94	4/28/95											
15	Location in six villages	4/1/94	6/1/94											
16	House construction for 16 families	6/2/94	4/28/95											
17	Transferring (54 persons)	5/1/95	6/26/96											
18	Land return	4/1/97	9/30/99											
19	Moving stone cutting enterprises	7/1/93	4/6/94											
20	South Main Line	2/22/93	8/30/01											
21	Population survey	2/22/93	6/30/93											
22	Resettlement planning	7/1/93	10/30/93											

Source: China Wanjiashai Water Transfer Project, *Resettlement Action Plan*, n.d., p. 108.

## Appendix 21

### Possible Output Participation by Stage of Project Cycle

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<i>Identification</i>	<ul style="list-style-type: none"> <li>• Minutes of meetings with local officials on project design. Identification of primary stakeholders.</li> <li>• Records of environmental assessment consultation.</li> <li>• Short list of NGOs (if required) for designing and carrying out information campaign.</li> </ul>
<i>Preparation</i>	<ul style="list-style-type: none"> <li>• Information from baseline surveys on socioeconomic status of PAPs and hosts</li> <li>• TOR for establishing NGO or participation cell within resettlement agency (if required) and TOR for sociologist or anthropologist cell head</li> <li>• Incorporation of participation indicators into work contracts of local officials and resettlement agency staff</li> <li>• Data base of active NGOs and list of community organizations</li> <li>• TOR and contract NGO for design and implementation of information campaign</li> <li>• Agreement with NGO to train village resettlement workers and appointment of VRWs</li> <li>• Materials and records of public meetings with PAPs and hosts in information campaign</li> <li>• Agendas and minutes of consultations with PAPs (including separate subgroup meetings)</li> <li>• Records of PAP input from site visits</li> <li>• AP written agreement on site allocation, plans or layouts</li> <li>• List of income-generating programs agreed upon between PAPs and project and government officials</li> <li>• Records of grievance tribunal proceedings and decisions</li> <li>• Agreement with PAPs on labor or other inputs at resettlement sites</li> <li>• List of existing farm models, credit, small business schemes in host area</li> <li>• Government Orders giving legal status to contract, borrow, etc. to PAP groups and NGOs</li> <li>• Government Orders establishing community development funds</li> <li>• Planned annual budget allocations for participatory methods</li> </ul>
<i>Appraisal</i>	<ul style="list-style-type: none"> <li>• Details of information campaign</li> <li>• Minutes from PAP consultations</li> <li>• Participation timetable of actions and benchmarks of achievements, for inclusion in RAP</li> </ul>
<i>Implementation</i>	<ul style="list-style-type: none"> <li>• Implementation schedule of involuntary resettlement programs</li> <li>• Memoranda of Agreement, etc., of PAP user, credit, or other groups</li> <li>• Government Orders earmarking tariffs to community development funds</li> <li>• Any agreements with NGOs to provide PAP training or support</li> <li>• Annual budgeting procedures and allocations for participatory mechanisms</li> </ul>
<i>Monitoring and Evaluation</i>	<ul style="list-style-type: none"> <li>• Regular PAP evaluations of implementation of income-generating programs and service provision</li> <li>• NGO reports on vulnerable groups in implementation</li> <li>• Accounts and progress reports of PAP groups</li> <li>• Records or decisions of grievance tribunals</li> </ul>

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*Source: India Resettlement Handbook, World Bank, 1995, p. 75.*

## **Appendix 22**

### **Resettlement Information Booklet\***

#### **Introduction**

The Government of Andhra Pradesh issued the Andhra Pradesh Electricity Reform Bill in 1998 to ensure that the power requirements of the state are met and that the consumers are provided with reliable, high quality and cost effective electricity on one hand, and a cleaner, safer and healthier environment with minimum/no social disturbances on the other hand. The Programme, inter alia, includes the construction of new sub-stations and laying of transmission lines. Sub-stations and transmission and distribution lines are vital links between power generation in units and developmental activities. AP Transco recognizes that implementation of transmission and distribution schemes may have some unavoidable environmental and social implications. The construction of substations and laying transmission lines would result in acquisition of land and other assets and some temporary losses such as damage to crops. All this may lead to displacement of human settlement and disturbance to livelihoods. In a welfare state it is the responsibility of concerned organisations to ensure that the displaced persons are resettled and rehabilitated properly so that their standard of living improves.

It is with this objective in mind that AP Transco has formulated the Social Policy and Procedures (SP&P) to provide an overall policy and procedural framework to address all adverse impacts systematically arising out of its transmission projects. AP Transco also has a high concern for clean environment, ecology and sustainable development in its every activity. To achieve this objective, AP Transco has formulated an Environmental Framework and Safeguards for Transmission Projects and subsequent environment management plans. The SP & P and Environmental Policy & Management Procedures will be implemented by AP Transco and/or its successor companies. The brochure is intended to make all concerned aware of the provisions of the aforesaid policies and hold the officers and staff entrusted with the implementation of R&R activities and Environment Management Plans in a meaningful way.

#### **Social Policy Statement**

AP Transco aims to resettle and rehabilitate the persons affected by its transmission projects in a manner that they do not suffer adversely and shall improve or at least retain their previous standard of living, earning capacity and production levels.

#### **Applicability**

The Social Policy and Procedures is applicable to those who are living, cultivating and practicing any activity in the project impact area that are affected adversely by the project activities as identified on the date of census survey.

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\* Andhra Pradesh Power Sector Restructuring Project, *Environment and Social Policy & Procedures*, Transmission Corporation of Andhra Pradesh Limited (AP TRANSCO), Vidyut Soudha. Hyderabad - 500 082. October 4, 1998, reprinted in August 1999.

## **Support Principles for Different Categories of Impacts**

### **(a) Loss of Assets**

The lost assets will be compensated as per the provisions available under GOMS 1728 or the Land Acquisition Act as the case may be. To offset the difference between compensation amount paid at market value as per the LA Act and the actual replacement cost, additional assistance will be provided besides the compensation amount. Wherever people lose more than 25 percent of their land holding or become either landless or the remaining land holding becomes economically unviable, they will be offered a land-for-land option.

### **(b) Loss of House/Shelter**

Wherever there are more than 25 households, then alternative resettlement sites will be developed with adequate basic infrastructure and utilities. The payment of compensation for the house structure will be based on the Public Works Department's basic schedule rates applicable for new construction without deducting the depreciation value.

### **(c) Squatters and Encroachers**

Squatters and encroachers are generally not entitled for legal compensation under the LA Act. However, in order to prevent them from further impoverishment and improve their living standards, the project will give certain targeted support and assistance to replace the non-land based assets lost as a result of the project.

### **(d) Impacts Due to Transmission Lines**

Because of the permanent restrictions imposed on the usage of land in the area of transmission towers, a one time amount will be paid to offset the permanent restrictions if it is agricultural land. Wherever the damages are suffered to the standing crops or other utilities these damages will be paid by calculating the actual loss.

### **(e) Loss of Access to Common Properties**

The loss of access to common properties such as welts, grazing lands, worship places, etc., will be replaced in the adjacent areas.

### **(f) Targeted Support to Vulnerable Groups**

For women members, it is proposed to register allotment of house site or agricultural land in the joint name of the EP and his/her spouse. Any award of cash grant should also be given in the joint name of the EP and his/her spouse. Other measures for women include giving transition allowance of Rs.1000 per month for six months to women-headed households of all categories and extending assistance in availing the government schemes for women development. The Indigenous People's Development Plan (IPDP) will be prepared in case of acquisition of any lands from the tribal population where their number is large. The tribals being socially cohesive groups, it is essential that they should be rehabilitated in surroundings that are similar to the area from which they are displaced.



It is proposed to relocate and resettle the displaced tribals in a land-based economy as far as practicable. Further all privileges enjoyed by the SC/ST beneficiaries under various development and poverty alleviation schemes should be extended to the displaced SC and ST population too.

Keeping the above likely adverse impacts and support principles of the social policy, AP Transco has formulated entitlements with various options for the benefit of affected persons.

## **Entitlements**

### **Category 1: Titleholders losing privately owned agriculture land**

#### *Option I*

- Payment as per direct negotiated price under the provisions of GO MS 1728

#### *Option II*

- Compensation at market value as per Land Acquisition Act.
- Cash assistance @ Rs.8000/acre for non-irrigated land and Rs.16000/acre for irrigated land
- Registration charges

#### *Option III*

- Land for land
- Transition allowance @Rs.1000/month for six months

### **Category 2: Titleholders losing trees, wells and other assets**

- Product value for the remaining life years of trees
- Actual cost to replace the lost well and other assets

### **Category 3: Loss of access to cultivation on agriculture land: Encroachers**

- Advance notice to harvest the final crop or compensation at the market value for loss of standing crop.

### **Category 4: Loss of houses on private land and required relocation: vulnerable groups.**

#### *Option I*

- Compensation for homestead land at market value as per Land Acquisition Act.
- Compensation for value of structures as per-PWD scheduled rates.
- Cash assistance of Rs.13000
- Free transport facility or Rs.300 as shifting assistance
- Registration charges.

#### *Option II*

- Compensation at market value for homestead land as per Land Acquisition Act
- Compensation for value of structures as per PWD scheduled rates.

## Appendix 22

- A house site of 200 square yards of government land free of cost.
- Free transport facility or Rs.300 as shifting assistance.
- Rs.300/month as rental assistance until housing is available but to a maximum of six months.
- Registration charges.

### **Category 5: Loss of houses on private land and require relocation: non-vulnerable groups.**

- Compensation at market value for homestead land as per Land Acquisition Act.
- Compensation for value of structures as per PWD scheduled rates.
- A house site of 200 square yards of government land at cost, if required.
- Free transport facility or Rs.300 as shifting assistance.
- Registration charges.

### **Category 6: Loss of part of homestead land and structure but do not require relocation**

- Compensation at market value for homestead land as per Land Acquisition Act.
- Compensation for value of structures as per PWD I scheduled rates.

### **Category 7: Loss of structures on government land and require relocation. Squatters.**

#### *Option I*

- Compensation for value of structures as per PWD scheduled rates.
- A house site of 200 square yards of government land free of cost.
- Free transport facility or Rs.300/- as shifting assistance.
- Rs. 300/month as rental assistance until housing is available but to a maximum of six months.

#### *Option II*

- Compensation for value of structures as per PWD scheduled rates II.
- Cash assistance of Rs.13000 awarding jointly in favour of EP and his/ her spouse.
- Free transport facility or Rs.300 as shifting assistance.

### **Category 8: Tenants**

- Three months of rent

### **Category 9: Titleholders of agricultural Land incurring losses due to transmission towers.**

- Cash assistance of 10% of the registered value for the area occupied by the tower.
- Compensation to the loss of standing crop, or allowed to harvest the final crop.

### **Category 10: Other impacts related to loss of assets or livelihood not identified.**

- Unforeseen impacts will be documented and mitigatory measures will be proposed within the overall principles and provisions of Social Policy and Procedures.

## Environment Policy

- Avoid carrying out operations in environmentally sensitive areas with special respect for fragile ecosystems and their inherent biodiversity.
- Avoid ROW for transmission lines or site for sub-station through natural features like high mountains, hilly terrain proved to have landslides, large lakes, reservoirs, marshy, places human habitations and reserve forest if possible.
- Avoid routes through areas of cultural or historical importance and religious places. Care is taken to route the line through a path of minimum disturbance.
- Avoid transmission line routes through sanctuaries, national parks, and habitats of important species.
- ROW is selected duly considering the location of telecommunication lines and railway circuits to avoid electrical interference due to mutual induction.
- Guiding principles including adoption of best technology latest equipments to abate pollution in activities and operations are discussed in the policy document.

## Environment Management Plan

Due to inherent flexibility in selection of routes, adverse impacts are comparatively insignificant in transmission projects. To effectively minimize adverse impacts if any, environment plan is developed. Environment Management Plan is an important tool that suggests suitable mitigatory measures for the identified impacts during major stages of works. Environmental impacts due to transmission projects are discussed in the policy document. The impacts that may arise during implementation are loss of vegetation, forests and land use, impact on cultural resources, chemical contaminates, fire hazards, loss of sensitive areas and human habitation etc. Suitable mitigation measures are implemented (see table) and monitored at various stages of project implementation by the Zonal level project authorities.

<i>Potential Impacts</i>	<i>Mitigatory Measures</i>
Natural forests, wetlands, wildlands, sanctuaries	Avoids environmentally sensitive areas.
Vegetation damage	Maintain three meter wide strip for O&M and allow for regeneration of vegetation beneath the transmission lines and other strips.
Paths/access roads	Do not create any access roads or paths but utilize existing roads during construction.
Drainage anti erosion problem	Sites properly graded/construct retaining walls, pitching.
Chemical contamination from maintenance techniques	Does not use chemicals for forest clearance/ROW maintenance. Utilizes hand-clearing techniques.
PCBs in electrical equipment	PCBs do not exist in AP Transco equipment and will not be used.

(cont.)

<i>Potential Impacts</i>	<i>Mitigatory Measures</i>
Loss of land use	Does not acquire land for towers. Pays compensation for crop damages.
Loss of human habitation	Avoid populated area, trees and plantations for its substations as far as possible.
Aircraft hazards	Takes up construction work away from aircraft routes.
Fire hazards	Uses fire extinguishers/sprinkling systems in substations.
Noise pollution	Uses best and latest technologies to prevent fire hazards, noise problems, etc.

### **Institutional Arrangements and Grievance Redress Mechanism**

The existing staff, with the Zonal Chief Engineers, is to look after the Environmental and Social Issues at the field level. Environment and Social Management Unit (E & SMU) at the Corporate Level and R&R Implementation Committee (R&R IC) at the Zonal level are the two levels of organization that implement R&R programmes. The R&R IC at the Zonal level is the first redress body and will hear complaints to facilitate solutions of R&R issues. If the grievance is not redressed at the zonal level, the affected person can appeal to the E & SMU at the Corporate level. He/she can further appeal to the court if his/her grievance is not redressed at either the Zonal or Corporate level.

The details given above are only for information of affected person and not for use by officials overlooking the detailed provisions laid down in the Environment and Social Policies & Procedures of AP Transco the copies of the brochure and detailed provisions of the SP&P and Environment Policy are available at Zonal and Corporate offices at the following addresses.

Corporate Office  
The Chief Engineer  
(Transmission)  
AP TRANSCO  
Vidyut Soudha  
HYDERABAD - 82

Zonal Office  
The Chief Engineer (TL & SS)  
AP TRANSCO  
Gunadala  
VIJAYAWADE  
Pin: 520 005.

Zonal office  
The Chief Engineer (TL & SS)  
AP TRANSCO  
R.No. 21618- Block,  
Vidyut Soudha,  
HYDERABAD - 82.

Zonal office  
The Chief Engineer (TL & SS)  
AP TRANSCO  
Shankarapuram,  
CUDDAPAH  
Pin: 516 002.

## **Appendix 23**

### **Legal Framework for Resettlement and Compensation**

The Socialist Republic of Vietnam has been revising and strengthening its legal framework during the last 10 years to respond to economic and social changes. A new Constitution was approved in 1992, and since that time a number of laws and codes dealing with civil rights and obligations have been prepared to bring Vietnam closer to international standards. The laws/codes have related decrees, which provide more detailed policies and regulation for implementation. The legal system in Vietnam is very new but is still not independent from the Government. The laws and decrees have been developed by the Government and administered by local government. There is recourse available through the Courts but in practice the affected people rarely initiate such action.

The constitution is the basis for all laws and civil rights in Vietnam. A fourth revision was approved in 1992 which was in response to a strategy endorsed by Government in the late 1980s for socio-economic stability and development up to the year 2000. The new Constitution guarantees the democratic rights of citizens, the State ownership of land and resources, the rights of organizations and individuals to use land, the rights of property ownership, and other civil rights and obligation of citizens. Significant changes made in 1992 include the recognition and protection of land use rights and private ownership rights for property and production. The most important aspect of the Constitution in terms of involuntary resettlement is Article 23, which enables the state to recover land for purposes of national defense and security and national interest.

The Land Law became effective October 15, 1993, replacing the previous Land Law passed in 1987. At present the Land Law is the most important policy document for compensation and resettlement of people caused by involuntary displacement. Article 1 reads: "Land is the property of the people, and is subject to exclusive administration by the State". Articles 13 to 41 set out the guidelines for State administration of land. Although organizations or individuals cannot own land, they can be assigned or leased rights to use the land. The Land Law stipulates the categories of land use, the rules on the use of each type of land, and the rights and obligations of land users. A very important aspect is the procedure for issuing the Land Use Rights Certificate (LURC), which in turn provides the basic principle for entitlement to compensation if the land is recovered by the state.

For agricultural and forest land, communes can assign land use rights to individuals for a period of 20 years for cropland and 50 years for forestry land. Households that use the land are exempted from paying the initial land use rights levy but they do pay land use taxes and agricultural taxes annually. The allocation of land use rights to households and private ownership of production has led to significant increases in agricultural production and improvement of rural incomes. Decree 64/CP (1993) stipulates the maximum area per household as 2-3 ha for cropland, depending upon location, and 10 ha for forestland, unless otherwise specified by the provincial level People's Committee. The commune may lease the public use land to farmers on a short-term basis, for which no land use certificate is provided because the State retains the rights to "recover" the land at short notice.

For residential or commercial land, various levels of local government administer the allocation or leasing of land to organizations or individuals, in exchange for a land use rights levy. This levy is based on the value of land determined by the local People's Committee, as stipulated by the state decrees. The organization or individuals that are assigned land and have paid the required levy will receive a LURC, which gives full legal entitlement. Organizations or individuals that lease land are required to pay a land rent, but they receive no land use rights (i.e., a fixed term contract).

The Civil Code stipulates provisions for: property and ownership rights, civil obligations and civil contract, inheritance, transfer of land use rights, intellectual property rights, and civil relations with a foreign element. The new Civil Code replaces ordinances on civil contract, housing, inheritance and other property rights. The Civil Code applies only to transactions after July 1, 1996, with the exception of the transfer of land use rights, whereby the Civil Code applies to transactions since the Land Law was passed. Of particular interest, Article 176 deals with the establishment of property ownership rights, Article 177 deals with grounds for termination of property ownership rights, and Article 255 deals with "establishing ownership by prescription" for cases where land was occupied-without legal basis (10 years for movable property and 30 years for immovable property).

The Labor Code defines the rights and the obligations of both the laborer and the employer. The Code deals with rules for employment, salaries, working conditions, safety, social insurance and dispute settlement. There is nothing specific for compensating workers when an employer is forced to relocate due to land recovery by the State. Nonetheless, the Labor Code protects the rights of employees in all circumstances.

Decrees and circulars relevant for estimating compensation for land and housing are:

- Decree 60/CP (1994): Housing Ownership Rights and Residential Land Use Rights in Urban Areas.
- Decree 64/CP (1993): Transferring Agricultural Land to Households for Long-term Use.
- Decree 87/CP (1994): Regulation on Price Framework for Land Categories
- Decree 90/CP (1994): Compensation for Losses where State Recovers Land.

Government on July 5, 1994 approved 60/CP and 61/CP. Decree 60/CP defines property rights by house ownership (State-owner, collective, and private) and type of contract (owner, share, leased, temporary, etc.). This decree sets out the procedures for granting and registering the certificate of house ownership and the residential land use right. It describes how legal ownership is determined. Registration Fees must be paid for granting the certificate of housing ownership right and residential land use right. Decree 60/CP does not deal with compensation standards, but it is the basis for determining legal entitlement upon which compensation is determined.

On May 31, 1995, the General Department for Land Administration (GDLA) approved a set of guidelines for implementing Decree 60/CP (647-CV/DC). These guidelines stipulate the types of documents required for securing land use rights and housing ownership. On October 13, 1995, the GDLA approved document No. 1427-CV/DC to provide guidance on settling problems

related to issuing the LURC. Each of the decrees and related documents deals with condition for obtaining a legalized status for land use rights. However, disputes have continued to arise when the Government needs to recover land for new projects. In response to this problem, the Government issued Decree 45/CP on August 3, 1996. Previously, land had to be used continuously since December 18, 1980. Decree 45/CP enables people that meet the criteria between 1980 and October 15, 1993 to obtain a LURC by only paying 20% of the land use rights levy. If the land is occupied after this date but the user meets the criteria, they can obtain the LURC by paying 100% of the land use rights levy. The need for several revisions to procedures and regulations for issuing certificates indicates this issue is difficult to manage, particularly for projects that require land clearance to be done quickly.

Government on September 15, 1993 approved Decree 64/CP. This Decree guarantees the allocation of land use rights to individuals for the purposes of farming, silviculture and aquaculture. Since communes had distributed land, this decree formalized the allocation of land use rights for current users and provides the basis for future land transfer. Decree 64/CP also stipulates that each commune must reserve up to five percent of its agricultural land for public benefit. This can be leased to farmers for short-term use, but is meant to be a public reserve, which can generate social welfare funds. This land is not to be allocated to individuals. For some projects involving resettlement, this land has been considered as a source of replacement land. Such use would not be consistent with Decree 64/CP. If this land was to be used for resettlement sites, the commune should receive fair compensation to maintain its social welfare fund in perpetuity.

Decree 186-HDBT was issued by the Council of Ministers on May 31, 1990. This document established the value of land use compensation when agricultural or forestland is reallocated. The Ministry of Finance issued Circular No. 18-TC/DT on June 5, 1992 as a guideline for the implementation of Decree 186-HDBT. Subsequently, this circular was replaced by Circular No. 13-TC/DT dated March 2, 1993. Also Decree 02/CP was issued by Government on January 15, 1994 which deals with the transfer of forestry land. All of these decrees and circulars were replaced by Decree 90/Cp in August 1994.

Based on the 1993 Land law, the State maintains the right to determine the value of all kinds of land for the purposes of taxation, collection of fees, allocation and compensation. Decree 87/CP (August 17, 1994) stipulates the range of land prices that are used to determine payments for land use rights, land taxes, and compensation for land recovered by the state. It provides minimum and maximum price ranges for five types of land (agricultural land for annual planting, long-term forestry land, rural residential land, residential land adjacent to urban areas, and urban land). Price ranges are stipulated for different categories/grades of land and different locations (plains, midlands and highlands) within each category of land. The price ranges are very wide (i.e., maximum values are almost 20 times the minimum values).

Each province is permitted to set their own land values according to local conditions as long as they fall within the minimum and maximum ranges. Once the land values are set for a certain location, the local People's Committee also has right to apply an adjustment coefficient. In the original decree, the coefficient ranged from 0.8 to 1.2. On May 13, 1996, Decision No. 302/TTg was issued by the Prime Minister, which changed the coefficient range from 0.5 to 1.8, thus giving even more flexibility and autonomy to local government. In the case of foreign

investment in Vietnam, exceptions can be made to increase land prices above the maximum allowable.

The original basis for price ranges is uncertain, but it is clear that the values were not based on market values because residential land was not widely traded in 1994, and private land transactions are still uncommon. Also, agriculture and forestry land values are not based on the net economic returns that could be generated from the land. Since the State owns the land, the basis for setting price ranges appears to have been the ability to pay the land “taxes” which were to become a major source of Government revenue; less emphasis had been given to land compensation. The decrees also allow for exemptions or reduction of payment, which suggests the land prices, may be higher than the ability to pay.

Decree 90/CP (August 17, 1997) was developed jointly by the Ministry of Finance, the Ministry of Construction, the General Department on Land Administration, and the Government Board on Pricing. It was developed in recognition that the purpose of Decree 87/CP was primarily for taxation. With the rapid economic growth predicted for Vietnam, it was evident that the State would need to “recover” land for development projects. Decree 90/CP was developed to define compensation guidelines for purpose of National Defense and Security and Public interest. Decree 90/CP defines the compensation and entitlement for organizations and individuals depending upon the classification of land use right and property ownership (housing and personal assets). Only those whose have LURC and have paid the required fees are entitled to compensation. Similarly, buildings that are on illegally occupied land are not to be compensated. These stipulations have caused major problems for people who have built new houses without the proper documentation. The laws relating to these requirements were only passed since 1994. In areas with fast economic growth, there are large numbers of people who cannot be classified as legal. This situation has been compounded by the lack of enforcement by local Government. When the land is to be recovered by the State, the lack of documentation becomes the problem of the affected people. Such problems would not arise for many years, if there were no project for which land needs to be recovered.

For agricultural land recovered by the State, various categories of compensation have been developed based on the output value of one harvest of the affected crop. For perennial trees, various methods are used to calculate compensation depending upon the status of the trees (young, mature, or old, fruit bearing or timber trees). These amounts are in addition to the land use entitlements. It should be noted that farmers were exempted from paying the land use rights levy when the land was originally allocated. Farmers who meet the land use rights criteria should have received a LURC, according to Decree 64/CP (1993). These farmers are fully entitled to compensation based on the published land use levy for several categories of farmland in each province, provided they have paid their agricultural taxes annually.

A major shortcoming with decree 90/CP is the clarity in determining who is entitled to compensation. Many people who have migrated into towns or cities did not obtain a LURC and consequently they are not legally entitled to compensation for the land or and property on the land (e.g., housing). This issue has caused difficulty for projects involving involuntary resettlement to date; this has been resolved by making exemptions to existing Decrees. For projects with international funding, another shortcoming of 90/CP is that it allows for compensation but not for resettlement and rehabilitation. Consequently, resettlement plans must



specify these additional entitlements and the plans must then be approved by the Minister to obtain legal authority. In order to rectify these shortcomings, the Government is now drafting a new decree to replace 90/CP. It is expected that the new decree will be promulgated within the next 12 months.

Other legal documents relevant to involuntary resettlement include:

- Decree 89/CP (1994) Collection of Land Use Levy and Cadastral Fee
- Decree 193/CP (1994) Registration Fees (for property)
- Decision 393/Ttg (1996) Arrangements for Ethnic Areas
- Decree 42/CP (1996) Management of Investment and Construction
- Circular 15/LD-TBXH (1995) Subsidies to households that move to NEZs

The Government on August 17, 1994 approved decree 89/CP. The State collects a levy for allocating land use rights for residential and commercial purposes (agricultural and forestry land is exempt, as is land use for public infrastructure). The amount of land use rights levy is stipulated by Decree 87/CP and each provincial People's Committee fixes rates. Some exemption or price reduction may be granted in special cases. Also, residential land within the commune is exempt. The land use rights levy varies greatly depending upon location. Typical rates for a residential plot of 60m<sup>2</sup> are as follows:

- VND 1,000,000 to 2,000,000 in rural areas
- VND 12,000,000 to 90,000,000 in suburban areas
- VND 20,000,000 to 600,000,000 in urban areas

Article 12, paragraph 4 states that "land allocated as compensation for organizations and individuals whose land is recovered, shall have a value equal to or higher than the value of the recovered land". This replacement land is exempt from the land use rights levy. When two parties transfer the land use rights, a tax has to be paid as stipulated by law, which is a percentage of the land use levy. The tax rates stipulated by Decree 114/CP (1994) is 10% for agricultural and forest land, 20% for other types of land and 40-50% for agricultural land that is changed to non-agricultural use. However, there are several special provisions and exemptions that can apply. The cadastral fee is to cover the cost of using the LURC, registering land use changes and other processing services. This fee is very small (less than VND 50,000 for individuals).

The Government on December 24, 1994 approved the Decree 193/CP. This Decree stipulates the calculation of registration fees for land use rights or property ownership rights (houses, boats, motor vehicles, and guns). The fee is based on the percentage of the value of the property at current prices - 2% for houses, land and boats; and 4% for motor vehicles and guns. These fees are paid to the local tax agency. Agricultural and forestry land (which is used for those purposes) is exempt from the registration fee.

Decision 72 HDBT was issued in 1990 to deal with special provisions for ethnic minorities. On June 10, 1996, the Minister approved Order 393/Ttg; this document provides guidelines for

population planning and improvement of infrastructure and production arrangements in ethnic areas and mountainous areas. Any projects that cause involuntary resettlement in an area with ethnic minorities will have to develop compensation, resettlement and rehabilitation plans that address the guidelines of Order 393/Ttg. The management of ethnic minorities comes under the responsibility of the Ministry of labor, invalids and social affairs (MOLISA).

Decree 42/CP (1996) provides regulation on management of investment and construction projects. MPI has to follow this regulation for evaluating new projects. At present, the procedures for pre-feasibility and feasibility studies focus on economic, technical and financial parameters. There are no criteria for environmental or social (i.e. resettlement) aspects, other than the implication of compensation on the project's cost.

Circular 15/LD-TBXH was issued by MOLISA on July 1, 1995 to amend guidelines on the policy for subsidies to households that move to New Economic Zone (NEZ). Article 3 states that people displaced by public projects are eligible to relocate to NEZ's and receive subsidies. The distance of relocation determines the amount of subsidy. Subsidies are provided in cash to offset the cost of transportation and relocation expenses and to provide a food subsidy for six months. There are no subsidies to assist with new livelihood development.

On April 24, 1998, the Prime Minister approved Decree 22/CP, which will replace the existing Decree 90/CP. The new Decree 22/CP is effective as of April 24, 1998.

*Source:* Vietnam Mekong Delta Water Resources Development Project, Feasibility Study Update, *Resettlement Action Plan*, Annex II, Appendix I, pp. 1-6.

**Laws and Regulation Pertaining WJZ Dam Resettlement**

<i>Laws and Regulations</i>	<i>Issued Department and Date</i>	<i>Related Stipulation and Concise Contents</i>
1. Law of Land Administration	1988	<ol style="list-style-type: none"> <li>1. Compensation stipulations of land acquisition and resettlement for the state project construction.</li> <li>2. Resettlement issues: all farmers losing an their land can obtain non agricultural register citizenship of a city.</li> <li>3. Treatment of land acquired by construction.</li> </ol>
2. Water law	1988	Resettlement caused by land acquisition of nationally important project needs to be prepared by the local government. The resettlement cost shall be included in the investment plan for the project, and will be completed in conformity with the plan during the construction period.
3. Environmental Protection Law of the People's Republic of China	1989	The report on environmental impact is mandatory and will be approved by related departments.
4. Relics Preservation Law	1982	The construction institutes must investigate, explore and excavate the relics in coordination with the local cultural administrative departments.
5. Act of Land Acquisition; Compensation and Resettlement for Large and Medium Size Water Conservancy and Hydropower Projects	The State Council/1991	<ol style="list-style-type: none"> <li>1. Department-oriented policy of resettlement</li> <li>2. Correctly coordinate the relationship among the state, collectives and individuals.</li> <li>3. Resettlers living standards should at least be maintained.</li> <li>4. Farmers losing all their land can acquire non-agricultural registration.</li> </ol>
6. Stipulation of Physical Assets Inventory	Ministry of Water Resources/1986	Related regulation concerning physical assets inventories
7. Code of Inundation Treatment	Ministry of Water Resources/1984	<ol style="list-style-type: none"> <li>1. Treatment range</li> <li>2. Design contents and cooperation</li> <li>3. Special issue on resettlement</li> <li>4. Comprehensive development-oriented plan</li> <li>5. Evaluation of compensation and investment</li> </ol>
8. Plan and Layout of Towns and Villages	State Commission of Agriculture and Construction	
9. Stipulation of Environmental Protection and Administration for Construction Project	State Bureau of Environmental Protection/1986	Report compiling of environmental impact, and project examining and approving.
10. Provisional Regulations on Resettlement and Compensation for Land Acquisition of Yikeshao League (1993)	Yikeshao League Government of Inner Mongolia Autonomous District	Regulation on resettlement and compensation for land acquisition draw by Yikeshao League Government of Inner Mongolia Autonomous District

*Source:* China Wanjiazhai Water Transfer Project, *Resettlement Action Plan*, p. 41.

## **Provisional Regulation on Compensation for Land Acquisition in Yikeshao League**

### **Clause 1**

In order to enhance the land administration, to meet the need of state and collective using land, and to promote the economic construction, the provisional regulation is drawn up based on “The Land Administrative Law of PRC” and “Inner Mongolia Autonomous District Implementation Stipulations on National Land Administrative Law”.

### **Clause 2**

The regulation for the uniform land acquisition of governments. According to the regulations concerned of State Council, the land for Party and government offices, administrative units, dwelling construction, public facilities, public welfare, construction of state-owned industry and enterprises is distributed appropriately.

### **Clause 3**

Third party funded enterprises, share enterprises, joint ventures, individual enterprises, commerce, tourism, service, commercial houses, finance and foreign-funded project construction must get the use rights of land based on regulations concerned.

### **Clause 4**

The process of getting both the land use rights of land acquisition and borrowing should be implemented by land administrative departments based on the regulations of national land administration.

### **Clause 5**

The land acquisition for capital construction must take account for state, collective and individual interests.

The units to acquire land should occupy cultivated land and forest land as little as possible based on the principles of firstly planning, rational distribution, and saving on land.

The units and individuals whose land is to be acquired should be subordinated to the demand of state construction.

The units and individual whose lands will be acquired for capital construction should be subordinated to the need of state and won't bargain on their lands and affect the construction.

The departments of land administration must collect the expenses concerned based on the national laws and regulations, and the units using lands must pay taxes according to the national laws.

### **Clause 6**

Sale and transfer of the state-owned lands should be made based on relevant regulations. If some enterprises have difficulty to pay the expense for the sale at one time, they can pay it by stages after the department of land administration approves it.

The preferential policies for third party-funded enterprises need to be transferred, and they should be evaluated by departments of land administration. The expenses for selling should be paid and the lands should be registered again.

### **Clause 7**

The land acquisition for capital construction should be implemented based on the following steps:

1. The construction units of projects which have been approved to place in the investment planning for state fixed assets or permitted to be built, will take the approved documents to apply to the local departments of land administration for the land acquisition.
2. The department of land administration will organize the unit using land, the unit losing its land and departments concerned to examine the data on the land acquisition such as the area of land to be acquired, types, the output value per mu in 5 years before the acquisition, and the area of cultivated land each person of the unit losing land.
3. The department of land administration will conduct the unit using land, the unit losing land and departments concerned to determine the compensation scheme and sign the contract of land acquisition in the light of The Land Administration Law, and its implementation method.
4. After the land acquisition is examined and approved by the governments of county or higher governments, the department of land administration will distribute the land and dispatch The Approval on Using Land for Capital Construction of PRC.
5. After the completion of the construction, the department in charge of the construction will organize departments concerned to check it before acceptance, and the county department of land administration will check the land actually used and register the land, then dispatch Certificate of Using State-owned Land and take back The Approval on Using Land for Capital Construction of PRC.

If construction units or individuals want to apply for using land in urban planning areas, they should go through the procedures according to above-mentioned steps. Otherwise, they will be illegally occupying land and will be punished in accordance with the laws.

### **Clause 8**

The compensation for the cultivated land acquisition, including business vegetable land and fish ponds, should be paid by construction units in accordance with the following standards:

1. For the business vegetable land, the standard is calculated at 5-6 times the average yearly output value in five years before acquisition, which is listed in Table 1.
2. For other cultivated lands, the standard is calculated at 4-5 times the average yearly output value in five years before acquisition. For details, see Table 1.

### **Clause 9**

For cultivated land acquisition, construction units should pay the resettlement subsidy, which is 3-5 times average output value of per mu land in five years before land acquisition for agricultural population to resettle.

### **Clause 10**

If the compensation for land acquisition and resettlement subsidy calculated on the stipulations of Clause 5 and 6 cannot restore the pre-resettlement living standards of affected people, they can be increased, but their maximum cannot exceed 20 times the average yearly output value in the five years before land acquisition.

### **Clause 11**

The average yearly yield per mu of cultivated land in five years before land acquisition is calculated according to Table 1. The prices of grain and grass in acquired land adopts current local market prices. The calculation on the compensation for forest, artificial and natural grasslands and subsidy for resettlement are done according to Table 2.

### **Clause 12**

The compensation standard for land adhesion is calculated based on Tables 3, 4, and 5.

### **Clause 13**

The compensation for land acquisition and subsidy for resettlement should be used for the units losing land, developing production and resettlement. The special fund should be used for the special purpose and cannot be used for other purposes. The governments of county and Sumu Town have the right to supervise and monitor fund use.

### **Clause 14**

Resettlement of surplus labors.

After land acquisition, the resettlement of surplus laborers will mostly depend on collectives to extend production and set up town or village enterprises. If these channels cannot employ all the surplus laborers, the rest will be employed in the unit using land or other units and their corresponding subsidies should be distributed to the units that employ the laborers.

After acquisition, for the units losing land of which the area of irrigated land per person has is below 0.7 mu, the lower land, below 1 mu, slope land, below 2 mu, one labor of the units should be arranged if the cultivated land one laborer has is acquired.

### **Clause 15**

Resettlement of agricultural laborers transferring to non-agricultural labor.

After land acquisition, the resettlement of the units losing land of which the lower land each laborer has is under 0.5 mu, corresponding to 0.35 mu of irrigated land or 1 mu of slope land should be implemented according to the following channels:

1. For the units losing land of which the area of lower land each laborer has is from 0.2 mu to 0.5 mu, one agricultural laborer can transfer to non-agricultural jobs only after the land each on-farm person has is acquired.
2. For the units losing land of which the lower land is under 0.2 mu, all on-farm laborers should transfer to off-farm labor, and the remaining land of the units should be returned to the state.

After on-farm laborers transferring to off-farm jobs, the laborers who are fit for employment conditions can be employed by the units using land. The others not fitting the conditions should be uniformly arranged by governments. Land administrative departments are responsible for the application and check of the resettlement.

### **Clause 16**

The regulations will be explained by the land administration division of Yikeshao league government.

### **Clause 17**

The regulations will be implemented since they are issued.

### ***Social Adjustment***

In order to protect the living standards of the resettlers and host communities, the social adjustment program will formally integrate social adjustment issues into the resettlement planning and implementation. The main measures undertaken to ensure social adjustment are the following:

1. support services for farming;
2. training and assistance for non-farm employment;

*Source:* China Wanjiazhai Water Transfer Project, *Resettlement Action Plan*, pp. 75-8.

### Comparison of Ugandan Law and WB/IFC Requirements Regarding Compensation

<i>Category of PAPs/ Type of Lost Assets</i>	<i>Ugandan Law</i>	<i>WB/IFC Requirements</i>
Owners – Land	Cash compensation based upon market value of unimproved land + disturbance allowance (15%).	Strongly recommend land-for-land compensation. Compensation is at replacement cost.
Tenants – Land	Entitled to compensation based upon the amount of rights they hold upon land.	Must be compensated whatever the legal recognition of their occupancy.
Sharecroppers – Land	Not entitled to compensation for land, entitled to compensation for crops.	No specific provision as to land compensation, but income must be restored.
Owners – "Non permanent" buildings	Cash compensation based upon rates per sq.m. established at District level + disturbance allowance (15%)—rates are based on depreciated.	Recommend in-kind compensation or cash compensation at full replacement cost including labor.
Owners – "Permanent" buildings	Valuation by valuer + disturbance allowance (15%)—valuation is based on depreciated market value.	Recommend in-kind compensation or cash compensation at full replacement cost including labor.
Perennial crops or cash compensation at full	<ul style="list-style-type: none"> <li>• Cash compensation based upon rates per sq.m./bush/tree/plant established at District level + allowance (15%)—rates are calculated as the one year net agricultural income.</li> <li>• Disturbance allowance is meant to take care of the establishment period for these crops with establishment more than one year.</li> </ul>	Transition period should be taken into account. This period may be more than one year for some crops.
Annual crops	No compensation. The 6 month notice is supposed to allow people to harvest their annual crops.	No specific provision. Income restoration. Land for land compensation allows people to reestablish annual crops immediately.
Business income	No compensation. The 6 month notice is supposed to allow people to re-establish their business.	Establish access to similar opportunities.



## **Current Land Rights**

### **The East Bank**

Before the coming into force with the 1995 Constitution, land on the East Bank was classified as public land and occupiers were, in law, tenants at sufferance of the Uganda Land Commission. The Land Reform Decree then in force allowed individuals to acquire leases in such land usually without reference to or consultation with actual occupiers. With the enactment of the Land Act in 1998, the Land Reform Decree was repealed and the legal status reverted to:

- all land on the East Bank for which no ownership can be shown is now held by the Jinja District Land Board;
- such leaseholds as may have been issued on what was public land before the Land Reform Decree can now be converted into freehold; and
- occupiers of former public land without leasehold titles now occupy such land under customary tenure.

### **The West Bank**

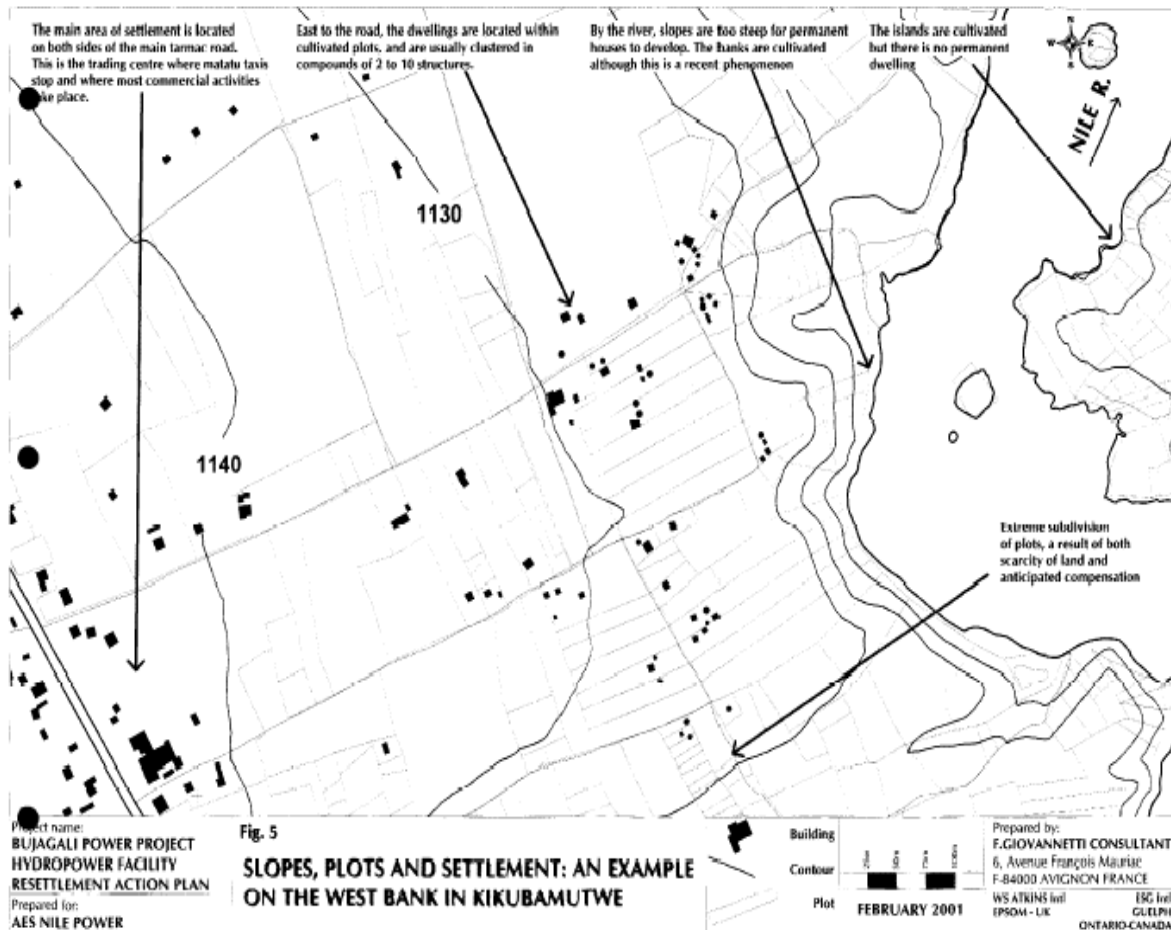
Although land on the West Bank also became public land, by reason of the 1975 Land Reform Decree, the legal consequence of that conversion was rather different. This is because before that Decree, part of the area was owned as mailo, while the rest was held under customary tenure. Mailo land was then converted into public land and Mailo tenants became tenants at sufferance of the Uganda Land Commission. But the market practices ignored the Land Reform Decree, and the mailo system of land holding continued de facto.

The Land Act has the effect of:

- restoring mailo land tenure;
- improving the security of tenure of tenants on mailo land by permitting the tenant to obtain a certificate of occupancy, and enabling them to purchase the mailo or freehold interest; and
- restoring the rights of customary occupiers to a status similar to those on the East Bank.

Land on the West Bank is at present held under customary regime in the case of former public land, and in the case of mailo land, it is held by mailo owners with occupancy by “lawful” or “bonafide” tenants.

Figure 5 shows typical settlement patterns in the Kikubamutwe area on the West Bank.



## Grievance Procedures

### Minimizing Disputes

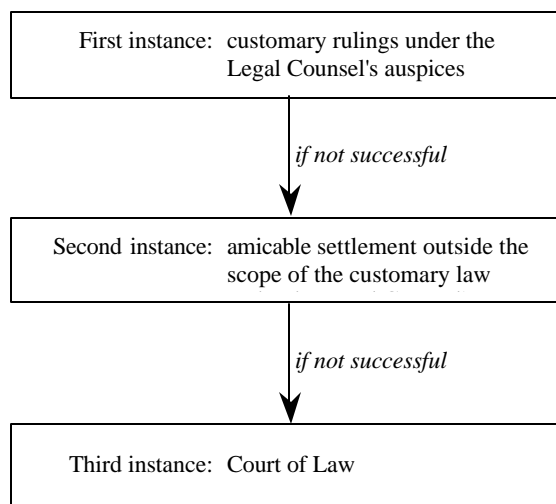
A series of mechanisms have been put in place to minimize disputes to the extent possible. These are the following:

- Legal Counsel is available to all affected people (see above § 8.25 and Appendix 4);
- at the survey and valuation stages, elders and village leaders (LCs) have signed off on plot limits and counts, together with the Affected Person and AESNP representatives;
- the Witness NGO is witnessing the fairness of the compensation and resettlement process on a daily basis (see above § 8.15 and Appendix 3);
- all the survey and valuation exercises from which eligibility to compensation and/or resettlement have been derived, have been carried out on the basis of the nuclear family rather than that of the household; this minimizes the potential for disputes arising within the household, between brothers or former spouses for example.

## Grievance Processing Mechanism

### Summary

The grievance/dispute processing and settlement mechanism is based on a three tier system, as per the following sketch:



### Relying on Customary Mechanisms as a First Instance

In such compensation and resettlement operations, many grievances take root in misunderstandings, or result from neighboring conflicts, which usually can be solved through adequate mediation using customary rules. Ninety percent of grievances can be resolved with additional explanation efforts and limited mediation. In such cases, it is then necessary to set up a first instance mechanism aiming at amicable settlement of disputes.

When an aggrieved person processes a grievance or a dispute to the Legal Counsel, the legal advisors will seek settlement using first the customary mechanisms available in the villages. These mechanisms use customary rules well known to all and considered binding by all. Elders and village leaders (LCs) usually play an important role in achieving settlements acceptable to all parties.

### Second Instance: Amicable Settlement under Legal Counsel/Witness NGO and AESNP's Auspices

When a settlement cannot be reached at the first instance level, the second instance mechanism is triggered. It will involve the following members:

- Witness NGO (chairperson),
- AESNP,
- Aggrieved PAPs and/or their representatives or counsels if any,
- Independent Legal Counsel.

Mediation meetings will be organized with interested parties. Minutes of meetings will be recorded.

### **Third Instance: Appeal to Court**

The Constitution allows a right of access to court of law by any person who has an interest in, or right to, property. According to article 243 of the Constitution, Land Tribunals jurisdiction includes:

- the determination of disputes relating to the grant, lease, repossession, transfer or
- acquisition of land by individuals, the Uganda Land Commission or other authority with responsibility relating to land; and
- the determination of any disputes relating to the amount of compensation to be paid for land acquired.

At present, Land Tribunals are not operational as such in the Project area. There exists throughout Uganda a capacity building project with the UK Department for International Development (DFID) support, which aims at building and strengthening institutions related to land management, including District Land Boards and District Land Tribunals. But following contacts with this project, it appears that the Land Tribunals are not expected to be operative in the area quickly enough for the Resettlement Project to rely upon them.

Appeals to court will be therefore through the common jurisdiction. Given the alternative mechanisms described above, it is not expected that many disputes will end up in Court.

### **Management of Family Conflicts and Inheritances**

As mentioned above, the Constitution and the Land Act include provisions that ensure adequate protection to heirs and right-holders in the unfortunate event of the death of a person eligible for resettlement and compensation. AESNP has already taken steps to implement these legally-required prior consents under Sections 35 to 40 of the Land Act, using an in-house dedicated legal team for that. Therefore, in such events, heirs and all right holders will be identified and this will help greatly in dealing with these situations.

If conflicts arise nevertheless, they will be dealt with according to the dispute and grievance procedures mentioned above.

*Source: Bujagali Project Hydropower Facility Resettlement and Community Development Action Plan, prepared for AES Nile Power by ESG International (Guelph, Canada) and W.S. Atkins International (Epsom, UK), March 2001, Vol. 1, pp. 17, 27-28, 82-84.*

## **Policy and Legal Framework**

### **Introduction**

The policy objectives under which this Resettlement Action Plan has been developed have been stated in Chapter 2. In summary, the main objectives are to minimize involuntary resettlement, to ensure that persons to be displaced have their former living standards and income earning capacity improved, or at least restored, and to provide adequate support to such people during the transition period.

One of the main impacts of the Project will be that arising from the acquisition of land. The Project is committed to providing entitlements to persons who lose their land or other property as well as to those others whose livelihood is directly affected by the acquisition of land. The provisions of Pakistan's laws that apply to such situations will be followed, supplemented by entitlements for the landless affected people. In order to determine the legal aspects of the entitlements being provided for Project affectees, a legal task force was established. The recommendations of the task force have been incorporated in the provisions contained in this Plan.

This Chapter reviews the legal, administrative and regulatory framework governing acquisition of property for development purposes in Pakistan. It discusses the relevant legislation and regulations and reviews legal and administrative procedures followed, with particular reference to valuation methodology, compensation entitlements and timing of payment provisions. This Chapter also describes the institutional arrangements for land acquisition, potential problems that can be encountered with valuation and compensation, and the measures proposed to avoid these problems.

### **Land Acquisition Act**

The present general law for acquisition of land for public purposes such as urban development, new roads, railway lines and canals etc, was introduced in the year 1894 as the Land Acquisition Act, 1894. This Act remains the primary law governing land acquisition in Pakistan today and is the principal general statute laying down the framework for the exercise of the right of eminent domain of the State. The land acquired under the Act vests in the Province and it is only thereafter that the Province may transfer it to someone else. In addition to the provisions of the Act, regulations setting out the procedure for land acquisition have been provided in the "Punjab Land Acquisition Rules, 1983" published in the Gazette of the Punjab Extraordinary, dated February 22, 1983. These rules are applicable in the Punjab. There is another body of general regulations called the Standing Order No. 28, which is followed by the NWFP as well as the Punjab. For the acquisition of land, the above-mentioned Act, rules and regulations are followed whether the acquisition is for WAPDA or any other agency.

The Land Acquisition Act lays down definite procedures for acquiring private land for projects and payment of compensation. The rights of people whose land is to be acquired are fully safeguarded. Even for entering private land or carrying out surveys and investigations, specified formalities have to be observed and notifications have to be issued. Damage to the crops during

survey and investigation has to be compensated. The affected persons, if not satisfied, can go to the Court of Law to contest the compensation award of the Land Acquisition Collector.

A review of the important features of the 1894 Act is given below.

In accordance with the Act, the legal process is initiated by an application from the Government agency that requires the land (Requiring Body). As land is a provincial subject according to the Constitution, the next step is for the Provincial Government to deem it necessary to acquire land and it then takes the following actions.

Under Section 4, it causes the publication of a preliminary notification notifying that the land is needed for a public purpose. This permits entry, survey and investigation of the land in question by an authorized Government servant. He shall pay compensation for any damage caused by such entry.

The purpose of a notification under Section 4 is to enable the authorities to carry out a preliminary investigation for deciding whether the land intended to be acquired is suitable for the purpose for which it is needed. The process of acquisition must start with a notification under Section 4. It is a condition precedent to the exercise of any further powers under the Act.

Under Section 5, a formal notification is issued that the particular land is needed for a public purpose. This notification is published in the official Gazette and the Collector is required to cause public notice to be given of the substance of the notification. Issuance of Section 5 has to take place not later than one year after notification of Section 4.

Any person interested in any land which has been notified under Section 5 may, within thirty days after the issue of the notification, object to the acquisition of the land under Section 5-A. The Collector shall hear the objection, make necessary enquiries and submit a report within 90 days to the appropriate Government authority. This authority must announce his decision, which shall be final, within 90 days; otherwise the objection shall be deemed to have been admitted and the acquisition proceedings will come to an end.

When the Provincial Government is satisfied, after considering the report, if any, made under Section 5-A, that any particular land is required for a public purpose, a declaration to that effect shall be made by an authorized officer of the Provincial Government under Section 6. This should follow within six months of the publication of the Section 5 notification. After the declaration under Section 6, the Commissioner shall "direct the Collector to take order for the acquisition of the land" under Section 7. The Collector has then (Section 8) to cause the land to be marked out, measured and planned (if this was not done after Section 4). Under Section 9, the Collector gives notice to all interested people that the Government intends to take possession of the land and if they have any claims for compensation that they be made to him at an appointed time. Section 10 delegates power to the Collector to record statements of persons possessing any interest in the land or any part thereof as co-proprietor, sub-proprietor, mortgagee, tenant or otherwise.

The most important section of the Act is Section 11; it enables the Collector to make enquiry into "measurements, value and claim and issue the final award". Included in the award is the land's

true area, his view of what compensation is warranted, and the apportionment of that compensation to all interested people.

Though this section is the one that contains the final award, there are two other sections (Section 23 and Section 24) which appear as later sections in the Act but which chronologically actually take place prior to Section 11. This is because these two sections pertain to compensation and the criteria to be followed (Section 23) or not to be followed (Section 24) in arriving at appropriate compensation. Under Section 23 are included such items as the market value of the land at the time of notification of Section 6, and various damages that may have been sustained at the time possession was taken.

Matters to be neglected in awarding compensation (Section 24) include such items as the degree of urgency which led to the acquisition, any disinclination of the person interested in the land to part with it, any expected increase in value to the land from its future use, etc. When the Collector has made an award under Section 11, he will then take possession under Section 16 and the land shall thereupon vest absolutely in the Government, free from all encumbrances.

Another section of note is Section 18 that pertains to persons still dissatisfied with the award who may request the Collector to refer the case to the court for determination and decision. This does not affect the taking possession of the land. In cases of emergency, where the Board of Revenue considers it expedient to take possession of any land at any time before an award under Section 11 has been made, it shall notify this fact in writing to the Collector intimating in addition the date by which the land is required by it. Under Section 17, the Collector can, after causing a notice to this effect to be served on the person or persons interested in the land, take possession of the land subject to the liability to pay any amount that may be incurred on account of acquisition.

Although Section 17 has been often used for land acquisition for development projects, it will not be used for land acquisition for the Ghazi-Barotha Project except for about 150 ha required for the resettlement villages, power complex colony and the access road for the power complex, due to time constraints.

### **Legal and Administrative Procedures**

Land acquisition requires interaction between the Requiring Body (RB), which is normally a government agency responsible for national infrastructure development, such as WAPDA, and the Acquiring Body (AB), which is normally the Provincial Revenue Board which delegates some of its authority to the Deputy Commissioner at the District level or the Commissioner at the Divisional level.

The division of responsibility between the Requiring Body and the Acquiring Body is in broad terms that the Requiring Body provides the technical input and the Acquiring Body the legal input in the land acquisition process. It is the Requiring Body that must ensure that the Project, for which the acquisition of land is required, is approved by the authorities and that funds are available. The Requiring Body must also justify the need for land and other property on the basis of field surveys including detailed engineering design and prepare all necessary documents required for decision-making.

The legal aspects of the land acquisition process begin with the Requiring Body submitting an application to the Collector of the District with a request to acquire land under the Act, giving full justification of the public purpose involved and the minimum area required by it. The application contains the following items of information:

- a statement including such information as the amount of land required, a timetable for acquisition, and the purpose for which the land is to be acquired;
- a layout plan showing the Project's location on a map;
- a site plan, showing the alignment on a Mouza map;
- a land schedule, showing land classification and ownership of plots to be acquired; and
- a certificate of minimum requirement, issued by the Requiring Body stating that the quantity of land proposed for acquisition is the absolute minimum for a proper implementation of the Project. After examining the feasibility of the application, the Acquiring Body processes the land acquisition cases including determination of the level of compensation and payment to the concerned people. When the land acquisition process is completed, the land is handed over to the Requiring Body.

### **Persons Entitled to Compensation**

The Act provides (Section 11) that the award shall state the compensation for “persons known or believed to be interested in the land”. Similarly, Section 31 of the Act states that on making an award under Section 11, the Collector shall tender payment of the compensation to “interested persons” entitled thereto according to the award. In the Act, the interested persons includes all persons claiming an interest in compensation to be made on account of acquisition of land.

The overall position is clarified in Para 62 of the Standing Orders 28 which states:

“It should be noticed, however, that under the present Act no person can claim compensation unless some land has been taken in which he claims an interest, or over which he has an easement. He cannot claim compensation on general grounds that his land is injuriously affected by the acquisition if no part of it is taken under the Act”.

The Act thus provides for payment of compensation only to affectees who have a legal interest in the land. Nevertheless, in order to compensate other affectees such as informal tenants and farm laborers, entitlements have been provided for them as well. A focused survey has been carried out to identify the Entitled Persons, as described in Chapter 5.

### **Valuation of Land Compensation**

Under Section 23, the matters to be considered in determining compensation are as follows:

- Market value of the land.
- Damage sustained by the person interested by taking of any standing crops or trees.
- Damage sustained by the person at the time of the Collector's taking possession of the land.



- Damage sustained by the person at the time of acquisition of land injuriously affecting his other property, movable or immovable.
- If compelled to change his residence or place of business, the reasonable expense incurred for such change.
- Damage resulting from diminution of profits of land from declaration to actual taking possession by the Collector.

Furthermore, an additional sum of fifteen percent of the market value of the land is to be paid in consideration of the compulsory nature of the acquisition.

Para 61 of the Standing Order 28 provides guidelines for determination of the market value, including consulting “respectable people who are disinterested”. These provisions have been considered in the valuation methodology adopted for the Project.

### **Land for Land Compensation**

Under the Act, the person whose land is being acquired cannot be compelled against his wishes to accept compensation in any form other than cash. However, Section 31 of the Act provides that the Collector can, instead of awarding cash compensation in respect of any land, make any arrangement with a person having an interest in such land, including the grant of other lands in exchange. Thus, a formal consensual agreement will be entered into with those PAPs losing land who opt to pay part of their cash compensation for land on the spoil banks.

### **Time Frame for Payment of Compensation**

The Land Acquisition Act provides that, when the Collector has made an award under Section 11, the Collector shall, before taking possession of the land, tender payment of the full amount of compensation awarded by him to the persons entitled thereto under the award. Thus the compensation will be paid to the affectees prior to possession of the land being taken by WAPDA. If the persons entitled to compensation under the award shall not consent to receive it, or if there be any dispute as to the title to receive the compensation or as to the apportionment, the Collector shall deposit the amount of compensation in the Court to which a reference under Section 18 would be submitted. Where Section 17 is used, payment will be made to the affectees within 3 months of taking possession.

### **Institutional Arrangements**

#### ***Land Acquisition Collectors***

In cases of land acquisition for public purposes, Land Acquisition Collectors (LAC), who are the representatives of the respective District Collectors, are normally appointed. The Collector is usually the Deputy Commissioner of a District. It may also mean any other officer specially appointed by the Provincial Government to perform the function of a Collector under the Land Acquisition Act. The Land Acquisition Act is centered around the Collector. Since the Project involves two provinces, the services of two Land Acquisition Collectors will be required. The Land Acquisition Collectors will be taken on deputation from the respective provinces.

### ***WAPDA Staff***

After the land required for the Project has been marked out in the field, WAPDA will prepare an inventory of built-up properties and assess their cost according to engineering practices, on a replacement cost basis. The revenue staff of WAPDA attached to the Land Acquisition Collectors will carry out field measurements of the land and prepare statements of ownership on the basis of the records maintained in the revenue section of the District Collector, which will have been updated specifically for the Project area.

They will prepare another statement showing:

- the right of possession of each person for the land to be acquired for the Project;
- the proportion of the landholding being purchased by the Project;
- the number and household heads of legal tenants, together with the relevant details of the tenancy agreement and a list of all development improvements made upon the land by the tenant; and the number and household heads of any resident field laborers who have worked on this land during the past one year.

### **Potential Problems with Valuation and Compensation**

No single issue is more critical to the social acceptability of the Project than that of how the land acquired for the Project will be valued and the owners compensated. The landowners who have land in the Project alignment are extremely concerned about receiving fair and prompt compensation. There is a broadly held view in the region that government authorities have not adequately addressed compensation and resettlement issues in the planning and construction of major national projects. In calculating compensation, land acquisition officials in the district have to take into account the available records of transfer of property. The common practice of under reporting the value of land in transfer deeds (in order to avoid taxes) results in too low a level of compensation. There are also a number of cases of the other extreme where fake transfers are done at an artificially high level, in anticipation of land being acquired and in order to boost the compensation level.

Outdated land records that do not register inherited land and property in the name of the present owner makes the process of identifying recipients for compensation a very time consuming process. Households having clear title to land are eligible for getting the full package of compensation on land, houses and other structures, on crops and trees in the fields, and on agricultural infrastructure. There are other categories of people who suffer less directly, perhaps, but nonetheless substantially from land acquisition but who are yet not entitled to any compensation or resettlement benefits under the law. Tenant farmers and laborers fall into these categories. The principles of resettlement have not yet become a part of the established body of law and regulations in Pakistan. In the absence of any specific legislative guidelines, resettlement is left to the understanding and judgment of incumbent authorities. Nonetheless, this course will eventually yield a body of experience, of which legal precedents and judgments are a part, which could then provide a basis for formulating future legislation on resettlement.

## **Measures to Avoid Potential Problems**

For the Ghazi-Barotha Hydropower Project, the entitlements of PAPs and the implementation strategy have been developed taking the above aspects into consideration. Chapters 2 and 8 have outlined the measures being adopted to ensure fair valuation and compensation, and to provide entitlements to the landless. Two other aspects of importance are those related to transparency of the compensation process and the measures adopted to provide support to affectees during the transition period. These are discussed in the following sections.

## **Transparency of Compensation Process**

A number of measures are being adopted to ensure transparency of the compensation process. These include:

- Involvement of the PNGO in all aspects related to valuation and compensation.
- Representation of affectees on the Land Valuation Committees.
- Issuance of Certificates of Compensation to each affectee and the public availability of these Certificates.
- Payment of compensation directly into bank accounts of the affectees. These measures will greatly help in minimizing the possibility of affectees not receiving full compensation.

## **Support During Transition Period**

One of the objectives of the RAP is to provide support to the Entitled Persons (EPs) during the transition period. In this context, the following measures are being adopted: losers of cultivable land will be entitled to cash compensation and the purchase of irrigated land on the spoil banks. The cash savings gained from a lower purchase price for the land on the spoil banks and the interest gained from the amount fixed in the joint account for repurchase of land on the spoil banks, supplemented by compensation from other losses (land improvements), will enable these affectees to support their households in the transition period between the loss of their land and their gaining spoil banks land. These resources will also allow them to invest in the development of their new land and compensate their income loss for the period till the land comes to full production.

In order to minimize the period during which affectees will be deprived of agricultural income, they will be permitted to farm the land, even after WAPDA has taken possession, until the land is required for construction. Thus the maximum period for which land will not be under cultivation will be less than two years.

Work opportunities will be provided to EPs under the Project consisting of priority in employment with the Contractors and WAPDA through the issuance of work permits. Holders of green work permits will be given priority over those holding blue work permits, who in turn will have priority over non-permit holders. Holders of green work permits will be paid Rs. 500 per month for a period of up to one year or until they find work, whichever is earlier.

## Appendix 23

Priority access will be available to EPs to Project credit and training opportunities. These measures will ensure that the standard of living of the affectees is not adversely affected during the transition period.

*Source: Ghazi-Barotha Hydropower Project Resettlement Action Plan, Pakistan Water and Power Development Authority (WAPDA), September 1994, pp. 6.1-6.10.*

## **Appendix 24**

### **Project Loan Agreement Section on Resettlement\***

#### **DEVELOPMENT CREDIT AGREEMENT**

AGREEMENT, dated June 1994, between PEOPLE'S REPUBLIC OF CHINA (the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association).

WHEREAS: (A) the Borrower, having satisfied itself as to the feasibility and priority of the Project described in Schedule 2 to this Agreement, has requested the Association to assist in the financing of the project;

(B) the Project will be carried out by the Borrower through the Yellow River Water Conservancy Commission with the assistance of Henan Province and Shanxi Province (the Project Provinces); and

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing, to extend the Credit to the Borrower upon the terms and conditions set forth in this Agreement.

Now THEREFORE the parties hereby agree as follows:

#### **ARTICLE I**

##### **General Conditions: Definitions**

Section 1.01. The "General Conditions Applicable to Development Credit Agreements" of the Association, dated January 1, 1985, with the last sentence of Section 3.02 deleted (the General Conditions) constitute an integral part of this Agreement.

Section 1.02. Unless the context otherwise requires, the several terms defined in the General Conditions have the respective meanings therein set forth and the following additional terms have the following meanings:

(a) "Environmental Management Plan" means the environmental management plan, dated October, 1993, as the same may be supplemented and amended from time to time with the approval of the Bank.

(b) "MWR" means the Borrower's Ministry of Water Resources, and any successor thereto.

(c) "Project Implementation Agreements" means the agreement between MWR and Henan province, dated October 22, 1993 and the agreement between MWR and Shanxi Province, dated October 20, 1993, for the implementation and counterpart funding of the Project, as the

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\* Development Credit Agreement (Xiaolangdi Resettlement Project) between People's Republic of China and International Development Association – (Credit Number 2605-0 CHA), June 2, 1994.

same may be amended and supplemented from time to time and such term includes all schedules and agreements supplemental to the Project Implementation Agreements.

(d) "Project Provinces" means Henan Province and Shanxi Province and their respective successors.

(e) "Resettlement Criteria" means the criteria for resettlement and rehabilitation, setout in Schedule 5 to this Agreement.

(f) "Resettlement Plans" means the plan for the resettlement and rehabilitation of the approximately 181,000 people (approximately 171,000 people from the reservoir and approximately 9,940 from the dam site construction area) who will be resettled in four stages in the Project Provinces as a result of the construction and operation of the Xiaolangdi Multipurpose Dam Project as more particularly described in the Environmental Impact Assessment Executive Summary set out in the Project brief dated February 1993 prepared for the Xiaolangdi Multipurpose Dam Project by the Reconnaissance Planning and Design Institute of YRCC under MWR in consultation with the CIPM Yellow River Joint Venture, as such plan shall be further developed and implemented in accordance with the Resettlement Criteria, with the concurrence of the Association, and the 'Resettlement Plan' shall include the agreements made and to be made for the construction and reconstruction of residential and infrastructure facilities, for the compensation and resettlement of those being resettled in the Project Provinces, and for the reestablishment of the income and livelihoods of those resettled and of others affected by their resettlement, as the same may be supplemented and amended from time to time to implement the Resettlement Criteria.

(g) "Special Account" means the account referred to in Section 2.02 (b) of this Agreement.

(h) "Xiaolangdi Multipurpose Project" means the project described in Schedule 2 to the Loan Agreement between the Borrower and the Bank for the Xiaolangdi Multipurpose Project, of even date herewith, as the same may be amended by agreement between the Borrower and the Bank, and "Xiaolangdi Loan Agreement" means said Loan Agreement.

(i) "YRCC" means Yellow River Conservancy Commission, a commission established within MWR to manage water resource management and flood control along the Yellow River.

(j) "YRCCRO" means the resettlement office of YRCC as maintained in accordance with paragraph D.1 of Schedule 4 of this Agreement.

### **ARTICLE III**

#### **Execution of the Project**

Section 3.01. (a) The Borrower declares its commitment to the objectives of the Project as set forth in Schedule 2 to this Agreement, and, to this end shall carry out the Project through YRCCRO, and shall cause the Project Provinces to assist YRCCRO to carry out the Project, with due diligence and efficiency and in conformity with appropriate administrative and

financial practices and shall provide, and shall cause the Project Provinces to provide, promptly as needed, the funds, facilities, services and other resources required for the Project.

(b) Without limitation upon the provisions of paragraph (a) of this Section, and except as the Borrower and the Association shall otherwise agree the Borrower shall carry out the Project through YRCCRO in accordance with the Implementation Program set forth in Schedule 4 to this Agreement.

Section 3.02. Except as the Association shall otherwise agree, procurement of the goods, works and consultants' services required for the Project and to be financed out of the proceeds of the Credit shall be governed by the provisions of Schedule 3 to this Agreement.

## **ARTICLE IV Financial and Other Covenants**

Section 4.01. (a) The Borrower shall maintain or cause to be maintained records and accounts adequate to reflect in accordance with sound accounting practices the operations, resources and expenditures in respect of the Project of the departments or agencies of the Borrower and of the respective Project Provinces responsible for carrying out the Project or any part thereof.

(b) The Borrower shall:

- (i) have the records and accounts referred to in paragraph (a) of this Section including those for the Special Account for each fiscal year audited, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Association;
- (ii) furnish to the Association, as soon as available, but in any case not later than six months after the end of each such year, a certified copy of the report of such audit by said auditors, of such scope and in such detail as the Association shall have reasonably requested; and
- (iii) furnish to the Association such other information concerning said records, accounts and the audit thereof as the Association shall from time to time reasonably request.

(c) For all expenditures with respect to which withdrawals from the Credit Account were made on the basis of statements of expenditure, the Borrower shall:

- (i) maintain or cause to be maintained, in accordance with paragraph (a) of this Section, records and accounts reflecting such expenditures;
- (ii) retain, until at least one year after the Association has received the audit report for the fiscal year in which the last withdrawal from the Credit Account or payment out of the Special Account was made, all records

(contracts, orders, invoices, bills, receipts and other documents) evidencing such expenditures;

- (iii) enable the Association's representatives to examine such records; and
- (iv) ensure that such records and accounts are included in the annual audit referred to in paragraph (b) of this Section and that the report of such audit contains a separate opinion by said auditors as to whether the statements of expenditure submitted during such fiscal year, together with the procedures and internal controls involved in their preparation, can be relied upon to support the related withdrawals.

Section 4.02. The Borrower shall:

- (a) implement the Resettlement Plan in a manner acceptable to the Association;
- (b) ensure that the coffer dam constructed under the Xiao Multipurpose Project is not closed unless the resettlement program under the Resettlement Plan remains synchronized with the construction program under Part A of the Xiaolangdi Multipurpose Project and, to that end, if construction of the dam is progressing faster than the rate of construction progress anticipated in the Resettlement Plan by four months, or more, the Borrower shall make revisions in the schedules for resettlement and construction, satisfactory to the Association; and
- (c) ensure that the water level of the dam constructed under the Xiaolangdi Multipurpose Project is not permitted to rise beyond 265 meters before the details of the settlement arrangements proposed for those who are to be resettled in the last stage (between the year 2010-2011) under the Resettlement Plan have been provided to, and approved by, the Association.

Section 4.03. The Borrower (acting through MWR) shall: (a) establish by December 31, 2000 and thereafter maintain a Reservoir Area Support Fund in an amount which is sufficient to provide minimum incomes to those who are resettled under the Project, or whose Incomes or livelihood are adversely affected by the Project, and who are unable to achieve or to maintain their pre-Project income levels; and

(b) operate such Fund in accordance with procedures satisfactory to the Association, until such time as the Borrower (acting through MWR), with the concurrence of the Association, determines that potential beneficiaries are no longer likely to require Fund assistance.

## **ARTICLE V**

### **Remedies of the Association**

Section 5.01. Pursuant to Section 6.02 (h) of the General Conditions, the following additional events are specified:

(a) Any of the parties to the Project Implementation Agreements shall have failed to perform any of its obligations set forth in such Agreements.



(b) The Borrower shall have failed to perform any of its obligations under the Ziaolangdi Loan Agreement.

Section 5.02. Pursuant to Section 7.01 (d) of the General Conditions, the following additional event is specified, namely that any event specified in paragraph (a) or (b) of Section 5.01 of this Agreement shall occur and shall continue for a period of 60 days after notice thereof shall have been given by the Association to the Borrower.

## **SCHEDULE 2**

### **Project Description**

The objectives of the Project are to assist the Borrower to resettle and improve the livelihoods of theta proximately 154,000 people in the reservoir area who need to be reset ad-as a result of the construction and inundation up to the 265 meter level of the Xiaolangdi Multipurpose Dam on the Yellow River in Henan Province and Shanxi Province and to minimize the effects of social adjustment of the resettlers and of their host communities following resettlement.

The Project consists of the following parts, subject to such modifications thereof as the Borrower and the Association may agree upon from tithe to time to achieve such objectives.

#### **Part A: Residential and Infrastructure Reconstruction**

1. Constructing and equipping about 35,000 houses and establishing about 10 towns (with associated infrastructure and community services) in the Project Provinces to receive those people being resettled.
2. Constructing about 1750 kilometers of new roads, about 630 kilometers transmission lines, communication lines, broadcasting facilities, water supply works, hydraulic stations and other infrastructure in the Project Provinces to better service the resettlement areas and constructing and equipping about 27 wharves around the dam reservoir, and acquisition of about 132 ferrie s.
3. Constructing and equipping required to relocate about nine special purpose institutions and about seven special purpose community facilities.

#### **Part B: Relocation**

1. Relocating about 154,000 people in about 35,000 households from the inundation area of the dam up to the 265 meter level to about 276 host sites in the Project Provinces.
2. Providing logistic support for those being resettled, including moving costs, temporary shelter, food and medical services.
3. Transporting all salvageable materials and personal belongings, and factory machinery and other goods to the resettlement sites.

### **Part C: Planning, Design, Institutional Support**

1. Strengthening the institutional capacity of YRCC and the Project Provinces to plan, design and implement the details of the proposed resettlement through the provision of training, technical assistance, offices, office equipment, vehicles, and consultants services.
2. Carrying out further detailed planning and design work related to the proposed resettlement.

### **Part D: Livelihood Development**

Reestablishing the incomes and livelihood of those being resettled and ensuring that the incomes and livelihoods of those in host communities are not affected by resettlement through:

1. Agricultural improvements covering an area of about 11,100 hectares of which about 7,000 hectares will be irrigated including completion of the Houhe dam and irrigation scheme covering about 5,000 hectares, and a new river training and warping scheme to protect about 13,300 hectares and to create about 4,100 hectares of new land for resettlers with aquaculture, industries and orchards at Wenmengtan.
2. Reestablishment of industries relocated as a result of the inundation of the reservoir for the Xiaolangdi dam and the establishment and expansion of about 85 industries to provide new employment for about 20,000 people being resettled..
3. Providing compensation to those who are relocated for assets acquired or lost as a result of the construction and inundation of the dam, and to those in host communities which receive those relocated for assets acquired or lost as a result of such resettlement.

\* \* \* \*

The Project is expected to be completed by December 31, 2000.

## **Schedule 4 Implementation Program**

### **Part. A: Resettlement**

1. The Borrower shall ensure that the Project Provinces prepare the final resettlement program designs according to the Resettlement Plan. The Reconnaissance Planning and Design Institute of YRCC must take part in and approve the final designs. The final resettlement site construction designs prepared by the Project Province shall be reviewed and approved by YRCCRO.

2. The Borrower shall, through YRCCRO: (a) continue to employ an independent monitoring institution acceptable to the Association to evaluate at least semi-annually the socioeconomic progress of those resettled under the Project and those in host communities who are affected by such resettlement; and

(b) furnish promptly to the Association for comment the report of each such evaluation along with proposals for meeting Project targets in accordance with the Resettlement Plan if these are not being achieved.

3. The Borrower shall maintain or shall cause to be maintained, and shall publicize or shall cause to be publicized, the availability of, grievance procedures to hear and determine fairly and in good faith, after taking into account the Resettlement Criteria, all complaints raised in relation to the implementation of the Resettlement Plan by those being resettled or by those in host communities who are adversely affected by the implementation of the Resettlement plan, and shall take all measures necessary to implement the determinations made under such grievance procedures.

## **Part B: Environmental Management**

1. The Borrower shall:

(a) ensure that all activities undertaken for the purpose of carrying out of the Project comply with environmental standards and guidelines satisfactory to the Association, including the regulations and guidelines issued by the National Environmental Protection Agency and the Provincial Environmental Protection Bureaus and

(b) implement the Environmental Management Plan in a manner acceptable to the Association, including all necessary measures to minimize and to mitigate any adverse environmental impacts caused by the implementation of the Project, such as emissions from relocated industries under Part D.2 of the Project.

2. The Borrower shall, through YRCC:

(a) prepare and furnish to the Association by December 15 in each year the detailed plan for implementation of the Environmental Management Plan in the next calendar year: and

(b) maintain YRCC's environmental management office with competent staff in adequate numbers and with such responsibilities and functions acceptable to the Association as shall enable YRCC to manage, coordinate and monitor the implementation of the Environmental Management Plan.

3. The Borrower shall:

(a) through YRCC, employ an international Environment and Resettlement Panel of independent experts with composition and functions satisfactory to the Association to conduct semiannual reviews of the implementation of the Resettlement Plan and the Environmental Management Plan and of the detailed resettlement and environmental management programs under such Plans

(b) furnish promptly to the Association the findings and recommendations for follow up action resulting from each such review and

(c) implement all such recommendations for follow-up action as are agreed with the Association.

### **Part C: Livelihood Development**

1. The Borrower shall cause the Houhe dam and irrigation scheme and the river training and warping scheme at Wenmengtan under Part D. 1 of the Project to continue to be carried out so that they are sufficiently completed by June 30, 1996 to permit the resettlement planned for 1997 under the Resettlement Plan to be carried out as planned.

2. Without limiting the generality of Section 9.08 of the General Conditions, the Borrower (acting through MWR) shall:

(a) ensure that Shanxi Province shall, under arrangements satisfactory to the Association, cause the dam and related structures constructed under Houhe irrigation project under Part D.1 of the Project to be periodically inspected by the Borrower and by independent experts in accordance with sound engineering practice in order to determine whether there are any deficiencies in the condition of such structures, or in the quality and adequacy of maintenance or methods of operation of the same, which may endanger their safety;

(b) to this end, propose to the Association appropriate arrangements for the Association's review no later than one year before the completion of the dam and related structures constructed under Houhe irrigation project; and

(c) employ, or shall cause Shanxi Province to employ, a panel of independent experts, with composition and functions acceptable to the Association, to conduct periodic reviews of the Houhe Dam and its related structures no less frequently than the Association requires during final engineering and construction to examine whether any new grounds for making changes in the design of the dam or technical specifications have become apparent, and shall promptly report the findings of each such panel review to the Association.

3. The Borrower shall ensure that:

(a) all necessary governmental project approvals for Industrial projects under Part D.2 of the Project are obtained prior to the approval of resettlement funding by the relevant resettlement office;

(b) YRCC shall employ industrial consultants pursuant to the provisions of section II of Schedule 3 to this Agreement to review on a semi-annual basis the proposed industrial projects under Part D.2 of the Project and furnish promptly to the Association the report of each such review along with the recommendations for follow up action; and

(c) YRCC shall implement such follow up actions as are agreed with the Association.

### **Part D: Project Implementation**

1. The Borrower shall:

(a) maintain the resettlement office of MWR, and vest it with the responsibility for the overall implementation of the Project, and the resettlement office of YRCC and vest it with

responsibility for daily implementation of the Project, with functions and responsibilities satisfactory to the Association, and with competent staff in adequate numbers;

(b) cause the Project Provinces to maintain their respective provincial resettlement offices and prefectural and county resettlement offices, with functions and responsibilities satisfactory to the Association, and with competent staff in adequate numbers; and

(c) maintain its Central Coordinating Group and cause the Project Provinces to maintain their respective provincial leading groups with composition and functions satisfactory to the Association.

2. The Borrower shall, through YRCC, by December 15 in each year, prepare and furnish to the Association the proposed financing plan and implementation program for Project activities in the next calendar year, as approved by the Borrower.

3. The Borrower shall ensure that all training and technical assistance under Part C of the Project, including local and overseas training, study tours and consultants' services are carried out in accordance with a program satisfactory to the Association.

4. The Borrower (including MWR) shall, not later than June 30, 1996, carry out a midterm review with the Association of the progress of and prospects for Project implementation.

5. The Borrower (acting through MWR) shall establish by November 30, 1994 and thereafter maintain with a balance of not less than the equivalent of three months estimated non-Credit Project expenditures (initially thirty million RMB), a revolving fund to finance YRCCRO's expenditures for the Project which are to be financed out of the Borrower's (MWR's) budgetary resources, if there is a delay in the availability of such resources.

6. The Borrower shall cause the Project Provinces to assist YRCCRO to carry out the Project in accordance with this Agreement and the Project Implementation Agreements.

## **SCHEDULE 5**

### **Resettlement Criteria for the Xiaolangdi project**

1. The population subject to resettlement should not only maintain its current standard of living but it should also directly share in project benefits.
2. The resettlement transition period should be minimized and adequate support- for' both' social and economic development should be provided during the transition period. .
3. Resettlement should achieve the complete social and economic reestablishment of those dislocated, on a viable productive basis, through the creation of project-funded new industrial, service sector and agricultural employment activities.
4. Insofar as changes of occupation are necessary, the replacement opportunities should properly recognize the social, communal, cultural, educational, and vocational profile of

those affected, and any changes in economic activities should be introduced on a voluntary basis.

5. Resettlement of the agricultural population should be land based wherever possible.
6. Land sharing with host villages should be based on the principle of mutual acceptance and should be planned so as to provide higher incomes (from all sources) for relocatees and hosts.
7. The resettlement plans should have popular acceptance and the affected population should be consulted.
8. Resettlement distance should be minimized and opportunities for resettling entire communities and natural groups should be provided.
9. House and dwelling size allocation at new town and village sites should show improved standards and conditions.
10. The resettlement plans for towns, villages and enterprises should minimize the loss of existing agricultural lands.
11. The resettlement plans should have adequate institutional arrangements' to ensure effective and timely implementation and adequate monitoring and evaluation arrangements.
12. The financial resources to carry out the relocation and development proposals should be available when and where required. Development plans should be prepared in concert with relocation plans.
13. The impact of resettlement on the natural and socioeconomic host environment should be considered acceptable.
14. Only those enterprises that will be economically viable should be considered for relocation and the compensation for the assets of the nonviable enterprises should be used to create new employment opportunities.
15. Inundated items of infrastructure such as roads and bridges should be replaced so that the previous level of service is maintained or improved.
16. If sharing farmlands does not result in achieving target incomes, some of the labor force should be offered non-agricultural employment opportunities.
17. Family members of the employees of affected state enterprises and institutions can be employed in non-agricultural sectors on a voluntary basis. The units of local governments, once compensated, shall be responsible for such employment arrangements.

## **Appendix 25**

### **Resettlement Training Program**

In order to successfully carry out the issues indicated in the RAP, it is of great importance and significance to provide staff involved in RAP implementation with training courses that will contribute to the success of the project. According to item 43, Annex 6 of the Aide Memoire between Vice Minister of MARD, Mr. Pham Hong Giang, and the IDA Preappraisal Mission on June 27<sup>th</sup>, 1998, a Resettlement training program is to be prepared by CPO for the MDWRD Project as follows:

#### **1. Objectives:**

- Improving the capability of those involved in RAP implementation.
- Providing knowledge and understanding in resettlement procedures and rules set by the WB and GOV applicable to the Project.
- Enhancing socio-economic survey skills.
- Providing knowledge in resettlement planning, implementation and evaluation reporting.

**2. Participants:** staff specialized in Resettlement of SIO 418, 419; staff responsible for Resettlement of DARD; staff of Provincial, District and Communal Resettlement Offices in the Project area.

#### **3. Contents:**

- Resettlement rules set by the WB including Operational Directive on involuntary resettlement (OD. 4.30) and indigenous peoples (OD. 4.20).
- Government policies on resettlement: Decree 87/CP and 22/CP, Law on Land, etc.
- Resettlement Procedures, preparation steps including: socio-economic surveying, survey outlining, form, method, filling, data processing and analyzing and reporting, etc.
- RAP preparation method for projects, including the content of RAP, reporting form, implementation guidance, etc.
- Method of evaluating the effectiveness of resettlement of the project.
- Monitoring of project resettlement implementation and reporting.
- Experience sharing on resettlement implementation in ODA projects.

**4. Time:** to properly implement the resettlement issues approved by the GOV and accepted by the WB, the resettlement training program should be carried out before project implementation (item 43, Annex 6, Aide Memoire dated June 27<sup>th</sup>, 1998). The proposed training time, therefore, should be in November or December 1998: each course would last for 2 weeks.

**5. Location:** Based on the project's characteristics, all courses are proposed to be held in Can Tho City and Tra Vinh town.

## 6. Courses and participants:

- **Courses:** primarily, 2 courses will be provided in the above-mentioned locations (Can Tho and Tra Vinh) to facilitate the Project implementation.
- **Participants:** it is estimated to have some 50 persons for each course.

## 7. Budget

- **Funding sources:** As the Credit Agreement has not yet been signed and due to the limited Government budget, in order to facilitate RAP implementation, WB is requested to seek a grant for these courses.
- **Costing:** Costs for training include: ticket, food, accommodation, drinks, document preparation, stationary, health care, payment for lecturers, classroom rental, etc.

Cost estimate for each course is as follows:

Food and accommodation (20 USD/person/day x 50 persons x 14 days)	4,000 USD
Average ticket (30 USD/person x 50 persons)	1,500 USD
Payment for lectures, documents preparation	3,000 USD
Classroom rental, decoration	600 USD
Travel during the course (including field trip)	1,000 USD
Stationary	800 USD
Equipment for lecturing	1,000 USD
Communication	500 USD
Document copying (50 sets)	800 USD
Contingency (about 5%)	1,000 USD
<b>TOTAL</b>	<b><u>23,200 USD</u></b>

2 courses x 23,200 USD = 46,400 USD

**8. Organizer:** CPO is responsible for organizing the above mentioned courses including content, training program, lecturers, documents and materials, classroom preparation and rental in coordination with local authorities and other needs for lecturers and participants. The WB will provide materials and lecturers free of charge.

*Source:* Vietnam Mekong Delta Water Resources Development Project, Feasibility Study Update, *Resettlement Action Plan*, Annex II, Appendix VIII, pp. 1-2, August 1998.



## Resettlement Staff Training Program

<i>Description</i>	<i>Province</i>	<i>Person</i>	<i>Place</i>	<i>Start Time</i>	<i>Duration (days)</i>	<i>Cost Estimate (000s yuan)</i>
Lecture on RS policy & law/regulation	Hunan	36	Yueyang	Jan 99	10	5.76
	Hubei	40			15	9.60
	Jiangxi	20	Jiujiang	Feb 99	5	1.6
RS project planning management	Hunan	36	Yueyang	Jan 99	15	8.64
	Hubei	40			15	9.60
	Jiangxi	20	Jiujiang	March 99	10	3.20
RS implementation planning	Hunan	36	Yueyang	Feb 99	15	8.64
	Hubei	40			15	9.60
	Jiangxi	20	Jiujiang	April 99	10	3.20
RS schedule control	Hunan	36	Yueyang	Feb 99	15	8.64
	Hubei	40			15	9.60
	Jiangxi	20	Jiujiang	April 99	10	3.20
RS cost control	Hunan	36	Yueyang	March 99	15	8.64
	Hubei	40			15	9.60
	Jiangxi	20	Jiujiang	May 99	10	3.20
RS project quality control	Hunan	36	Yueyang	March 99	15	8.64
	Hubei	40			15	9.60
	Jiangxi	20	Jiujiang	May 99	5	1.60
Management information system	Hunan	36	Yueyang	April 99	20	11.52
	Hubei	40			15	9.60
	Jiangxi	20	Jiujiang	June 99	20	6.40
Project supervision	Hunan	36	Yueyang	May 99	20	11.52
	Hubei	40			15	9.60
	Jiangxi	20	Jiujiang	June 99	10	3.20
RS monitoring & evaluation	Hunan	36	Yueyang	June 99	15	8.64
	Hubei	40			15	9.60
	Jiangxi	20	Jiujiang	June 99	10	3.20
RS project management	Hunan	36	Yueyang	June 99	25	14.40
	Hubei	40			15	9.60
	Jiangxi	22	Jiujiang	July 99	25	8.80
Bank policies on RS	Hunan	10	USA		10	40.00
	Hubei	10	USA		10	40.00
	Jiangxi	5	USA		10	20.00
Overseas practices on RS	Hunan	8	Brazil		10	32.00
	Hubei	10	Brazil		10	40.00
	Jiangxi	5	Brazil		10	20.00
<b>TOTAL</b>	Hunan	378			185	167.04
	Hubei	420			170	176.00
	Jiangxi	212			135	77.60

*Note:* Training cost is considered to be 160 yuan per person per day.

*Source:* China Yangtze Basin Flood Control Project, *Draft Final Resettlement Action Plan*, Chapter 6, n.d., pp. 12-13.

## Appendix 26 Integrated Safeguards Data Sheet

Report No: AC15

### SECTION I – BASIC INFORMATION

Date ISDS Prepared/Updated: 04/28/2003

#### A. Basic Project Data (from PDS)

##### I.A.1. Project Statistics

Country: BANGLADESH	Project ID: P071435
Project: Rural Transport Improvement Project	Task Team Leader: Fabio Galli
Authorized to Appraise Date: March 31, 2003	IBRD Amount (\$m):
Bank Approval: June 17, 2003	IDA Amount (\$m): 190.00
Managing Unit: SASEI	Sector: Roads and highways (80%); Agricultural marketing and trade (20%)
Lending Instrument: Specific Investment Loan (SIL)	Theme: Rural services and infrastructure (P); Rural policies and institutions (P); Rural markets (S)
Status: Lending	

##### I.A.2. Project Objectives (From PDS):

The development objectives of the project are to provide rural communities with improved access to social services and economic opportunity, and enhance the capacity of relevant government institutions to better manage rural transport infrastructure.

##### I.A.3. Project Description (From PDS):

The project funds the following eight components: (a) improvement (minor widening and strengthening) of about 1,100 km of priority existing UZR; (b) improvement (strengthening) of about 500 km of UR; (c) construction of about 15,000 meters of missing minor (less than 30 meters) bridges/culverts on UR; (d) periodic maintenance/rehabilitation of about 1,500 km of UZR; (e) improvement of about 150 existing rural markets and construction/improvement of about 45 river jetties; (f) implementation of Resettlement Framework (RF), Environmental Management Framework (EMF), Resettlement Action Plans (RAP), Environmental Management Plans (EMP) and Indigenous People's Development Plans (IPDP) for the civil works components; (g) consultant services to assist in the design, supervision and monitoring of the civil works components; and (e) technical assistance to build up LGED's (Local Government Engineering

Department) and selected LGIs capacity in transport infrastructure planning and financing, maintenance management, quality assurance, transport safety, financial and project management, performance monitoring and evaluation.

#### I.A.4. Project Location:

(Geographic location, information about the key environmental and social characteristics of the area and population likely to be affected, and proximity to any protected areas, or sites or critical natural habitats, or any other culturally or socially sensitive areas.)

Specific locations of the civil works will be determined annually. They will be carried out in the rural areas of 21 districts under greater Rajshahi, Bogra, Pabna, Dhaka, Sylhet and Comilla. Overall coverage of the project will amount to 44,900 sq. km., with a population of about 45 million. The first year's civil works have been identified for 15 districts where land acquisition affects approximately 6000 households. The first year civil works are not located in, or in close proximity to any protected area, or any designated natural habitats. There are a number of cultural and archaeologically important sites that are located in the project districts, but not necessarily within sub-project sites. Only one cultural property, a temple on the Taltola-Anandabazar Road, is located very close to both roadwork and bridgeworks, and will be carefully protected during construction.

#### B. Check Environmental Classification: A (Full Assessment)

Comments: The project has only limited, local and manageable environmental impacts. However, because of the large number of people affected by land acquisition, the project is classified and meets category "A" requirements: independent consultants were hired to conduct the EA and the borrower has addressed their comments and revised the safeguard documents. The draft EA and resettlement policy framework were disclosed before appraisal and made available on LGED's website, at District headquarters, and Bangala summaries were placed at all District/UP offices where the first year's investments are scheduled.

#### C. Safeguard Policies Triggered (from PDS)

<i>Policy</i>	<i>Triggered</i>
Environmental Assessment (OP 4.01, BP 4.01, GP 4.01)	Yes
Natural Habitats (OP 4.04, BP 4.04, GP 4.04)	No
Forestry (OP 4.36, GP 4.36)	No
Pest Management (OP 4.09)	No
Cultural Property (OPN 11.03)	Yes
Indigenous Peoples (OD 4.20)	Yes
Involuntary Resettlement (OP/BP 4.12)	Yes
Safety of Dams (OP 4.37, BP 4.37)	No
Projects in International Waters (OP 7.50, BP 7.50, GP 7.50)	No
Projects in Disputed Areas (OP 7.60, BP 7.60, GP 7.60)*	No

## SECTION II – KEY SAFEGUARD ISSUES AND THEIR MANAGEMENT

### D. Summary of Key Safeguard Issues

Please fill in all relevant questions. If information is not available, describe steps to be taken to obtain necessary data.

II.D.1a. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts.

The project is most unlikely to cause large-scale, or long-term significant impacts. The known impacts are limited to manageable construction-related environmental impacts. Aside from mitigating project impacts, the plans include measures to improve currently deteriorated environment and hygiene conditions in sub-project sites, particularly in market areas, such as management of wastewater and solid wastes, arsenic and fluoride contamination in the potable water supply at the sub-project sites.

In the first year civil works, about 6000 households and 172 businesses will be affected, most losing only small amounts of land. These impacts are adequately mitigated by the policy framework and an action plan for the first year has been prepared. Other impacts may occur if indigenous peoples, cultural property or natural habitat are affected, therefore the EMF and IPDP present a clear approach for triggering of additional avoidance, mitigation and management measures at a sub-project level, and action plans to mitigate any potential impacts where unavoidable.

II.D.1b. Describe any potential cumulative impacts due to application of more than one safeguard policy or due to multiple project components.

No cumulative impacts are expected. To monitor this and ensure that sub-project selection and design takes into account local environmental conditions, tracking will be conducted through annual environmental audits. As LGED assesses the effectiveness of the safeguard mechanisms, they will refine and update sub-project screening and mitigation guidelines.

II.D.1c Describe any potential long term impacts due to anticipated future activities in the project area.

No long-term impacts are expected.

II.D.2. In light of 1, describe the proposed treatment of alternatives (if required)

Project preparation process included environmental analysis and preparation of environment management plans. Based on the environment analysis and appraisal of environmental impacts of similar projects, an overall analysis of alternatives was undertaken, and certain types of sub-projects, such as large bridges were excluded from the projects. All sub-projects in the project will be identified through a participatory process, which will consider alternative sites and project intervention. During planning and design of the sub-projects, environmental

considerations and participatory designs will consider all possible alternative project designs, and select the most appropriate alternative. Such analysis of alternatives was fully integrated into the planning and design of the sub-projects included in the first year implementation program. Environment codes of practice include guidelines for modifying the project designs owing to possible environmental issues.

LGED developed a Resettlement Framework (and RAP for the first year's civil works) to deal with the impacts arising from land acquisition and displacement of people from public lands, such as squatters. Widening works, which constitute the bulk of the project, will generally require strip acquisition along the road. Alternative designs were considered to minimize acquisition and physical relocation. An Indigenous People's Plan was also prepared outlining the principles for planning and implementation when communities of indigenous people are among those affected.

II.D.3. Describe arrangement for the borrower to address safeguard issues

Environmental and social screening was carried out during Project preparation to determine what safeguard policies may apply. Social and environmental assessments identified affected areas and details of project impacts.

Where possible, the project will consider all possible alternatives to avoid and/or minimize land acquisition and displacement. Where resettlement is required, the project will apply appropriate resettlement and environmental mitigation measures, as described in the following documents.

<i>Policy</i>	<i>Compliance Measures and Comments</i>
Environmental Assessment (OP 4.01)	An EMF has been prepared for the project. As per this EMF all sub-projects would be screened for environmental impacts, and categorized into environmental Categories 1, 2 or 3. The category 1 civil works will be subject to full EA and EMPs that will subsequently be prepared and implemented. The Category 2 civil works will be subject to Limited EA (LEA) and resultant EMPs will be prepared. The category 3 civil works will be implemented by incorporating the provisions of the environmental codes practice (ECP) in the civil works designs and contract documents. ECPs for each type of civil works have been prepared, and should suffice the needs of the Category 3 civil works. EMPs for the Phase I civil works (all UZR improvement works), and a sample of each type of other works have been prepared, which shall serve as guidance for the 2nd and 3rd year/phase civil works. LEA, if required will be conducted following similar EA steps adopted in the preparation of these EMPs. For Category 1 civil works, that are unlikely, unless the civil works are located in designated "environmentally critical areas", detailed EA will be conducted.
Natural Habitats (OP 4.04)	None of the Phase I civil works are located within or near any designated natural habitats, and it is unlikely that any of the remaining civil works would be located likewise. However, as a contingency provision, civil works that affect a natural habitat will be subject to full EA. And as part of the resultant EMP, an adequate management plan to mitigate and compensate any impacts on any natural habitats will be prepared.

(cont.)

<i>Policy</i>	<i>Compliance Measures and Comments</i>
Cultural Property (OPN 11.03)	No designated cultural property will be impacted in the Phase I civil works, and in the unlikely scenario of any such impacts, the impacts will be examined as part of the full or limited EA, as applicable, and detailed conservation plan for cultural property will be prepared. A small number of minor community and religious properties are close to the civil works, including one such property in the Phase I UZR improvement works. All such properties will be carefully protected.
Indigenous Peoples (OD 4.20)	An IPDP for the Phase I civil works was prepared to clarify the required steps to be taken where indigenous people are among those affected by the project. It includes: (a) legal framework; (b) baseline data; (c) land tenure; (d) strategy for local participation; (e) development or mitigation activities; (f) institutional capacity; (g) implementation schedule; (h) monitoring and evaluation; and (i) cost estimates and financing plan for the first year's works.
Involuntary Resettlement (OP/BP 4.12)	A RF and a RAP for the Phase I civil works were prepared to mitigate land acquisition and resettlement impacts. The framework contains: (a) a legal framework outlining the principles and guidelines which will be used to acquire lands and mitigation of the adverse impacts; (b) a mitigation policy matrix in terms of different loss categories; (c) an organization framework to plan and implement the mitigation measures; (d) a grievance redress procedure for the PAPs; (e) a framework to monitor progress in land acquisition and RAP implementation; and (f) a planning process defining the tasks for phase-wise land acquisition and action plan preparation and implementation. This will provide the basis to prepare separate RAPs for each yearly/phase civil works program, and was used to prepare the first-year RAP. RAPs for the yearly work programs contain the details of the impacts and impacted persons, budget and the implementation time -frame.

II.D.4. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Consultations were organized by LGED sociologists and District level community organizers in 107 focus group discussions, attended by over 3000 local residents during project preparation. These meetings have been documented in the final Stakeholder Analysis Report. The report also plans participation approaches and identifies stakeholders for subproject identification, social screening, design, social assessment, implementation, and monitoring. The participatory approach used to select the project's physical components will also be extended to include planning, implementation and monitoring of the resettlement activities. To preserve transparency, the PAPs/communities will be made fully aware of the principles and guidelines used for impact mitigation, and their rights and obligations in the compensation assessment and payment processes. LGED project office will also assist the PAPs procure any legal documents that are required to prove ownership and claim the compensation from the DCs.

Draft environmental and social assessment reports and plans have been disclosed publicly, in the different project districts. The executive summaries of environmental and social assessment reports and plans have been disclosed through the LGED website, and at Bank offices (Washington Infoshop & Dhaka), LGED HQ and district offices, and public places in each project district.

## Appendix 26

E. Safeguards Classification (select in SAP). Category is determined by the highest impact in any policy or on the basis of cumulative impacts from multiple safeguards. Whenever an individual safeguard policy is triggered the provisions of that policy apply.

- S1. Significant, cumulative and/or irreversible impacts; or significant technical and institutional risks in management of one or more safeguard areas
- S2. One or more safeguard policies are triggered, but effects are limited in their impact and are technically and institutionally manageable
- S3. No safeguard issues
- SF. Financial intermediary projects, social development funds, community driven development or similar projects which require a safeguard framework or programmatic approach to address safeguard issues.

## F. Disclosure Requirements

	<i>Expected</i>	<i>Actual</i>
<i>Environmental Assessment/Analysis/Management Plan:</i>		
Date of receipt by the Bank	1/1/2002	3/2/2003
Date of "in-country" disclosure	2/28/2003	3/2/2003
Date of submission to InfoShop	3/31/2003	
Date of distributing the Exec. Summary of the EA to the Executive Directors (For category A projects)	2/12/2003	2/12/2003
<i>Resettlement Action Plan/Framework:</i>		
Date of receipt by the Bank	1/1/2002	3/2/2003
Date of "in-country" disclosure	2/28/2003	3/3/2003
Date of submission to InfoShop	3/31/2003	
<i>Indigenous Peoples Development Plan/Framework:</i>		
Date of receipt by the Bank	2/28/2003	3/2/2003
Date of "in-country" disclosure	2/28/2003	3/2/2003
Date of submission to InfoShop	3/31/2003	
<i>Pest Management Plan:</i>		
Date of receipt by the Bank	Not applicable	Not applicable
Date of "in-country" disclosure	Not applicable	Not applicable
Date of submission to InfoShop	Not applicable	Not applicable
<i>Dam Safety Management Plan:</i>		
Date of receipt by the Bank	Not applicable	Not applicable
Date of "in-country" disclosure	Not applicable	Not applicable
Date of submission to InfoShop	Not applicable	Not applicable

If in-country disclosure of any of the above documents is not expected, please explain why:

*(cont.)*

## Integrated Safeguards Data Sheet (Updated)

### *Signed and submitted by:*

	<i>Name</i>	<i>Date</i>
Task Team Leader:	Fabio Galli	3/25/2003
Project Safeguards Specialists 1:	Teen Kari Barua/Person/World Bank	
Project Safeguards Specialists 2:	Tapas Paul/Person/World Bank	
Project Safeguards Specialists 3:	Warren Waters/Person/World Bank	03/17/2003

### *Approved by:*

Regional Safeguards Coordinator:	L. Panneer Selvam	04/04/2003
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### *Comments:*

The revised ISDS reflects the discussions we had.

Sector Director:	Vincent J. Gouarne	04/04/2003
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# Appendix 27 Resettlement Policy Framework\*

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\*Resettlement Policy Framework for the Mitigation of Social Impacts of the Lake Chad Basin Commission (LCBC) Project entitled “Reversal of Land and Water Degradation Trends in the Lake Chad Basin Ecosystem”, World Bank Africa Safeguards Policy Enhancement Team, RP95, March 29, 2002.

## List of Acronyms

APR	Annual Project Review
BCSP	Basin Committee for Strategic Planning
CPTF	Country Project Task Forces
FAO	Food and Agriculture Organization of the UN
GEF	Global Environment Facility
IC	Incremental Cost as defined by the GEF
KYB	Komadougou-Yobe Basin
LCBC	Lake Chad Basin Commission
LCB	Lake Chad Basin
NGO	Non-Governmental Organization
NRM	Natural Resource Management
PDF-A	Project Development Facility of the GEF
PDF-B	Project Development Facility of the GEF
PDF-C	Project Development Facility of the GEF
OP	GEF Operational Program
PMU	Program Management Unit
PIR	Project Implementation Review
PSC	Project Steering Committee
PPER	Project Performance and Evaluation Review
PTF	Project Task Force
SAP	GEF Strategic Action Program
STAP	Science and Technical Advisory Panel of the GEF
TDA	Transboundary Diagnostic Analysis
TPR	Tri-Partite Review
UN-DESA	The Department of the United Nations Secretariat for Economic and Social Affairs
UNDP	United Nations Development Programme
UTNEP	United Nations Environment Programme
UNOPS	United Nations Office of Project Services
UNSO	United Nations Sudano-Sahelian Office
WB	The World Bank

## 1. GENERAL BACKGROUND

### 1.1. Description of Project: Reversal of Land and Water Degradation Trends in the Lake Chad Basin Ecosystem

The project aims to address the problems of land and water degradation in the Lake Chad Basin, which are:

- **Shrinking lake and climate change** – Persistent drought has caused Lake Chad and its associated aquifers to shrink, with serious consequences for the people dependent upon the lake and its environment.
- **Persistent rural poverty** – The symbiotic relationship between poverty and environmental degradation is particularly strong in the Lake Chad basin. Arid conditions coupled to deforestation and unsustainable agricultural practices exacerbate desertification.
- **Short-term policy focus** – A focus on the short-term often results in unsustainable policy decisions. The consequences of these unsustainable decisions include costly investment that is abandoned because of unforeseen changes in water availability, construction of large upstream dams without taking sufficient account of downstream considerations and the absence of an integrated approach to water resource management.
- **Non-existent or unsuitable water and environmental management policies** – There is insufficient knowledge of water resources and how aquatic systems function. There is no effective system for monitoring the quantity and quality of freshwater resources, nor are there effective water quality protection programs.
- **Poor intersectoral program coordination with limited public participation and impact** – Low-level public participation and inadequate mechanisms to secure such participation characterize the region. There is insufficient cooperation between and among sectors and countries. Environment-centered public education is virtually non-existent and enforcement is weak.

The Lake Chad Basin Commission (LCBC) has approached the Global Environment Facility for support in confronting these problems. UNDP and the World Bank have both assisted in developing the project. The project has six components:

- Component 1: Project mechanisms; e.g. an established Project Management Unit (PMU), Transboundary Diagnostic Analysis (TDA) and pilot projects. To be implemented by UNDP.
- Component 2: Enhanced regional policy initiatives to address transboundary issues. To be implemented by the World Bank.
- Component 3: Strengthened engagement of Stakeholders. To be implemented by UNDP.
- Component 4: Completed TDA and framework for concerted management of the basin. To be implemented by UNDP.

- Component 5: Six Pilot Projects to test and validate methodologies, stakeholder involvement and implementation modalities. To be implemented by the World Bank and UNDP.
- Component 6: a Global Environmental Facility (GEF) Strategic Action Plan (SAP) designed, endorsed and supported by funds. To be implemented by the World Bank.

Of the six components, Component 5 (Pilot Projects) is the only one that has direct impacts from physical works (the other components are mostly “administrative”, comprising plans, frameworks, management units, initiatives, the impacts of which will be felt at a later stage of the project). The screening procedure of the World Bank therefore focused on these “Pilots”:

- **Waza-Logone Floodplains (Northern Cameroon)**  
The pilot will include regular allocation of water to the floodplain from Maga dam, rehabilitation/creation of a wildlife pond in Waza National Park, cleaning/enlarging of a channel connecting two streams on the floodplain and developing management plans.
- **The Komadougou-Yobe Integrated Wetlands (The KYB Pilot) (Northern Nigeria)**  
The pilot will include clearing blockages on floodplain channels to facilitate flow to floodplains, reducing water consumption and developing systems of negotiated access to common property resources to reduce land/ water resource use in the wetlands.
- **The Transboundary Desertification Control (Niger and Chad)**  
The pilot proposes to work in the areas of sand dune fixation, range management, water point development and agricultural improvements on upland, rain fed sites.
- **The Lake Chad Shorelines Pilot (Cameroon, Chad, Niger, and Nigeria)**  
The pilot will produce a management plan and monitoring scheme for Lake Chad and its shores according to Ramsar guidelines.
- **The Lake Fitri Pilot (Chad)**  
The activities of the pilot are to compile existing studies, to hold a seminar, to conduct new studies and dialogue with stakeholders, to formulate a management plan, approve the plan, and to establish a management platform.
- **Upper Chari Basin Transboundary Project (Central African Republic and Chad)**  
This pilot proposes a participatory planning approach to develop strategic and sustainable actions designed to reverse current resources degradation.

The principal role of the pilot projects is the development/testing/adoption of sustainable natural resource management (NRM) systems on a small scale to identify those that are best suited for large-scale application in the SAP. The present level of development of natural resource management systems in the Lake Chad Basin is very low.

***Grievance Redress***

- Describe the step-by-step process for registering and addressing grievances.
- Provide specific details regarding registering complaints, response time, communication modes, etc.
- Describe the mechanism for appeal.
- Describe the provisions to approach civil courts in case other provisions fail.

***Monitoring and evaluation.***

- Describe the internal monitoring process.
- Define key monitoring indicators. Provide a list of monitoring indicators, which would be used for internal monitoring.
- Describe institutional (including financial) arrangements.
- Describe frequency of reporting and content for internal monitoring.
- Describe process for integrating feedback from internal monitoring into implementation.
- Describe financial arrangements for external monitoring and evaluation, including process for awarding and maintenance of contracts for the duration of resettlement.
- Describe methodology for external monitoring.
- Define key indicators for external monitoring, focusing on outputs and impacts.
- Describe frequency of reporting and content for external monitoring.
- Describe process for integrating feedback from external monitoring into implementation.

## 1.2. Rationale for Preparation of the Resettlement Framework

World Bank policy requires “screening” of all projects proposed for Bank financing to help ensure that they are environmentally and socially sound and sustainable, and thus to improve decision making. In the process of project preparation, World Bank screening concluded that under Operational Policy (OP) 4.12 (Involuntary Resettlement) some of the pilots will involve physical resettlement of population. A Resettlement Framework was therefore necessary for the “Reversal of Land and Water Degradation Trends in the Lake Chad Basin Ecosystem” project. This ensures that involuntary resettlement, which can be traumatic, debilitating and financially crippling, is fully addressed. The policy includes activities to address and mitigate these risks. The present document (Resettlement Framework) is the instrument used to address this. The guidelines are clear that there is a need to involve communities in the planning and implementation of interventions that result from these policies and in most cases this implies the need for a conflict resolution mechanism. OP 4.12 states “*...particular attention is paid to the needs of vulnerable groups ... especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples and ethnic minorities.*”

Another reason that the Resettlement Framework is required is because of the risk of dam failure. The pilots operate in wetlands that have been dried out by the construction of dams. World Bank safeguard Operational Policy 4.37 (Safety of Dams) was triggered by the initial environmental assessment of the project. Recent inspections of the dams by a dam safety expert hired by the World Bank has demonstrated that none of the dams are under imminent danger of failure, but has also revealed that no emergency planning in case of failure exists. It is therefore recommended under OP 4.37 that planning for emergency evacuation of dams be carried out.

World Bank screening also concluded that an environmental assessment (EA) was necessary under Operational Policy (OP) 4.01 (Environmental Assessment). A team of consultants therefore analyzed the proposed activities of the project and produced an environmental assessment (see separate document). OP 4.12 was also triggered because the project intends to designate protected areas (Ramsar sites), which could limit the availability of resources within these sites for surrounding inhabitants. The instrument used to mitigate against reduced access to resources within a protected area or national park is a Process Framework (see separate document). Although this does not relate to involuntarily displaced people, the effect is the same to the population (loss of income, deterioration of standard of living).

As required by OP 4.01, the Safeguard Policies were applied to all project activities, including those that would be co-financed by other donors. Safeguard Policies were also applied to numerous pilot activities that are to be “catalyzed” or promoted by the pilot projects, but not funded by the projects.

## 1.3. Objectives of the Resettlement Framework

The purpose of the Resettlement Framework is to clarify the principles for social impact mitigation as regards compensation for loss of property, livelihood and relocation or resettlement. The framework is valid for all subproject operations executed under the Reversal of Land and Water Degradation Trends in the Lake Chad Basin project financed by the World Bank in the six countries of the Lake Chad basin.

The operational objective of the framework is to provide guidelines to stakeholders participating in the mitigation of adverse social impacts of the project, including rehabilitation/resettlement operations, in order to ensure that project affected persons (PAPs) will not be impoverished by the adverse social impacts of the project.

The objectives of the Bank's policy on involuntary resettlement are that it should be avoided where feasible, or minimized, exploring all viable alternatives. Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to give the persons displaced by the project the opportunity to share in project benefits. Displaced persons should be meaningfully consulted and have opportunities to participate in resettlement programs. Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living.

It implies that PAPs should be: compensated for loss of wages; compensated for loss of assets at replacement costs; given opportunities to share project benefits; and be assisted in case of relocation or resettlement. The paramount purpose is to restore the income earning capacity of the project-affected persons. The aim is to improve or at least sustain the living conditions of the PAPs prior to project operations or to resettlement.

### **1.4. Adverse Social Impacts**

The long-term objective of the LCBC project is to build capacity within the Lake Chad Basin Commission and its national committees so that it can better achieve its mandate of managing land and water resources in the greater conventional basin of Lake Chad. In the short term, however, project operations may have adverse social impacts, which will be mitigated in parallel with project implementation. The project aims to address severe land and water degradation in the basin. To do this, some of the activities will have to include reflooding of the former floodplain and restricting access to common properties (rangeland, open water). These activities will be implemented after consultation and participation with stakeholders, and be based to a large extent on input from the stakeholders. However, in the process, the most critical project components presumed to induce immediate adverse social impacts in the short term is the resettlement of population as a result of reflooding of the floodplain under Maga Dam (Waza Logone Pilot) and the potential risk of dam failure. The potential restriction of access rights to natural resources in future Ramsar sites (Niger/Chad Transboundary Desertification Pilot, Lake Chad Shorelines Pilot).

These project components are unlikely to induce substantial and immediate adverse social impacts. Some, such as reflooding the floodplain below the Maga dam, is welcomed by the local population and was requested by them. Restriction of access to natural resources is going to be negotiated according to management plans that are arrived at by common consensus, in a participatory manner. The actions associated with restriction of access are addressed in the Process Framework.

This framework will address adverse social impacts directly related to project operations. In this context, the World Bank's safeguard policy focuses on four main aspects of adverse social impacts to be mitigated: resettlement, cultural heritage, health and indigenous people. Any

subproject that will have immediate adverse impact on the four subjects will trigger this Resettlement Policy Framework.

The population eligible for resettlement are those people who will be displaced by project activities e.g. those who have built homes on sites that would be flooded by proposed increased releases of water from dams. The estimated number of people to be displaced in the project will be assessed by the project.

### ***Dam Safety***

Although the project does not plan to construct dams, the safety of dams (OP 4.37) does enter into the project because the project will rely on the performance of existing dams, and failure of dams upstream to project activities and structures is relevant. Bank procedure therefore requires that independent dam safety specialists inspect and evaluate the safety status of the existing dams, review and evaluate the owner's operation and maintenance procedures and provide a written report of findings. Reviews for the three dams involved in the project (Maga, Tiga and Challawa) were completed by a dam safety expert recruited by the Bank.

There is no direct risk of failure of Maga dam, which is a 30 km long earthen structure. However, there is a need to implement management activities to make the operation of the dam safe (water level not to exceed a certain height). The dam is threatened by erosion, wave action, overtopping and seepage. The most viable option for improving the dam is modification to the left abutment spillway. An emergency preparedness plan should also be put in place as soon as possible. The plan should then be updated in accordance with the solution that will be implemented. If the dam fails, several thousand people are at immediate risk to their lives, and approximately 20,000 are at risk of being flooded.

At Tiga the probability of failure is considered high for this 8km zoned earthfill embankment. An emergency preparedness plan should also be put in place as soon as possible. The number of people at risk at Tiga is in the tens of thousands. The main threat is from "piping" (water creating channels through the dam).

At Challawa the probability of failure is considered several orders of magnitude lower than Tiga. The dam is a new 6 km zoned earthfill embankment. An emergency preparedness plan should be put in place as soon as possible. The number of people at risk of dam failure is in the tens of thousands. The report states that more information is required to fully appraise the Challawa dam; however the risks appear lower than at Tiga.

The reports concerning the three dams show that the danger of dam bursts is not immediate and therefore it will not be necessary to prepare resettlement plans as a requirement for proceeding with project preparation. The report does however give recommendations that management actions (e.g. lowering water level in the dam to reduce risk of overflow/failure) be carried out. It is imperative that the management authorities for each dam carry out these recommendations, as put forward in the dam safety report. Furthermore, emergency evacuation plans should be prepared in addition to other actions such as installation of formal warning systems, which are absent at Tiga and Challawa Gorge.



## 2. INSTITUTIONAL FRAMEWORK

### 2.1 Project Organizational Framework

The Lake Chad Basin Commission (LCBC) was established in 1964 by the four countries which bordered the lake (Cameroon, Chad, Niger and Nigeria) with the signing of the Fort Lamy Convention. The Central African Republic (CAR) joined the LCBC in 1994, and brought with it the Chari-Logone and Komadougou-Yobe river systems. Further expansion is anticipated with the Sudanese Government left to ratify the LCBC Convention in Parliament.

#### *Executing Agencies*

*Project Management Unit.* The Lake Chad Basin Commission (LCBC) will execute the World Bank-managed portion of the project. The LCBC will act on behalf of the LCBC member countries, and be responsible to the World Bank (as Implementing Agency) and GEF to ensure that applicable rules and procedures are adhered to. An inherent strategy within the project is to establish a project management unit (PMU) to build capacity within the LCBC to execute the Strategic Action Program (SAP). The LCBC will have overall responsibility for the activities of the pilot demonstration activities, specifically coordination responsibilities such as monitoring and evaluation. The PMU staff will be housed at LCBC headquarters and comprise an internationally recruited Project Manager, a regionally recruited Director of Administration and Finance, and other locally recruited staff.

#### *Project management*

*Project Steering Committee.* The Project Steering Committee (PSC) will be chaired by the Executive Secretary of the LCBC, with one member from each of the member states, and two representatives of the LCBC staff. Additionally, the PSC will be comprised of a representative of the two GEF Implementing Agencies, one member from UNOPS, and the Project Manager, who shall serve as an *ex-officio* member. Other members may be added to the PSC at the discretion of the PSC at any time.

*Inter-Ministerial Coordinating Committees.* Each of the Participating Countries shall convene an Inter-Ministerial Coordinating Committee (IMCC). The LCBC will assist the countries in this activity. Each IMCC will function to coordinate country level activities necessary to the formulation of the Transboundary Diagnostic Analysis (TDA) and the SAP. As part of country specific TDA activities, each country will formulate and prioritize its project related, country specific activities on a sector-by-sector basis. Further, working with and through the Project TDA formulation process, they will determine, in priority sequence, the transboundary issues that confront the Lake Chad Basin as a whole. Each Participating Country shall, with the assistance of the LCBC, name a Lead Country Official who will Chair the IMCC. Provision has been made for staff assistance to each of the designated Country Chairs. Limited financial provision has also been made for meetings of each country IMCC.

#### **Monitoring**

The LCBC via the Project Management Unit (PMU) and Project Steering Committee (PSC) will have overall responsibility for the activities of the pilot demonstration activities, specifically coordination responsibilities such as monitoring and evaluation. The LCBC will report to the

Bank and be responsible for ensuring that all GEF-funded activities are carried out in compliance with the project design and contracts. The project will comply with the required monitoring and evaluation procedures as required for the Mid-Term Review and Implementation Completion Report. The evaluation will rely on both qualitative and quantitative criteria using Bank guidelines, “Monitoring and Evaluation of Program Impacts.”

The project will also be closely monitored by the UJNDP Country Office through quarterly meetings, or more frequently, as deemed necessary with the Project Manager. This will allow to take stock and to trouble shoot of any problems pertaining to the project quickly to ensure smooth implementation of project activities.

## **2.2. Resettlement Planning Principles and Process**

The LCBC will provide the general direction for the planning of the relocation/compensation process, ensure coordination between various stakeholders and monitor the implementation. At launching of each subproject, stakeholders will be consulted to establish planning principles and work arrangements aimed at identifying and mitigating adverse social impacts induced by subproject operations. Baseline surveys, valuation of properties and payment of compensation will be effected ahead of the commencement of works. Progressively, all PAPs will be consulted in the process, be it in the context of resettlement/compensation, in the context of mitigating adverse impacts on cultural heritage or in the context of mitigating other project related social impacts.

Likewise, prior to project launching, appropriate government agencies will be consulted by the LCBC.

In line with established procedures, the LCBC via specialized NGOs and agencies will conduct the registration of PAPs and properties in the project zone, establish compensation committees, execute the payment of compensation, effect the valuation of crops and trees and execute the valuation of houses. Similar arrangements will be established with local governments whenever and wherever necessary.

The LCBC will be the contracting entity that will contract out resettlement operations to specialized NGOs and resettlement agencies. All resettlement plans will be reviewed and approved by the government as well as by the World Bank.

## **3. LEGAL FRAMEWORK FOR COMPENSATION**

### **3.1 Compensation Laws**

The laws in the Lake Chad Basin countries that govern the compensation to individuals of assets foregone from resettlement are not known to the project. Various project activities e.g. *project Output 2, Activity 2.5* aim to address these gaps in knowledge. The project will have to address the legal basis for the expropriation and compensation procedures to be used by the LCBC. Likewise, it will have to establish the legal framework for the resettlement and rehabilitation policy framework. The activities within Component 2 aim to assess relevant legal frameworks in each country and establish regional structural arrangements for participating countries to review,

harmonies and coordinate these frameworks, although this applies mostly to sharing international water resources.

World Bank policies, however, are explicit in that even if national and regional legislation does not provide for compensation, projects funded fully or in part by the Bank do provide for compensation. The major indicator of the effectiveness of mitigation measures is that the affected people should not be worse off after resettlement and/or compensation than they were before the project activity affecting them was implemented.

### **3.2. LCBC Strategy for Expropriation and Compensation**

The LCBC strategy for expropriation and compensation applies to any component of the project that involves resettlement. This section illustrates how compensation applies (or does not apply) to the populations affected by the project. It shows that in previous subprojects that the current LCBC project has taken over, participation was widely used. The current GEF project hopes to continue where the previous implementing/funding agencies left off, using the same methodology. As an example, the methodology of the Waza Logone Pilot is given.

#### ***Background: Waza Logone Pilot***

The Waza Logone Project was established in 1988, with the support of the International Union for the Conservation of Nature (IUCN). The objectives included: promoting the integrated management of the natural resources of the floodplain, providing a sustainable livelihood for the local communities, maintaining biodiversity, and in particular maintaining the integrity of the Waza National Park.

In 1992 the project began evaluating constraints and opportunities, collecting data on socio-economics, hydrology and ecology, and initiating a process of stakeholder participation in the evaluation and planning of the management of the floodplain. This led to the idea of creating breaks in the dike that extends downstream from Maga Dam as a means of increasing flooding and partially restoring the ecology and livelihoods on the upper Waza-Logone floodplain. Project evaluation indicated the idea was sound.

Supported by strong requests from local communities and the local administration, in 1994 SEMRY<sup>1</sup> (the owners and managers of Maga dam) allowed the project to open a section of dike that had blocked the flow from the Logone river to the Petit Gorema floodplain channel, and flood waters re-entered the system.

In 1995, with funding from the Netherlands Government and WWF, the project continued monitoring the effects of the 1994 release and continued the dialogue with affected communities and other stakeholders. In 1997, a second break in the dike was opened. The additional flow reinstated flooding to a major part of the floodplain west of the Logomatya channel. The total "average" flooded area has been increased by some 200 km<sup>2</sup>, equivalent to 6% of the original floodplain. The impact is locally very significant as the flooding is focused on the area affecting the southern zone and the Waza National Park. The major achievements of the Waza Logone project are at two levels.

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1. Societe d'Expansion et de Modemnsation de la Riziculture de Yagoua

Regionally and internationally: the project has drawn attention to the social, economic and ecological benefits of maintaining or reintroducing floods in natural floodplains.

Within the floodplain: the "pilot" releases have been maintained and are effectively a permanent feature, re-establishing flooding to some 6% of the floodplain with localized significant benefits to communities in the south and other parts of the floodplain, and to the ecological integrity of Waza National Park.

### ***Need for Compensation***

This shows that although there is increased flooding in the floodplain, the inhabitants benefit from it, which raises the question as to whether compensation is really the issue. What is probable is that if necessary (flooding has already been going on for nearly a decade) the project should assist the populations to be resettled with transport, logistics, housing or cash equivalent.

The identification/survey of project-affected persons (PAPs), should be conducted by the LCBC with the assistance of WWF, IUCN or Netherlands Government experts with experience in the project. LCBC staff will need guidance in applying World Bank requirements in expropriation/compensation standards and the valuation of houses and other assets (see Annex 11.4).

The standards for compensation of loss of land and loss of property in Cameroon should also be researched, and applied accordingly. Compensation will take into account: i) the legal status of the land to be compensated; ii) the quality of the land as regard to its utilization and iii) the quantity and the number of people using the land as the main source of income. The project has to decide if the land will be bought, and if so, who will buy it (local government, SEMRY, the LCBC). The value of land will be established by a qualified organization.

PAPs who will lose their titles will be provided new land with titles. Likewise, PAPs without titles will also be provided land in accordance with the legal status of the land that they previously cultivated or exploited. Economically marginalized PAPs with reduced access to land will be given particular attention by providing them with more land in order to enhance the sources of their livelihood. Also, home gardens for women will be restored with equivalent facilities in terms of access to sources of water.

### **3.3 World Bank Procedures for Resettlement/Rehabilitation (OP 4.12)**

The World Bank operational directive OP 4.12 states: "Where the specific resettlement needs of each subproject are not known in advance, the borrower would need to agree to resettlement policies, planning principles, institutional arrangements and design criteria that meet Bank policy and requirements as a condition of the loan. An estimate should be provided of total population to be displaced and overall resettlement costs, as well as an evaluation of proposed resettlement sites. Subprojects in sector investment loans should be screened by the implementing agency to ensure consistency with this directive, and approved individually by the Bank".

The commitment of the LCBC to comply with the requirements of World Bank's operational directives should be made explicit and incorporated in the credit agreement. Furthermore, the LCBC will ensure, in the credit agreement, its commitment to addressing the adverse social impacts of project operations.

## **4. ORGANIZATIONAL PROCEDURES**

The LCBC, its Steering Committee (PSC) and Management Unit (PMU) will be responsible for the organizational procedures for the delivery of entitlements. This will be done in coordination with experts having experience on the project. The LCBC/PSC/PMU will also be responsible for financial disbursements, if they occur.

### **4.1. Implementation Process**

The process for implementing the mitigatory measures is

- To determine if resettlement is required (survey if populations have not already resettled as a result of floods in 1992, 1994 and 1997).
- To draw up a detailed list of all persons affected (PAPs).
- To determine what each PAP stands to lose (valuation of houses, land, crops and other properties).
- To determine what the timeframe is for compensation.
- To determine what the preferred compensation is (participatory process).
- To offer compensation (kind or cash).

### **4.2. Grievance Redress Mechanism**

The PAPs will be given opportunities to present complaints and grievances through the resettlement process. The mechanisms for redressing the grievances of the affected populations will be through consultation. Their concerns will be taken into account by 1) the implementing agency in cooperation with local authority, traditional leaders, existing user organizations, and other organizations and 2) there will also be a mechanisms for PAPs to receive assistance to direct their complaints to higher level of authority should it not be solved under 1). The process by which grievances will be redressed, for each Pilot, is first through the project implementing agency. The project implementing agency will have a conflict resolution committee, which include representatives of the PAPs, which will review each grievance case. Compensation rates will be determined by this committee. Compensation will be paid to PAPs after written consent. Should a PAP refuse the compensation suggested, he/she could appeal to the local administration or traditional court. Should grievance prevail, a civil court will settle the litigation. Each individual PAP has the right to refuse the compensation rate proposed and take his case to the court when other grievance redress measures have failed. This process will be further refined during implementation.

### **4.3. Arrangements for Funding**

The arrangements for funding will include either the facilities to relocate or the cash equivalent. The source for funding will be specified in the credit agreement.

## 5. OPERATIONAL PROCEDURES

### 5.1. Institutional Framework

The Lake Chad Basin Commission (LCBC) was set up in 1964 and is headed by a Steering Committee comprised of representatives of each member country. A management unit will help build capacity to implement the Strategic Action Plan. The LCBC via the Project Management Unit (PMU) and Project Steering Committee (PSC) will have overall responsibility for the activities of the pilot demonstration activities, specifically coordination responsibilities such as monitoring and evaluation.

Project operations regarding resettlement/rehabilitation will be coordinated and monitored by the LCBC office. Independent, recognized specialists (consultants/NGOs) with the necessary expertise, selected by LCBC, will be contracted to carry out the payment of compensation and to effect the valuation of land and houses. Although this is not yet set up, it is suggested that each Pilot committee deal with its own resettlement issues, in parallel to issues of access to resource and conflict resolution. The committee will therefore have a specialized unit for resettlement. It will include a sociologist familiar with participatory methods, an economist familiar with valuations, representatives of local governments, representatives of local traditional groups and representatives of PAPs. The exact responsibility of each resettlement committee will vary between Pilots, and will be absent if resettlement is not an issue.

### 5.2. Project Launching

At project launching, an assessment of the social impacts of the Pilot projects will be conducted. The assessment will help to: (i) determine which mitigation measures to be taken; and (ii) establish whether or not detailed Resettlement Action Plans (RAPs) with timetables and budgets should be prepared.

Terms of reference (TOR) for the assessment will be drafted by the LCBC. Issues to be addressed by the assessment will include: demography; land tenure; socio-economic structure, consultations with local authorities and with PAPs. A key task to be conducted under this process is a household survey describing the extent of the social impacts. The social survey should contain general household data such as: family size, gender and age information; education; occupation; land ownership, tenure arrangements, inheritance regulations; sources of income and so forth.

The survey would estimate the extent to which the affected families will experience loss of assets, including control over resources, as well as infrastructure and social services available and disturbed. The survey should further describe local organizations and institutions, traditional village councils, religious groups, etc., that could later participate in planning and implementing the resettlement options. Expected changes in demography and health impacts should also be addressed. At this stage, all PAPs will be listed in order to avoid an influx of people trying to take advantage of the compensation and rehabilitation. A cut off date will be proclaimed. That means, a date from which eligibility for compensation will be terminated. New inhabitants coming to the project affected areas will not be considered for compensation.

A critical task of the assessment will be to identify new land for those PAPs who will lose their land.

The principles of compensation/rehabilitation will be triggered wherever there will be land acquisition and adverse social impacts. Should, however, the assessment reveal that more than 200 persons are affected, a Resettlement Action Plan (RAP) will have to be prepared. The World Bank OD 4.30 paragraph 4, states:

*Where large-scale<sup>2</sup> population displacement is unavoidable, a detailed resettlement plan, timetable, and budget are required. Resettlement plans should be built around a development strategy and package aimed at improving or at least restoring the economic base for those relocated. Experience indicates that cash compensation alone is normally inadequate. Voluntary settlement may form part of a resettlement plan, provided measures to address the special circumstances of involuntary resettlers are included. Preference should be given to land-based resettlement strategies for people dislocated from agricultural settings. If suitable land is unavailable, non-land-based strategies built around opportunities for employment or self-employment may be used.*

The TOR for the RAP will be drafted by the LCBC and focus on the following:

- Land tenure, household survey; socio-economic baseline study;
- Selection of resettlement area and provision for alternative sites;
- Organizational structures;
- Community participation of both resettlers and hosts, including also community institutions or organizations of both groups and NGOs;
- Legal framework;
- Plan and design of development assistance to cover both project affected persons (PAPs) and host community;
- Valuation methodology, title registration, timeframe in compensation procedures, appeal mechanisms;
- Impact on marginal groups, old people, women, ethnic minorities and pastoralists;
- Cultural identity and preservation;
- Access to training, employment and credit;
- Housing, including criteria for house plot allocation, infrastructure and social services;
- State of natural resources, land suitability and carrying capacity at resettlement site estimated at least two generations ahead taking into account population and livestock growth, as well as water availability and water quality;

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2. Where only a few people (e.g., less than 100-200 individuals) are to be relocated, appropriate compensation for assets, logistical support for moving, and a relocation grant may be the only requirements. However, the principles on which compensation is to be based are the same as for larger groups.

- Immediate as well as foreseen health implications at resettlement sites in relation to waterborne diseases, nutrition, environmental hygiene, availability of clinics or other health extension services, hazardous chemicals, toxic wastes, food contamination and the work environment;
- Possibilities and constraints regarding assimilation or integration of resettlers into host communities;
- Staff requirements, staff training needs, necessary equipment,
- Cost estimation, budget, synchronized resettlement implementation action plan with the road implementation schedule; and
- Monitoring and evaluation procedures.

### **5.3. Project Implementation**

The LCBC will consult with the stakeholders to assess presumed adverse social impacts of project operations and plan for the expropriation/compensation/resettlement operations to be executed. Once the resettlement plan is prepared, reviewed and approved by the government and the World Bank, implementation of the expropriation/compensation and resettlement/relocation operations should be completed as soon as possible. The implementation procedures will be carried out by the contracted specialists in line with the approved resettlement plan.

## **6. SOCIO-ECONOMIC BACKGROUND OF PAPs**

### **6.1. Identification of PAPs**

The number of people who would be affected by the project has not been identified. It is known that their economic activities are agricultural and pastoral (cattle). However, more detailed studies of the stakeholders have not been done for this project. It is suggested that as much information on the social structure of the potential PAPs be found from former projects, if applicable, and that, if these data are insufficient, to carry out a detailed survey of the potential PAPs.

Social impact assessment will be conducted prior to project operations that are presumed to have major social impacts in terms of expropriation and compensation. It will establish the social structures of PAPs serve as the basis for determining eligibility criteria and for estimating resettlement costs as well as establishing baseline data for monitoring and evaluation.

### **6.2. Social Impacts of the LCBC**

#### ***Impacts on Land Use, Crops, Buildings and other Property***

The LCBC's operations' impacts on land use, crops, buildings and other property are expected to cover a very large area (the Lake Chad basin). Close to 20 million people depend for their livelihood on activities carried out in the lake and its active basin. However, it is anticipated that considerably less than that number of people will be affected by resettlement issues.



### ***Impacts on Economic Activities***

The LCBC will affect economic activities of the project regions. The project is presumed to have positive impacts on mid-term and long-term economic activities on the macro level, although short-term disturbance is considered if persons affected by the project have to resettle.

## **7. METHODS OF VALUING AFFECTED ASSETS**

### **7.1. Organizational Procedures for Delivery of Entitlements**

With regard to land and structures, “replacement cost” can be obtained using the following rules: for agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of land preparation to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. 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 with 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 labor and contractors' fees, plus the cost of any registration and transfer taxes.<sup>3</sup>

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. Where domestic law does not meet the standard of compensation at full replacement cost, World Bank guidelines and technical specifications for compensation at replacement cost will be applied.

### **7.2. Method and Basis of Valuation**

Two methods can be used to conduct the valuation of property for PAPs. These are replacement cost and compensation value<sup>3</sup> (see also Annex 11.4). It is recommended that governments follow the World Bank policy in this regard.

#### ***Replacement Cost***

The replacement cost approach is based on the premise that the cost of replacing productive assets that have been damaged because of project operations are taken as a minimum estimate of the value of measures that will reduce the damage or improve on-site management practices and thereby prevent damage. The approach involves direct replacement of expropriated assets and covers an amount that is sufficient for asset replacement, net depreciation, moving expenses and other transaction costs. This minimum value is then compared to the cost of the new measures. This is arrived at, by analyzing current construction costs relative to design, materials employed, workmanship and final finish of the subject properties.

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3. Obtained from World Bank document “Resettlement/Rehabilitation Framework”, Private Sector Rehabilitation and Restructuring Project, Guinea-Bissau, May 2001.

In line with the principles of "equivalent reinstatement" if the premises to be reinstated require repair, a deduction to reflect this should be made. The deduction for repairs is made in accordance with the principle that the reinstated property should as far as possible be equal to the property being reinstated.

The basis of the valuation is Gross Current Replacement Cost (GCRC). Gross Current Replacement Cost is defined as the estimated cost of erecting a new building having the same gross external area as that of the existing one, with the site works and services on a similar piece of land. The valuation process will also consider the use of "compensation value" for affected properties.

### ***Compensation Value***

Compensation value is defined as an amount that is above the gross current replacement cost, including the costs for the inconvenience caused to the PAP by relocation, and enables the same PAP to build slightly better houses than what they currently occupy.

Compensation for land, structures, business, fixed improvements and other temporary assets will be based on market valuation, productivity valuation, negotiated settlements, material and labor valuation, disposition of salvage materials and other fees paid. It should be noted that lack of title, license or permit would not be a bar to compensation because even squatters have construction costs relative to design, materials employed, workmanship and final finish.

If relocation of business becomes necessary, access to customers and suppliers will be taken into account. In addition, workers losing employment in the process of relocating should be entitled to transitional income support.

Compensation for temporary impacts should include, but not limited to, the following:

- Compensation equivalent to lost income required for the duration of impact;
- Compensation equivalent to lost income required for loss of access; and
- Physical restoration of assets (or access) required prior to return.

In addition, PAPs will be entitled to transitional assistance which include moving expenses, temporary residence (if necessary), employment training and income support while awaiting employment and should have an option for full compensation if duration of impact is to exceed two years. In preparing the valuation, average costs will have to be assumed. It should be noted that costs of construction vary from one locality to the other.

### **7.3. Compensation Procedures and Civil Work Schedule**

An assessment of the number of PAPs will be made and establish whether or not a Resettlement Action Plan (RAP) is required. The LCBC or a local consultant will conduct the assessment.

Compensation will be paid at replacement cost. An expropriation and compensation committee will be established for PAPs in the project area following the social impact assessment. The committee will be constituted including a sociologist, an economist, representatives of local governments, representatives of local traditional groups and representatives of PAPs. Together

they will conduct the registration of affected PAPs and properties. Likewise, they will establish the compensation rates taking into account World Bank requirements.

Compensation procedures will include three steps: (a) establishment of compensation committees, (b) assessment of replacement values of identified assets; and (c) establishment of compensation rates for all assets to be expropriated.

#### ***Compensation Rates for Loss of Houses***

Compensation procedures for loss of houses will be established in consultations between the LCBC, project staff and the PAPs. This committee will establish the rates. The committee should conduct market surveys to monitor changes in building material costs in order to update the expropriation/compensation rates. The rates will be established at market value. Each administrative decision in the process will be documented. Also, each individual PAP will have the right to refuse the rate proposed and take his case to court should he disagree with the compensation rates proposed.

#### ***Grievance Redress***

First, compensation committees including representatives of PAPs will establish the compensation rates in order to avoid litigation. Second, compensation will be paid to individual PAPs only after a written consent of the PAPs, including both husband and wife. Should a PAP refuse the compensation suggested, he/she could appeal to the local administration or traditional court. Should the grievance prevail, a civil court will settle the litigation. Each individual PAP has the right to refuse the compensation rate proposed and take his case to the court when other grievance redress measures have failed.

## **8. SOURCES OF FUNDING**

A budget to cover expropriation and compensation costs for loss of properties for PAPs will be provided by the project, as well as for necessary studies. A provision (US \$) still has to be made in the project budget and will be specified in the credit agreement. Institutional mechanisms for the payment of compensation still have to be elaborated.

## 9. CONSULTATION AND PARTICIPATION PROCESS

Relocating or compensating people implies communication or dialogue with the stakeholders. The consultation and participation process will include four phases: (i) data collecting; (ii) preparation and planning of operations; (iii) implementation of operations; and (iv) monitoring and evaluation. The LCBC will coordinate all four operations.

### 9.1. Data Collecting Phase

**Actors:** LCBC, NGOs, PMU, PSC.

Possibly: IUCN, WWF, experts formerly involved in project, Netherlands government, PAPs (provision of data).

The actors will constitute the main task force in the data-collecting phase. This process will include consultations with PAPs and other relevant stakeholders. The data collected will serve as instruments for the monitoring of the social mitigation measures applied.

PAPs will be consulted to participate in the data-collecting phase by providing socio-economic information about their livelihoods. Also, PAPs will be consulted through meetings with traditional village committees to share information about the LCBC, discuss the social impacts of project operations and the mitigation measures suggested. The contributions of the PAPs will be integrated into the subproject implementation process, from planning to evaluation.

Furthermore, data about the social impacts of the subprojects and the mitigation measures suggested will be provided to local newspapers and radio stations.

The data-collecting phase includes three major processes:

- Preparation of the resettlement/rehabilitation policy framework;
- Execution of the social impact assessment (to be initiated/completed at project launching); and
- Establishment of the presumed RAP (to be initiated/completed before civil works).

### 9.2. Planning Phase

**Actors:** LCBC, PAPs (planning inputs, sounding board and advice-giving), representatives of local communities. Planning and coordination of the tasks of the various actors is the key to a successful implementation of the expropriation/compensation arrangements. The PAPs will be consulted in the aim to obtain their positions on issues at stake. The requirements of their work programs/businesses activities will be incorporated into the expropriation/compensation plans.

The work will focus on: (a) taking stock of the legal framework for compensation; (b) settling institutional arrangements and mechanisms for payment of compensation; (c) defining tasks and responsibilities of each stakeholder; and (d) establishing a work plan.

### **9.3. Implementation Phase**

*Actors:* The principal actor is the World Bank. Also LCBC, PAPs (endorsement of arrangements).

The execution of the expropriation/compensation operations will be conducted by the LCBC, by their contracted specialist team. PAPs will be consulted about the compensation arrangements prepared. Cash compensation amount and amount of land offered for compensation will be presented to each eligible PAP (husband and wife) for consideration and endorsement before cash payment or land for land compensation can be effected.

### **9.4. MONITORING AND EVALUATION PHASE**

*Actors:* LCBC, PSC, PMU, independent consultants, NGOs, PAPs.

The LCBC will organize project completion workshops with government agencies, NGOs and representatives of PAPs after completion of the expropriation/compensation operations but prior to the closure of the mitigation measures. The aim of that exercise is to assess progress in the operations executed, suggest corrective measures where needed and solve pending issues.

After completion of all expropriation/compensation operations, PAPs will be consulted in a household survey. The aim of that survey is to assess the impacts of the social mitigation measures implemented. Likewise, rural communities with PAPs will be consulted to provide their assessments of the impacts of the social mitigation measures applied.

The findings of the survey and the workshops will be presented in the project completion report, which will be established by the LCBC.

## **10. MONITORING AND EVALUATION ARRANGEMENTS**

*Actors:* LCBC, PAPs, NGOs.

Monitoring and evaluation will be a continuous process. The LCBC will continuously take stock of all expropriation/compensation reports and discuss their outcomes in its technical meetings. The LCBC/PSC will directly monitor compensation costs for loss of wages. The LCBC/PSC will review project activities, including social mitigation measures and provide guidance.

### **10.1. Monitoring Principles**

A monitoring and evaluation plan of the mitigation measures will be established. The scope of the plan will take into account the size of the social impacts to be mitigated while respecting the basic monitoring principles. The plans will describe:

- the internal monitoring process;
- key monitoring indicators (provide a list of monitoring indicators, which would be used for internal monitoring);
- institutional (including financial) arrangements;

- Frequency of reporting and content for internal monitoring, process for integrating feedback from internal monitoring into implementation;
- financial arrangements for external monitoring and evaluation, including process for awarding and maintenance of contracts for the duration of resettlement;
- methodology for external monitoring;
- key indicators for external monitoring, focusing on outputs and impacts; and
- frequency of reporting and content for external monitoring and process for integrating feedback from external monitoring into implementation.

### ***Internal Monitoring***

Internal monitoring will be conducted by the LCBC, following the plan described. Likewise, the communities will conduct their own monitoring. Quarterly LCBC progress reports will include a section on progress made regarding mitigation of adverse social impacts.

### **10.2. External Monitoring and Evaluation**

External monitoring will be conducted through World Bank supervision missions. Classic World Bank supervision mission (twice a year) will, however, not be sufficient to monitor progress in the mitigation of adverse social impacts. Given the limited social scientific capacity of the Lake Chad countries, World Bank supervision missions should be coupled with capacity building inputs from an international resettlement expert. This would ensure progress on the ground, strengthen analytical capacity, and safeguard proper documentation of operations executed and the progress made.

Before closure of the mitigation of adverse social impacts, the LCBC will consult with a local NGO to conduct an evaluation of the mitigation measures executed. A university could also do that work. The evaluation report will be used as a planning instrument to correct pending issues and suggest a post-project monitoring period in the aim to ensure that PAPs have not been subject to impoverishment induced by LCBC operations.

## 11. ANNEXES

## Annex 11.1. List of People Contacted

<i>Pilot Projects</i>	<i>Names</i>	<i>Titles</i>	<i>Institutions</i>
<b>Waza Logone</b>	Oyo, Pierre	Directeur	CACID Waza Logone
	Kouokam, Roger	Chef DPP	CACID Waza Logone
	Pirot, Jean Yves	Coordinateur Programme Zones Humides / eau	IUCN
	Santen, Jose Van	Coordinateur Homologue CEDC	CML
	Madi, Ali	Coordinateur CEDC	CEDC Maroua
	Nono, Micheline T.	RAF CACID/ Waza Logone	CACID Waza Logone
	Mohamadou, Oumarou	A.T. Ecologie Appliquee	CACID Waza Logone
	Saleh, Adam	Conservateur du Parc National de Waza	Conservation
	Ngantou, Daniel	Directeur Regional IUCN BRAC	IUCN
Peghouma, Ibrahim	Responsable Charge de l'eco-Developpement	CACID Waza Logone	
<b>Lake Fitri</b>	Kelele, Mahamat Absakine	Sultan	Yao / Lake Fitri
	Ibrahim, Mahamat	President	Groupement des Pecheurs du Lac Fitri
	Ousmane, Abakar	President	Douhounou -- Groupement des Agriculteurs de Yao
	Jerma, Mahamat	President	Marmiton -- Groupement des Agriculteurs de Yao
	Abba, Al Hadj Hassane	President	Doumbourou -- Groupement des Agriculteurs de Yao
	Yirima, Al Hadj Hassane	President	Hijer
	Youssou, Mariam	President	Siye -- Groupement des femmes
	Kaidela, Mariam	Secrtaire	Siye -- Groupement des femmes
	Dogo, Haoua	President	Logona -- Groupement des femmes
	Issa, Aiche	Secrtaire	Logona -- Groupement des femmes
	Abba, Mariam	Tresoriere	Logona -- Groupement des femmes
	Payouni, Ahmad	Responsable Unite Appui et Programmes	SECADEV-Direction
Bertran, Hadji	Directeur Delege	SECADEV--Ambassetna	
Beral, Bernard	Deldgue adjoint	SECADEV--Ambassetna	
<b>Lakeshore / Desertification</b>	Kala, Badoua	Chef Service	Environnement-Diffa, Niger
	Sani, Garba	Charge du Genie Rural	Environnement-Diffa, Niger
	Kanta, Moussa	Directeur	CEG
	Ouma, Hamza	Chef Service	Plan
	Sani, Mamadou Gani	Chef Service	Elevage PI
	Chabane, Hassine Ben	Manager	Ramboll--Water & Sanitation Project
	Mai, Manga Maina Yacouba	Depute National	PCD/ E
	Louali, Maroussa Mahamane	Directeur Adjoint	Hydraulique--Diffa, Niger

(cont.)

<i>Pilot Projects</i>	<i>Names</i>	<i>Titles</i>	<i>Institutions</i>
<b>Community Participation in the Integrated Management of the Chari Basin</b>	Djimet, Abdel-Karim	Adjoint au Maire	Mairie-Nddle, RCA
	Mandaba, Jean Michel	Ministre Delegue	Ministere de l'Environnement
	Neby, Issa Michel	Depute Sous-prefecture	Ndel
	Karalema, Jean	Divisionnaire	Eaux et Forets --Ndeld
	Nguette, Eugene	Maire 4eme Arrondissement	Arrondissement de Bossanguoua
	Doungoube, Gustave	Directeur Environnement & Point focal FEM	Direction de l'Environnement -RCA
	Azouyangui, Catherine	Directrice Environnement	Direction de l'Environnement -RCA
Mbo, Basile	Chef de Division Forestiere	Division foretiere de Bossanguoua	
Yamindou, Jean	Coordinateur	World Wildlife Fund (WWF)	
<b>Lake Chad Basin</b>	Sani, Mohamed	Secetaire Executif	Commission du Bassin du Lac Tchad CBLT)
	Gbafolo, Martin	Directeur	Departement des CBLT Ressources en Eau
	Assane, Mahamane	Directeur de la Planification et du Suivi et Evaluation des Projects	CBLT
	Ahmed, Sadick	Hydrologue	CBLT
	Mey, Mahamat	Agropastoraliste	CBLT
	Oguntala, Johnson A.	Chef Unite ressources en Eau	CBLT
	Yonkeu, Emmanuel	Directeur Departement Documentation	CBLT
	Boukari, Modi	Chef Service Financier	CBLT
Tam, Lambert	Secetaire Executif Adjoint	CBLT	
<b>Other Key People Contacted</b>	Gregor Hans Binkert	Country Manager	AFMTD -- World Bank
	Francois Rantrua	Senior Environmental & Information Specialist	AFTES -- World Bank
	Tracy Hart	Senior Economist, Water & Urban, West & Central Africa	ATFU2 -- World Bank
	Robert Calderisi	Country Directeur	Chad/ Cameroon/ CAR/ Equ. Guinea/ Gabon
	Charles Donang Ningayo	Senior Operations Officer	AFMTD -- World Bank
	David Laroche	IW	UNDP
	Mrs. Laokole	Program Officer	UNDP—Chad



## **Annex 11.2. Outline of a Resettlement Plan**

### ***Introduction - Project Background***

- Brief introduction about the project
- List of project components
- Description of project components causing land acquisition and resettlement.
- Overall estimates of land acquisition and resettlement.
- Minimizing resettlement
- Describe efforts made for minimizing resettlement
- Describe the result of these efforts

### ***Census and Socio-economic Surveys***

- Identify all categories of impacts (loss of property and assets; loss of livelihood; impacts on groups and communities)
- Give formats and tables for census surveys
- Provide outlines for socio-economic survey
- Summarize process for consultations on the results of the census surveys
- Describe need and mechanism to conduct updates, if necessary

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

- Identify areas of conflict between local laws and World Bank policies, and project-specific mechanisms to address conflicts
- Provide a definition of project affected persons
- Describe entitlement categories for each category of impact
- Describe method of evaluation used for affected structures, land, trees and other assets
- Provide entitlement matrix

### ***Resettlement Sites***

- Does the project need community relocation?
- Have these been approved by the PAPs?
- Give layouts and designs of residential sites
- Have the PAPs agreed to the strategy for housing replacement?
- Have the selected sites been explicitly approved by the PAPs describe the specific process of showing the sites to the PAPs and obtaining their opinion on them.
- Describe the technical and feasibility studies conducted to determine the suitability of the proposed sites.

- Is the land quality/ area adequate for allocation to all of the PAPs eligible for allocation of agricultural land?
- Give calculations relating to site requirements and availability.
- Describe mechanisms for procuring, developing and allotting resettlement sites.
- Provide detailed description of the arrangements for site development for agriculture, including funding of development costs.

### ***Institutional Arrangements***

- Identify and discuss the institutions responsible for delivery of each item/activity in the entitlement policy
- Describe the project resettlement unit - functions and organizational structure of the unit and coordination relationship
- State how coordination issues will be addressed in cases where resettlement is spread over a number of jurisdictions.
- Identify who will coordinate all agencies with the necessary mandate.
- State when the project resettlement unit will be staffed.
- Describe plans for training and development of staff in the resettlement unit/local agencies.
- Discuss initiatives taken to improve the long term capacity or resettlement institutions.

### ***Income Restoration***

- Briefly spell out the main restoration strategies for each category of impacts, and describe the institutional, financial and technical aspects.
- Describe the process of consultation with project affected persons (PAPs) to finalize strategies for income restoration.
- How do these strategies vary with the area/locality of impact?
- Are the compensation entitlements sufficient to restore income streams for each category of impact? What additional economic rehabilitation measures are necessary?
- Does income restoration require change in livelihoods, development of alternative farmlands, etc., or involve some other activities which require a substantial amount of time for preparation and implementation?
- How does the action plan propose to address impoverishment risks?
- Are choices and options built into the entitlements? If so, what is the mechanism for risk and benefit analysis of each option?
- What is the process of ensuring that PAPs have knowledge about alternatives and can make informed decisions?

- Is there a mechanism to encourage vulnerable groups among PAPs to choose lower risk options such as support in kind rather than cash?
- What are the main institutional and other risks for the smooth implementation of the resettlement programs?

### ***Implementation Schedule***

- List and briefly describe the chronological steps in implementation of the resettlement, including identification of agencies responsible for each step of the program.
- Prepare a month-wise implementation schedule of activities to be undertaken as part of the resettlement implementation (Gantt chart).
- Describe the linkages between resettlement implementation and initiation of civil works for each of the project components.
- Costs and Budget
- Clear statement of financial responsibility and authority.
- Ensure that the cost of resettlement is included in the overall project costs.
- Identify components, if any, to be funded by donors such as the World Bank, JICA, NORAD, DANIDA, etc.
- Resettlement costs should be a part of annual involvement plans.
- Prepare a cost-wise, item-wise budget estimate for the entire duration of resettlement implementation, including administrative expense, monitoring and evaluation and contingencies.
- List the sources of funds and describe the flow of funds.
- Describe the specific mechanisms to adjust cost estimates by the inflation factor.
- Describe provisions to account for physical and price contingencies.

### ***Participation and Consultation***

- Describe the process of consultation/participation in resettlement preparation and planning.
- Describe the various stakeholders.
- Describe the plan for disseminating information to project affected persons (PAPs), such as provisions for a booklet to inform PAPs and other stakeholders.
- Describe examples of outcomes of participation and consultation, such as how local beneficiaries' views have influenced the design process, entitlements and support mechanisms, or other issues.
- Have workshops been conducted, or are they planned? Who are the participants, and what are the expected outcomes?

### **Annex 11.3. Methods of Valuation for Structures, Land, Trees and Other Assets**

#### ***Example 1.A – Determining replacement cost in countries with active land markets:***

Determining replacement cost of affected land can be relatively easy where active land markets exist (for example, in most regions of India, Pakistan, Bangladesh, and Thailand). In projects located in these areas, RAPs should include land market surveys. Private and independent real estate agencies, banks, or mortgage firms could be engaged to determine market prices for land, or to evaluate the adequacy of administratively set compensation. If Borrowers refuse to engage private professional agencies, or if legal restrictions preclude payment of fair market prices, solatiums, relocation or subsistence allowances, or other forms of cash assistance can be used to "top up" compensation to replacement cost levels. Alternatively, committees including PAPs or NGO representatives can be formed to participate in establishing land valuation, and helping PAPs to identify and purchase replacement land.

#### ***Example 1.B – Determining replacement cost in countries with "mixed" land markets and property systems:***

In some Borrower Countries (notably Indonesia and the Philippines), or in particular regions within Borrower Countries, formal property titling remains incomplete, leaving a complex melange of competing legal and customary claims upon land (see also Customary Claims and Common Property). In Indonesia, for example, untitled land continues to exist even in downtown Jakarta, with titled land valued 10-60% higher. In areas lacking coherent and integrated property systems, resource valuations may differ substantially and some property claims are likely to go unrecognized. Hence, establishing replacement cost requires much greater attention to the type of title and usage rights held by affected persons. And projects acquiring land in such areas should encourage vigorous information disclosure, negotiation or arbitration procedures, and independent grievance mechanisms.

#### Precedents in Practice:

- In the Philippines, resettlement plans for the Leyte-Luzon Geothermal Project (Ln. 3746) called for negotiated settlements on land acquisition between PAPs and the National Power Corporation. In the event agreement could not be reached, compensation disputes would be addressed by an Independent Appraisal Committee, consisting of a real estate expert and representatives from the local land bank and the Philippines National Bank.

Also in the Philippines, PAPs in the Transmission Grid Reinforcement Project (Ln. 3996) could choose between compensation as evaluated by an independent appraiser or replacement land provided by the project.

- In Indonesia, resettlement plans for the pending Second Sulawesi Urban Development Project would give PAPs with insecure tenure (and those now in rental housing) tenurial rights in developed house plots that cannot be sold for at least 10 years.

#### ***Example 1.C – Determining replacement cost in countries lacking land markets:***

Though both Vietnam and China are experimenting with mechanisms to increase individual or household tenure, land remains collectively or publicly owned and cannot be alienated. In China, the Bank accepts country practice of compensating the collectivities rather than affected households for expropriated land. (Affected households, in turn, receive replacement land or other forms of rehabilitation assistance from collectives or local authorities.) In Vietnam, by

contrast, affected households often are directly compensated for loss of use of land. In the absence of land markets, replacement cost in these countries needs to be linked to the productive value of the affected land.

Precedents in Practice:

- In China, compensation for expropriated rural land is calculated as a multiplier (usually 3-6) of the average annual value of agricultural production over the preceding three years. Some project plans gradually increase the multiplier to favor smaller average landholdings in affected villages. An additional resettlement "subsidy" (allowance) for the people who need to be economically rehabilitated is also paid (and also is calculated as a multiplier). Where PAPs are relocated from one local jurisdictional unit to another, compensation and rehabilitation packages can be split among both. In some projects, the original unit of residence is compensated for loss of land while the unit of relocation receives rehabilitation assistance for providing alternative lands, jobs, or commercial opportunities. In the Xiaolangdi Resettlement Project (Cr. 2605), all compensation and rehabilitation assistance goes to the local unit in the area of relocation; if collectives lose both land and PAPs they receive no compensation. National law limits combined compensation for land and economic rehabilitation to no more than 20 times the average annual productive value of the acquired land.
- In Vietnam, an emerging market permits land use rights to be bought and sold at highly fluctuating prices. Compensation rates payable in cash to project affected households were introduced by national decree (87-CP) in 1994, which sets minimum and maximum prices for various categories of land. The prices established in this decree are set administratively and may not represent replacement cost. Bank experience in Vietnam so far has mainly focused on the land-for-land option for people losing more than 20% of their total holding, and cash compensation for people losing less than 20%. New laws also allow for outright ownership (and alienation) of house plots up to 200 square meters in size. The Irrigation Rehabilitation Project (Cr.271 1) provides 60% of replacement cost for non-owned homesteads (plus full compensation for the house or other structures) to be used for purchase of privately owned homesteads. In all instances, compensation is to be sufficient to purchase a 200-square-meter parcel. The conversion from use rights to outright, alienable ownership is considered as contributing to replacement cost.

***Example 2: Method of Valuation for Structures, Land, Trees and other Assets***  
***Replacement Cost for Structures***

- Schedule of rates obtained from the infrastructure department: The infrastructure construction departments in all countries have a schedule of rates for preparing estimates for construction projects, which Borrower agencies themselves use to assess costs for construction materials and labor. When applied to calculation of replacement cost, rates current for the period of actual replacement must be used.
- Rates quoted by contractors for similar structures in other construction projects/ programs: Where rate schedules do not exist or are out of date, recent quotations by contractors for similar types of construction in the vicinity of the project can be used for calculating replacement cost. In projects offering the options of cash compensation or

alternative accommodation, the construction cost estimates for alternative accommodation could be used for calculating cash compensation payable.

***Example 3: Method of Valuation for Structures, Land, Trees and other Assets***

***Replacement Cost for Land***

***Replacement Cost for Other Assets***

- For public infrastructure: in-kind replacement under force account within an agreed time schedule, or full compensation to the agency replacing the service is required.
- For cultural property and community-owned facilities: in-kind replacement or compensation at replacement cost for land and structures (e.g., religious churches, mosques, temples, or shrines; private or community-operated schools; village meeting houses; local libraries).
- For cash crops: Arrangements should be made to allow for harvest or market value should be paid for lost cash crops. In some countries average annual market value of crops for the previous 3 years is deemed appropriate as crop compensation. Compensation for subsistence crops can be in-kind, or can be an amount of cash sufficient to purchase equivalent supplies.
- For trees: Where markets do not provide sufficient information about the value of fruit or timber, compensation for fruit-bearing and non-fruit-bearing trees should be at net present value calculated for the productive life. In the case of immature trees, a less costly alternative may be to directly replace seedlings.
- For other assets: Tubewells, graves, fishponds, poultry houses, fences, and other tangible assets should be replaced in kind (or with functional equivalents), relocated, or be compensated at replacement cost.

# Resettlement Policy Framework\*

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\*“Resettlement Policy Framework for of Project Affected Families”, Philippines Water Resources Development Project, Improvement and Repair of National Irrigation Systems (NIS) Component, September 1996.

### **List of Abbreviations**

DAR	Department of Agrarian Reform
IA	Irrigators' Association
LA	Land acquisition
NIA	National Irrigation Administration
NIS	National Irrigation System
PAF	Project Affected Family
PAP	Project Affected Person
RAP	Resettlement Action Plan
ROW	Right-of-Way
SPAF	Seriously Project Affected Family
WRDP	Water Resources Development Project

### **List of Relevant Legal Enactments**

EO228	Executive Order No. 228, dated July 17, 1987: Declaring full land ownership to Farmer Beneficiaries; Determining the Value of remaining unvalued Rice and Corn Lands; and Providing for the Manner of Payment by Farmer Beneficiary and Mode of Compensation to the Land-Owner.
EO1035	Executive Order No. 1035, dated June 25, 1985: Procedures and Guidelines for the Expeditious Acquisition by the Government of Private Real Properties or Rights.
RA3844	Republic Act No. 3844, dated August 8, 1963: Agricultural Land Reform Code.
RA6389	Republic Act No. 6389, dated September 10, 1971: Code of Agrarian Reforms of the Philippines, amending RA 3844.



## SECTION 1: INTRODUCTION

### A. The Water Resources Development Project

1. The Water Resources Development Project (WRDP), henceforth referred to as the Project, is a broad-based project reflecting the Government's desire to initiate a comprehensive approach to water resources and watershed management leading, in the long run, to an integration of land use policies and agricultural practices with water management. The Project consists of five components: (a) improved water resources planning and management, (b) improved watershed management planning, (c) improvement and repair of National Irrigation Systems (NIS), (d) institutional strengthening of the National Irrigation Administration (NIA) and Irrigators' Associations (IAs), and (e) environmental improvement.
2. The Project will contribute to alleviation of rural poverty (estimated at 53% in 1995) by directly increasing the productivity and incomes of about 30,000 families on an estimated 27,000 ha. incremental area in the wet season (mainly through improved drainage) and about 29,000 ha. in the dry season through additional irrigation made possible by the Project. Substantial rural employment will be created through civil works and erosion control activities of the Project. In addition, in the long run, the incremental irrigated area will generate an estimated 3.9 million person-days p.a. (about 15,000 new jobs) at full development.
3. The physical works are limited to activities under the irrigation component which consist of improvement of 18 existing NIS, repairs to eight major structures in other NIS, and construction of sediment exclusion structures in another five NIS. The irrigation component cost US \$72.8 million (85% of total project cost). This Policy Framework component has been developed to address the resettlement issues emerging from the irrigation systems improvement component of the Project.

### B. Definitions

4. The terms used in this document are defined as follows:
  - (a) "Policy Framework" refers to the present document which is the overall Policy Framework for Resettlement of Project Affected Families for the irrigation systems improvement component of the Water Resources Development Project (WRDP). The Policy Framework describes the process and methods for carrying out resettlement under the Project, including compensation, relocation and rehabilitation of Project affectees.
  - (b) "PAP" means Project Affected Person, and includes any person or persons who, on account of the execution of the Project, or any of its components or sub-projects or parts thereof, would have their:
    - (i) right, title, or interest in any house, land (including residential, agricultural and grazing land) or any other fixed or moveable asset acquired or possessed, in full or in part, permanently or temporarily; or

- (ii) business, occupation, work, place of residence or habitat adversely affected;  
or
  - (iii) standard of living adversely affected.
- (c) "PAF" means Project Affected Family, and consists of all members of a household residing under one roof and operating as a single economic unit, who are adversely affected by the Project, or any of its components. For resettlement purposes, project affectees will be dealt with as members of Project Affected Families (PAFs).
- (d) "SPAF" mean a PAF whose house is totally or partially acquired under eminent domain, rendering it not habitable; or from whom acquisition of agricultural land exceeds 20% of the PAF's total land holding, provided that for farmers holding less than 1 hectare, the limit of land acquisition shall be 10%, beyond which they shall be considered SPAFs. For determining the number of SPAFs, acquisition of houses and acquisition of agricultural land shall be treated together, each house acquired being considered equivalent to one SPAF.
- (e) "RAP" means the detailed resettlement action plans prepared for sub-projects, where the number of SPAFs exceeds 25.
- (f) "Land Acquisition" means the process whereby a person is compelled by a public agency to alienate all or part of the land he/she owns or possesses, to the ownership and possession of that agency, for public purpose in return for a consideration.
- (g) "Right-of-Way Easement" means the process whereby the owner or possessor of land is compelled to permit the continued use of a part of his land as a means of transit of persons or services, in return for a consideration, but where the ownership of the land remains unchanged.
- (h) "Grievance Redress Committee" means the committee established at the System level, with the participation of NIA and the IA, to hear the complaints and grievances of PAPs regarding resettlement, including acquisition of land, houses and other assets, and loss of livelihoods caused by the Project.
- (i) "Property Valuation Committee" means the committee established at the System level, with the participation of NIA, the IA, PAPs and other local government officials from the respective sub-project, for the purpose of determining replacement value of affected properties.
- (j) "Replacement Value" means the value determined to be fair compensation for agricultural land based on its productive potential, the replacement cost of houses and structures (current fair market price of building materials and labor without depreciation), and the market value of residential land, crops, trees and other commodities.

- (k) "Resettlement" means all the measures taken to mitigate any and all adverse impact of the Project on PAF's property and/or livelihoods, including compensation, relocation (where relevant), and rehabilitation.
- (l) "Relocation" means the physical relocation of PAFs from their pre-Project place of residence.
- (m) "Rehabilitation" means the compensatory measures provided under the Policy Framework other than payment of the replacement value of acquired property.
- (n) "Compensation" means payment in cash or in kind of the replacement value of the acquired property.
- (o) "Sub-project" means each of the 18 NIS to be improved under the Project.

### **C. The Resettlement Action Plan**

5. Irrigation rehabilitation measures to be undertaken as sub-projects under the Project have been designed to improve existing NIS. Land acquisition will be involved in some of the 18 NIS improvement sub-projects. No relocation of settlements is envisaged, although in a few cases, houses constructed on the spoil banks of existing canal/drains may need to be moved. Wherever possible, house relocation shall be to another portion of the PAF's landholding. Every effort will be made to improve the distribution systems and drainage channels by utilizing the land already available with NIA. Nevertheless, some sub-projects will involve small-scale land acquisition, and possibly, compensation for Right-of-Way (ROW) easement. The Policy Framework provides the basis to adequately address resettlement of PAFs for such cases.
6. The underlying principle of the Policy Framework is to ensure that all PAFs share in Project benefits, and are compensated and rehabilitated to assist them to improve, or at least maintain, their living conditions and income earning capacity at pre-Project levels. In addition to direct compensation for loss of property and livelihoods, special measures shall be undertaken to rehabilitate SPAFs and ensure that their living standards are improved or at least maintained at the pre-Project levels (see paras. 25-26).
7. The Policy Framework has been approved by the Department of Finance, Government of the Philippines. It lays down the principles and objectives, legal and institutional framework, eligibility criteria, entitlements and grievance procedures that will guide the resettlement and rehabilitation of the PAFs. The principles, legal and institutional framework, and implementation procedures will be applied to all sub-projects included in the Project. Since works for each sub-project will be spread over several years, resettlement activities necessitated by each year's works will be completed by NIA prior to the release of funds by the World Bank for works under that section of the respective sub-project.
8. Basic instruments for resettlement consist of the census, socio-economic survey, and Resettlement Action Plan. A census and inventory of assets, livelihoods and losses of all Project Affected Families (PAFs) will be prepared by NIA for all sub-projects. The

date of completion of the census survey will be considered the cut-off date for PAF identification purposes. Where the number of PAFs exceeds 100, or the number of SPAFs exceeds 25, a sample socio-economic survey would be carried out prior to implementation of resettlement activities to provide more comprehensive baseline data for monitoring of resettlement impact. In sub-projects where the number of PAFs is less than 100, and the number of SPAFs is less than 25, collection of socio-economic data may be combined with the census survey.

9. For sub-projects where the number of SPAFs exceeds 25, NIA will prepare an operational Resettlement Action Plan (RAP) documenting the implementation arrangements for resettlement, including asset acquisition, compensation, relocation and rehabilitation in detail. Where preparation of a RAP is required, the RAP will be submitted to the World Bank for approval along with the socio-economic survey for that sub-project prior to implementation. Compensation and resettlement and rehabilitation activities will only commence after the World Bank has found the respective RAP to be acceptable, and the Government of the Philippines has approved it.

#### **D. Extent and Scope of Resettlement within the Project**

10. WRDP will be managed as a Sector Investment Loan. Following a program approach, detailed implementation plans for each NIS earmarked for implementation during the following year will be prepared and submitted by NIA for Bank approval. Census data is not available at appraisal although preliminary data on some sub-projects have been provided to assess the extent of resettlement.
11. On the whole, the extent of resettlement is small, and its adverse impact outweighed by the benefits accruing to the PAPs. Based on existing data, Magapit appears to be the only sub-project where a RAP is needed, the number of SPAFs at Magat being 8. Even at Magapit, the impact of land acquisition and Right-of-Way Easement is expected to be distributed widely across the command area reducing the adverse effect on individual farmers. All the PAFs stand to benefit significantly from improvements in the irrigation system. No large-scale relocation is envisaged, although a few houses along the right of way may need to be acquired, and their loss mitigated through assistance for house construction on adjacent land. Monitoring of resettlement activities will include establishment of a socioeconomic baseline and periodic monitoring of economic indicators to ensure that loss of land in all the sub-projects is offset by post-project income gains through increase in productivity.
12. The impact of the Project is likely to vary by size of landholding. Most of the farmers on NIS land are smallholders, average farm size being 1.4 ha. The tenure status of farmers is complex. Data available from 17 NIS proposed for inclusion within the Project list full owners as 35.2%, agricultural lessees as 34.3%, amortizing owners (beneficiaries of Agrarian Reform) as 17.9%, and share-tenants as 6.2%. The remainder include a mix of owner-lessee and owner-tenant arrangements. To ensure that the poorest are compensated adequately, the Policy Framework has a lower threshold for inclusion among SPAFs, for those holding less than 1 ha of land.

13. Participation and institutionalized consultations are two built-in positive rehabilitation measures within the Project. The Philippines has a rich experience of Irrigators' Associations (IAs) managing local level irrigation systems. Almost 90% of small farmers within the command area are members of the IAs. Part of the institutional strengthening component of the Project consists of strengthening the capacity of IAs to turn over management of the NIS to them. Consultations have already been held with the IAs in the proposed Project area to obtain their concurrence, with a formal Memorandum of Understanding (see format at Annex 2) specifying the priorities, rights and responsibilities of NIA and the IAs. After implementation of the improvement program, the laterals and sublaterals will be turned over to the IAs under a Memorandum of Agreement. The IA is a useful vehicle for consultation with PAPs and local participation in project design, implementation, and O&M. Involvement of the IA increases Project ownership by PAPs, and helps mitigate adverse impact.

### **E. Resettlement Principles and Objectives**

14. The principles outlined in the World Bank's Operational Directive 4.30, being generally consistent with the basic objectives of Philippine law under Executive Order 1035, have been adopted in preparing the Policy Framework. These principles and the resettlement measures stemming from them will apply to all sub-projects of WRDP, whether or not the scale and complexity of resettlement issues require preparation of a RAP.
- (a) Resettlement and land acquisition will be minimized as much as possible. Where land acquisition is unavoidable, the project will be designed to minimize adverse impact on the poorest (those holding less than 1 ha).
  - (b) PAPs will be compensated, relocated and rehabilitated, if required, so as to improve their standard of living, income earning capacity and production capacity, or at least to restore them to pre-Project levels.
  - (c) All PAPs residing in, or cultivating land, or having rights over resources within the Project area as of the date of the census survey are entitled to compensation for their losses and/or income rehabilitation. Lack of legal rights or title to the asset(s) taken for the Project will not bar the PAP from receiving compensation, rehabilitation and relocation measures to achieve the objectives set forth under para. 14(b) of this Section. All previous claims and unresolved issues related to resettlement or compensation in the area of each sub-Project, including outstanding claims arising out of the agrarian reform under RA 3844, RA 6389 and E.O. No. 228, will be resolved in accordance with applicable Philippine laws and regulations, prior to initiating any new land acquisition measures on the respective sub-project.
  - (d) The means of resettlement are: compensation at full replacement cost for houses and other structures, agricultural land of equal productive capacity, replacement of residential land at least of equal size and not less than 200 sq. m., dislocation allowance and transition subsidies, full compensation for crops, trees and other similar agricultural products at market value, and other assets, and appropriate rehabilitation measures to compensate for loss of livelihood (see paras. 25-26).

- (e) PAPs forced to relocate due to their house being acquired will be provided full assistance for transportation and re-establishment of their home and will be provided a Dislocation Allowance, in addition to provision of residential land and the replacement cost of their home.
- (f) Replacement residential and agricultural land will be as close as possible to the land that was lost, and acceptable to the PAP.
- (g) Where the total amount of agricultural land acquired is less than 20% of the PAPs farm land for those with holdings more than 1 ha, and 10% of land for those with holdings less than 1 ha, cash compensation may be paid in lieu of land-for-land compensation provided that:
  - (i) the PAP receives full replacement value for the land and all assets on it, without any deductions for depreciation;
  - (ii) the PAP stands to benefit directly from the Project through an increase in income which will off-set the loss of land, such that net production after Project completion is equal to, or greater than, the pre-Project production; and
  - (iii) prior agreement has been reached on acquisition of land through a negotiated settlement at a rate acceptable to the PAP, at replacement value.
- (h) Above the thresholds provided in section 14 (g) above, land-for-land is the preferred option. Land-for-land may be substituted by cash above the threshold provided that:
  - (i) land is not available in the proximity of the Project area;
  - (ii) PAPs willingly accept cash compensation for land, and are paid as in Section 14 (g) above and
  - (iii) cash compensation is accompanied by appropriate rehabilitation measures which together with project benefits results in restoration of SPAF incomes to at least pre-Project levels.
- (i) The resettlement transition period will be minimized, land-for-land and/or cash compensation provided to the PAPs, and rehabilitation measures completed prior to the expected start-up date of works in the respective sub-project.
- (j) Resettlement plans will be implemented following consultations with the PAPs, and will have the endorsement of the PAPs.
- (k) The previous level of community services and access to resources will be maintained or improved after resettlement.

- (l) Any acquisition of, or restriction on access to resources owned or managed by PAPs as common property will be mitigated by arrangements ensuring access of those PAPs to equivalent resources on a continuing basis.
- (m) Financial and physical resources for resettlement and rehabilitation will be made available as and when required.
- (n) Resettlement programs will include adequate institutional arrangements to ensure effective and timely design, planning and implementation of resettlement and rehabilitation measures.
- (o) Adequate arrangements for effective and timely internal and external monitoring will be made on implementation of all resettlement measures.

## **SECTION 2: INSTITUTIONAL AND LEGAL FRAMEWORK**

### **A. Institutional Framework**

15. The responsibility for implementing the principles and objectives of the Policy Framework are as follows:
- (a) NIA has overall responsibility for planning and implementing all activities under the Policy Framework. NIA will guide, supervise and report on progress in the subprojects, and will handle resettlement issues requiring actions and coordination at the central government level. NIA has overall control and management of the project resettlement budget.
  - (b) Funds for the resettlement program will be provided by NIA from budgetary allocations for the Project; NIA Regional offices will monitor and supervise the implementation of land acquisition and resettlement activities in the sub-projects falling within their jurisdiction. Responsibilities of NIA System Offices include planning, coordination of field implementation, financial control, information exchange and inter-agency liaison, internal inspection and day-to-day monitoring.
  - (c) NIA System Offices, with the assistance of the IAs, will carry out resettlement activities within the areas of their responsibility, under the supervision of the respective Regional Offices. These entities will be in charge of organizing the various tasks laid out in the Policy Framework including PAP identification, census and socio-economic surveys, dissemination of sub-project information to PAPs, establishment of transparent mechanisms for land valuation and grievance redress, and administration of all compensation-related matters.

### **B. Legal Framework**

16. The overall objective of the Policy Framework is derived from the Bill of Rights of the Constitution of the Republic of Philippines. Article III, Section 1: No person shall be deprived of life, liberty, or property without due process of law, nor shall any person be

denied the equal protection of the laws. Article II, Section 9: Private property shall not be taken for public use without just compensation.

17. The due process for acquisition of private properties or right-of-way (ROW) thereon for infrastructure and other development projects is found in Executive Order No. 1035 (EO 1035) issued by the President of the Philippines on June 25, 1985, EO 1035 provides for feasibility studies, a public information campaign to win public support for the project, engineering and parcel surveys to obtain census data and an asset inventory; budgeting for pre-project and pre-construction activities including information dissemination, and land acquisition and resettlement which are to be completed prior to the construction phase. EO 1035 provides for acquisition of property through negotiated sale at the current and fair market value declared by the owner or administrator of the land, with the assistance of the Provincial Appraisal Committee. EO 1035 (Section 17) includes provisions for resettlement of all occupants - owners, tenants, other occupants - as well as financial assistance to displaced tenants, cultural minorities and settlers. Under normal circumstances, financial assistance will be equivalent to one year's gross harvest, and in no case shall be less than P 15,000/ ha. Under Administrative Order No. 13, Series of 1994, of DAR, owners of land covered by PD No. 27 and E.O. No. 228 may be entitled to an increment of six percent (6%) over the land value as determined under existing valuation formula.
18. Disturbance compensation to agricultural lessees who have a perpetual lease on the land is higher. The Code of Agrarian Reforms states that when land is acquired for a public purpose by a [government] department, "the agricultural lessee shall be entitled to disturbance compensation equivalent to five times the average of the gross harvests on his landholding during the last five preceding calendar years" (Section 7 of RA No. 6389 dated September 10, 1971 amending Section 36.1 of RA No. 3844). Section 4 of RA 6389 also declares that agricultural share tenancy throughout the country as contrary to public policy and states that share tenancy "shall be automatically converted to agricultural leasehold upon the effecting of this section." As a consequence, all agricultural lessees/tenants covered by the agrarian code, are entitled to the equivalent of five years' gross harvest, for the land being acquired from them.
19. When the parties fail to arrive at a negotiated settlement for land acquisition, EO 1035 provides the government implementing agency with the authority to "immediately institute expropriation proceedings through the Office of the Solicitor General or the Government Corporate Counsel, as the case may be". The Court is required to issue a writ of possession within five days after the deposit of ten percent (10%) of the amount of just compensation by the concerned government agency. Grievance redress procedures essentially deal with compensation after the acquisition has taken place.
20. The term "just compensation" is defined in a landmark decision of the Supreme Court (No. L-59603 dated April 29, 1987) which set aside the previous usage of "just compensation" under P.D. 1533. The pertinent references in Sections 7 & 8 of EO 1035 for determining fair market value stand modified by the Supreme Court ruling. The ruling defines just compensation as the value of the property at the time of the taking: it means a fair and full equivalent for the loss sustained, taking into account its



surroundings, its improvements and all its capabilities. When the acquiring agency fails to ascribe property values in keeping with the principle of just compensation, the court may overrule its assessment and re-assess property values.

21. Land acquisition involves a process of involuntary dispossession of property rights in the public interest: those losing property will not incur further liabilities as a consequence of this involuntary sale. In accordance with Section 4 of Executive Order No. 228 (EO 228) enacted in July 1987, when payment is made for agricultural land acquired by the government, "the landowner is exempt from capital gains tax on the compensation paid to him." In addition, other expenses - registration fees, transfer taxes, documentary stamp tax, and notary fees will be paid by NIA for property transfers made through land acquisition. Unless the landowner seeks the assistance of NIA, deductions for past taxes and other liabilities will not be made from compensation payable by NIA.

### **SECTION 3: ENTITLEMENT POLICY**

#### **A. Eligibility Criteria**

22. PAPs will be entitled to compensation based on the status of their occupation of the affected areas. The NIA survey has identified four entitlement categories for the areas falling within the NIS: absentee landowners, owner-operators, lessees and tenants. In addition, PAPs might include squatters and seasonal workers. NIA does not anticipate relocation of PAPs outside their current area of residence. Owners or occupants of the few houses falling within the area to be acquired will be considered SPAFs eligible for resettlement (see para. 26). Should any of the resources being adversely affected be owned or managed as common property, all those with an interest in those resources will be entitled to resettlement. All former owners of land or other property whose holdings had been previously affected by the agrarian reform under RA 6389 and RA 3844, shall have their outstanding claims arising out of the application of such legislation settled in accordance with the provisions of EO 228 and other applicable Philippine laws and regulations, outside of the provisions of this Policy Framework.

#### **B. Resettlement Entitlements**

23. The entitlements for resettlement are laid out in the Entitlement Matrix that reflects existing laws and practice within the Philippines while adhering to the Bank's resettlement principles and objectives. NIA will establish a Property Valuation Committee, with the participation of the IA and the PAPs, for each sub-project where property is to be acquired. The Property Valuation Committee will determine replacement value for the property and assets to be acquired in accordance with the definition provided in para. 4 (j) above.
24. As a general rule, PAFs losing agricultural land will be compensated through "land for land" arrangements of equal productive capacity, satisfactory to them. If such land is not available in the vicinity, compensation in cash, at full replacement value, will be provided to farmers losing less than 20% of their land when their total landholding

exceeds 1 ha, and less than 10% of their land when their total landholding is under 1 ha, and if mutually agreed between the PAFs and NIA's local representative. This threshold was established due to the shortage of agricultural land, the need to avoid reduction of farm size below economically viable units, and the expectation that the irrigation project would yield benefits sufficient at least to restore the PAFs' pre-Project standard of living and income earning capacity. If the land acquired exceeds the threshold, affectees will be considered SPAFs and will be eligible for rehabilitation (see para. 25), in addition to replacement value for the property acquired. In addition, PAFs who are forced to relocate or lose agricultural land will be compensated for the loss of standing crops, fruit trees or other trees at full market value, as provided in the Entitlement Matrix.

25. Rehabilitation measures for SPAFs losing agricultural land will, at a minimum, consist of preferential employment on construction work under the Project, provision of agricultural inputs and/or livestock at P 5,000/ha. but not less than P 2,000 per SPAF, and additional measures as may be appropriate depending on the severity of adverse impact on the SPAFs.
26. PAFs whose houses are affected by the Project will be provided with (a) replacement of residential land of equivalent size (minimum 200 sq. m. in rural areas) as close to the original location as possible, (b) cash compensation reflecting the full replacement value of the structure without depreciation, and (c) Dislocation Allowance equivalent to two months average agricultural income in the sub-project area. If the residential land and/or structure is only partially affected by the Project, NIA may, if it is acceptable to the PAP, acquire the entire structure with full compensation, as stated above, or provide cash compensation for the portion affected as mutually agreed between the PAP and NIA.
27. Lessees/tenants and squatters who have built their own house but do not own the residential land will be assisted in finding an alternate living site, compensated in full for their house structure, provided assistance to rebuild their home, and paid the Dislocation Allowance. Those who do not own the residential premise will be provided with cash compensation at replacement value for any structure they have erected, and a cash grant of six months' rental fee, and will be assisted in finding alternative accommodation. PAFs will also be provided compensation at full replacement cost, without any deduction for depreciation, for any other fixed assets affected in part or in full by the Project.
28. In accordance with RA 6389, tenants and lessees will be paid disturbance compensation for the loss of livelihood due to land acquisition, equivalent to five times the average gross harvest during the preceding five years.
29. In cases where community infrastructure such as schools, factories, water sources, roads, sewage systems, electrical supply, or other community resources such as a woodlot or pasture is lost, this will be replaced at no cost to the community.

### **C. People's Participation**

30. The PAPs will participate throughout the various stages of the resettlement activities and in the land acquisition process. They will be consulted by the competent authorities and will be invited to participate in public meetings held by the respective NIA System office and/or by the IA. These meetings will be an occasion to discuss resettlement issues and will provide a forum for the PAPs to express opinions and offer their suggestions.
31. The PAPs will be publicly informed by the relevant authorities of the details of resettlement activities for the respective sub-projects. The information made public and provided to each household will include cut-off dates for each sub-project, entitlements, eligibility criteria, modes of compensation, complaints and grievance redress procedures.

## **SECTION 4: BASELINE INFORMATION**

### **A. Census and Inventory of Project Affected Families**

32. Each sub-project will provide a census of families and persons adversely affected by it. The census will include a complete inventory of all losses to be incurred by each PAF. This information will include at a minimum: (a) number of persons, main occupation and level of income; (b) number, type, and dimension of the houses; (c) number, quality, and area of all the residential plots; (d) number, category, type, and area of agricultural land held and to be lost by each PAF; (e) tenure status of agricultural land and, amount of rent paid by tenant/lessee, where applicable; (e) quantity, category, and dimension of all rent other fixed assets adversely affected; (g) productive assets lost as a percentage of total productive assets; (h) temporary damage to productive assets; (i) quantity, category, and quality of nonagricultural livelihood adversely affected; (j) quantity, type, and quality of community resources to be acquired.

### **B. Identification of Replacement Land**

33. If the sub-projects involve physical relocation of PAPs, or provision of replacement land, each sub-project will provide data on the location, area, type, and category of the replacement land available for residential and/or agricultural purposes. Care will be taken to ensure that the relocation site or replacement land is in the vicinity of the PAPs previous location to avoid social dislocation and unrealistic division of the PAPs economic livelihood. For all sub-projects where the number of SPAFs exceeds 25, NIA will prepare a Resettlement Action Plan (RAP) that will include maps and all other resettlement as provided in the RAP Outline at Annex 3.

### **C. Socio-Economic Survey**

34. In addition to the census and inventory of affected properties, all sub-projects requiring the preparation of a RAP will also include as part of the RAP, a socio-economic survey of the affected population. This survey will be based on interviews of a 20% sample of

PAFs not requiring relocation, and include 100% of PAFs whose houses are being acquired.

35. The socio-economic survey will provide data on the existing social structure, tenure arrangements and resource use, access to common property resources, social services and infrastructure facilities by different social groups in the project area, and for the host population at the proposed resettlement site (if relevant), clearly identifying all special interest groups, particularly those who are poor and vulnerable (e.g. farmers with landholdings less than 1 ha, tenants, landless laborers, and women-headed households), and describing their special characteristics in relation to the project.

## **SECTION 5: IMPLEMENTATION ARRANGEMENTS**

### **A. Schedule**

36. In each sub-project, resettlement schedules will be coordinated with construction schedules. All resettlement activities arising out of the works to be implemented in a given year will be completed prior to the scheduled start-up date of those works on the respective sub-project, and prior to disbursements out of the proceeds of the Loan for activities related to the respective sub-project.

### **B. Complaints and Grievances**

37. NIA will create a Grievance Redress Committee at the System level to address complaints and grievances pertaining to resettlement and to pre-empt all disagreements being referred to the court. The Committee will involve administrative officers and representatives of the local communities affected by the sub-project. Grievances related to any aspect of a sub-project will be handled through negotiations aimed at achieving consensus.
38. Amicable settlement between the PAP and NIA will be first attempted at the sub-project level. If this first conciliation attempt fails, the case may be brought by either party to the NIA Regional Office. If no resolution is arrived at, the PAPs or NIA may involve elected representatives at the local and/or Provincial level to attempt conciliation. Any fees required for this purpose will be paid by NIA.
39. If the case is not resolved at this level, the case may be submitted by either party to the Regional Trial Court. PAPs who bring their case to the Court will have the right to free legal representation but will otherwise have to follow prevailing laws.

### **C. Supervision and Monitoring**

40. Resettlement activities in all sub-projects will be regularly supervised and monitored by the Project Manager of NIA. Internal monitoring will be carried out quarterly. An agency will periodically carry out external monitoring and evaluation of resettlement of the subprojects. External monitoring will be done by an organization such as an academic or research institution, an NGO, or an independent consulting firm {see

further para 43 (e)}. Funds for external monitoring will be provided under the Project. They will be identified and recruited by NIA during the first year of Project implementation. Reports of the external monitor will be submitted to NIA and to the World Bank.

41. Internal monitoring and supervision will:
  - (a) verify that there are no outstanding or unresolved land acquisition issues on the sub-projects included within the Project, that the census of all PAPs has been carried out, that the RAP and socio-economic survey has been prepared for sub-projects where it is required, and that property valuation and resettlement has been carried out in accordance with the provisions of the Policy Framework;
  - (b) oversee that all resettlement measures are implemented as approved; and
  - (c) verify that funds for implementing resettlement activities are provided in a timely manner, are sufficient for their purposes, and are spent in accordance with the provisions of the Policy Framework.
42. In addition to verifying the reports generated by internal monitoring, the external monitoring agency will carry out the following tasks:
  - (a) evaluate the social and economic impact of resettlement on the PAPs;
  - (b) verify if the objective of enhancement or at least restoration of income levels and standards of living of the PAPs has been met; and
  - (c) suggest modifications in resettlement implementation, where necessary, to achieve the principles and objectives set forth in Section I.E of the Policy Framework.

## **SECTION 6: COSTS AND BUDGETS**

43. Along with the details of program of works and cost estimates for Project activities to be submitted by NIA to the Bank every year for activities to be undertaken in the following year, NIA will submit a detailed cost of resettlement, with a breakdown by agricultural land, residential land, houses, other assets, and livelihood to be affected. The cost estimates will make adequate provision for monitoring and supervision and for contingencies.

## SECTION 7: UNDERTAKINGS BY NIA

44. In order to ensure the unhindered application of the Policy Framework, NIA will:
- (a) resolve any outstanding resettlement issues from prior land acquisition on all subprojects included within the Project in a manner such that all prior disagreements and claims have been settled before soliciting funds from the Bank for rehabilitation of the respective sub-project;
  - (b) carry out resettlement of the PAPs in accordance with the provisions set forth in the Policy Framework in a manner satisfactory to the Bank, provided however, that the resettlement of PAPs under the sub-projects where the number of SPAFs exceeds 25, shall also be carried out in accordance with the additional detailed provisions of the respective RAPs; and for these purposes, in a timely manner, prepare and furnish to the Bank, for its approval, proposed RAPs for carrying out the compensation, resettlement and rehabilitation of the PAPs under each sub-project;
  - (c) promptly take all such actions as are necessary, including the adequate provision of funds, to implement the provisions of the Policy Framework and each RAP as approved by the Bank, in a manner satisfactory to the Bank;
  - (d) take such actions as may be necessary to ensure that NIA has the institutional capacity to implement and undertake regular monitoring of the land acquisition and resettlement process; and
  - (e) by February 1, 1997, under terms of reference satisfactory to the Bank, retain the services of an independent entity, with adequate qualifications, experience and staffing acceptable to the Bank, for carrying out the external monitoring of the land acquisition and resettlement of the PAFs.
45. NIA shall furnish to the Bank evidence satisfactory to the Bank that:
- (a) all resettlement issues from previous land acquisition have been satisfactorily resolved in accordance with the law;
  - (b) the resettlement of, and rehabilitation measures provided to all the PAPs under the Project, regardless of whether or not they are covered by individual RAPs, have been undertaken pursuant to the provisions of the Policy Framework; and
  - (c) that all resettlement activities provided for in the Policy Framework, and RAPs (where needed), have been completed for works to be implemented in a given year under each sub-project before the commencement of such construction works on the respective sub-projects.

# Resettlement Policy Framework<sup>\*</sup>

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<sup>\*</sup>"Policy Guiding the Compensation, Resettlement and Rehabilitation of Project Affected Persons," Vietnam Urban Upgrading Project, April 19, 2003.

## SECTION 1: INTRODUCTION

### A. The Project

The Government of Vietnam has requested the World Bank (IDA) to support a Vietnam Urban Upgrading Project (VUUP) as the first major project in the development of a National Urban Upgrading Program to upgrade low-income communities. The objective of the VUUP is to help alleviate poverty in urban areas by improving the living and environmental conditions of the urban poor using participatory planning methods and influencing planning methods to become more inclusive and pro-poor. The VUUP plans to achieve its objectives by: (i) upgrading basic tertiary infrastructure and other services in low-income settlements through partnerships between communities and local governments; (ii) providing and/or rehabilitating primary and secondary infrastructure networks to connect with the tertiary infrastructure improvements; (iii) providing access to housing for the poor through a combination of microfinance for housing improvements and low-cost social housing and/or serviced plots to the poorest families that unavoidably have to be resettled as a result of upgrading; and (iv) providing technical assistance to improve land administration processes in the four project cities.

The VUUP will cover four cities, Ho Chi Minh City, Haiphong, Nam Dinh and Can Tho. In each city, the investments will be divided into two or three phases, with each phase covering a different set of low-income areas. Phase 1 will be implemented over a 2-3 year period. Phase 1 will be prepared before the project becomes effective, and Phases 2 and 3 will be prepared during project implementation.

The potential adverse impact of the project is as follows:

- Tertiary infrastructure includes alley widening in low-income areas, and is expected mostly to cause marginal land acquisition and partial damage to existing structures. Only a few households are expected to be relocated.
- Primary and secondary infrastructure networks includes upgrading of drainage systems and canals, and is expected to cause major relocation of stilt houses along the canals and drainage systems.
- Low-income housing and resettlement sites is expected to cause major land acquisition for developing sites for poor and relocated households.

### B. Policy Framework

Every effort will be made to minimize inconvenience and disturbance to urban dwellers during the upgrading of the area in which they live or otherwise use. In exceptional circumstances acquisition of additional land, houses and other assets, and the resettlement of people losing the totality of their land and/or houses or a significant part thereof may be unavoidable. However, the number of people and magnitude of adverse effects would only be known once the final design is finalized during the detailed design stage of Project implementation. To adequately address compensation, resettlement and rehabilitation of the people to be affected by the acquisition of land, houses and other assets under the Project, the Government of the Socialist Republic of Vietnam through the Decision No. \_\_\_\_\_ dated \_\_\_\_\_ has approved this Resettlement Policy Framework (the Policy Framework).



The principle objective of the Policy Framework is to ensure that all project affected persons (PAPs) will be compensated for their losses at replacement cost and provided with rehabilitation measures to assist them to improve, or at least maintain, their pre-project living standards and income earning capacity.

The Policy Framework lays down the principles and objectives, eligibility criteria of PAPs, entitlements, legal and institutional framework, modes of compensation and rehabilitation, peoples participation features and grievances procedures that will guide the compensation, resettlement and rehabilitation of the PAPs.

### **C. Project Affected People (PAPs)**

The PAPs include the following persons (households, businesses, and government and private organizations) to be identified by the baseline information collected for each of the Resettlement Action Plans (RAPs), as specified in Section 5 of this Policy Framework:

- persons whose houses are in part or in total affected (temporarily or permanently) by the Project;
- persons whose premise and/or agricultural land is in part or in total affected (permanently or temporarily) by the Project;
- persons whose businesses are affected in part or in total (temporarily or permanently) by the Project; and
- persons whose crops (annual and perennial) and trees are affected in part or in total by the Project.

### **D. Principles and Objectives**

The principles outlined in the World Bank's Operational Directives 4.30 have been adopted in preparing this Policy Framework. In this regard the following principles and objectives apply:

- Acquisition of land and other assets, and resettlement of people will be minimized as much as possible.
- All PAPs are entitled to be provided with rehabilitation measures sufficient to assist them to improve or at least maintain their pre-Project living standards, income earning capacity and production levels. Lack of legal rights to the assets lost will not bar the PAP from entitlement to such rehabilitation measures.
- The rehabilitation measures to be provided are: (i) compensation at replacement cost without deduction for depreciation, transaction fees, or salvage materials for houses and other structures; (ii) agricultural land for land of equal productive capacity or in cash at substitution cost according to PAP's preference; (iii) replacement of premise land of equal size acceptable to the PAP or in cash at the substitution cost; (iv) compensation for income losses from business; (v) and transfer and subsistence allowances.
- Replacement premise and agricultural land will be as nearby as possible to the land that was lost, and acceptable to the PAP.

- The resettlement transition period will be minimized and the rehabilitation means will be provided to the PAPs no later than two months prior to the expected start-up date of works in the respective Project site.
- Plans for acquisition of land and other assets and provision of rehabilitation measures will be carried out in consultation with the PAPs, to ensure minimal disturbance. Entitlements will be provided by PAPs no later than two months prior to expected start-up of works at the respective project site.
- The previous level of community services and resources will be maintained or improved.
- Financial and physical resources for resettlement and rehabilitation will be made available the city/province, as and when required.
- Institutional arrangements will ensure effective and timely design, planning, consultation and implementation of the Inventories and RAPs.
- Effective and timely supervision, monitoring and evaluation of the implementation of the RAPs will be carried out. If non-compliance is found, the city/province will be responsible for any rectification.

#### **E. Resettlement Action Plans (RAPs)**

A Resettlement Action Plans, following this policy framework will be prepared for phase 1 of the project before appraisal. For subsequent phases, this policy framework will guide the preparation of resettlement action plans.

Subproject specific resettlement plans consistent with this policy framework will subsequently be submitted to IDA for approval after specific planning information becomes available.

The subproject-specific resettlement plan under this resettlement policy framework will include baseline census and socioeconomic survey information; specific method of calculating replacement cost (unit prices); actual compensation rates and standards; policy entitlements related to any additional impacts identified through the census or survey; description of resettlement sites and programs for improvement or restoration of livelihoods and standards of living; implementation schedule for resettlement activities; and detailed cost estimate. But may not include the policy principles, entitlements, and eligibility criteria, organizational arrangements, arrangements for monitoring and evaluation, the framework for participation, and mechanisms for grievance redress set forth in the resettlement policy framework.

Each specific RAP will be completed no later than four months prior to the estimated date for commencement of the works. Each RAP will be furnished to IDA for consideration no later than three months prior to the planned initiation of the works under the Project. Compensation, resettlement and rehabilitation activities will only commence after IDA has found acceptable the respective RAP and the competent Vietnamese authorities has approved it. The compensation, resettlement and rehabilitation activities will be completed before awarding contracts of civil works under each sub-project. Some rehabilitation activities could be completed prior to or in the period of the project implementation such as training.

## SECTION 2: INSTITUTIONAL AND LEGAL FRAMEWORK

### A. Institutional Arrangement

The responsibility for preparing and implementing this Policy Framework and RAPs are as follows:

- The overall responsibility for application of the Policy Framework and for planning and implementing RAPs rests with the project PCs, Compensation and Resettlement Committees at different levels and all PMUs. PMUs are responsible for preparing census, inventories and RAPs and for the day-to-day implementation thereof within their respective jurisdiction. The peoples committees at the district, commune, and ward levels will facilitate and ensure the active and effective participation of the PAPs in the preparation and implementation of RAPs. In order to have RAPs acceptable to IDA and to implement the RAP smoothly, the PMUs are responsible for i) hiring qualified consultants to prepare RAPs; ii) appointing qualified social safeguard staff at each PMU.
- Funds for compensation will be from counterpart funds and budgetary requirements for rehabilitation would be either from counter part funds or from IDA.

### B. Legal Framework

This section reviews the legal framework and policies of the Government of Vietnam and IDA policies related to land acquisition, compensation and resettlement. It then compares the two approaches. Since there are differences between the WB's policy and Vietnam's, the Project requires a waiver of the Vietnamese Government articles of decrees, amendments, and regulations concerning compensation and resettlement. Subsequently, VUUP compensation and resettlement plans will be implemented according to the Project policies.

#### 1. The Legal Framework of the Government of Vietnam

The national legal and policy framework governing land acquisition, compensation and resettlement in Vietnam consists of the following:

##### *General:*

- The Constitution of Vietnam, issued in 1992, confirms the right of citizens to own a house and to protect the ownership of the house.
- The Land Law issued on October 15, 1993, revised and adopted by the National Assembly and reissued on October 1, 2001 states:

##### *Article 1:*

Land is common property of the people and is subject to exclusive administration by the State.

The State assigns the land to Government and Non-Government Organizations, households and individuals for long-term stable use with or without land use charge. The State also leases land. Assignee,

lessee or individual that has land use right transferred from a third party, is by this law commonly called Land User.

*Article 3:*

The State will protect the right and legal investments of Land User. A State assigned household or individual Land User has a right to exchange, transfer, lease, inherit, or mortgage for a loan the Land Use Right (LUR)

- The Civil Law (CL) was approved by the National Assembly on October 28, 1995

***Land Use:***

- Decree 22/1998/ND-CP issued by GOV on April 24, 1998 (replacing Decree 90/CP issued on 17 August 1994) regulates compensation for recovered land by GOV for defense, security, national and public interests.
- Circular No.38/2000/NÑ-CP issued by GOV on August 23, 2000 regulates the payment for the Land Use Right.
- Circular No. 145-1998/TT-BTC issued 4 November 1998 by the Ministry of Finance provides guidelines to implement decree 22/CP (24/4/1998), including the method to determine the K factor for compensation.
- Decree No. 04/2000/ND – CP issued by GOV on February 11, 2000, regulates the adjustment of Land Law dated December 11, 1998.

***Management and Use of Urban Land and Housing***

- Decree 60/CP issued by GOV on July 5, 1994 regulates property ownership and Land Use Rights in urban areas.
- Decrees 61/CP issued by GOV on July 15, 1994 regulates dwelling house purchases, sales and business.
- Decree 88/CP issued by GOV on August 17, 1994 regulates the Management and Use of Urban Land.
- Decree 45/CP issued by GOV on August 3, 1996 regulates the Amendment of Article 10 of 60/CP (5/7/1994).

***Land Price:***

- Decree 87/CP issued by GOV August 17, 1994 sets Price Framework for Land in the whole country.
- The prices for urban land have been calculated based on average free market price. The free market price of land varies from Province/City to Province/City, from area to area in one City, and street front to street backside. It sets the minimum and maximum prices for — among others — payment of land use rights and compensation for categories of urban land recovered by the State. It establishes the organizational structure for compensation. The Province/City is

responsible for determining the compensation plan, setting its own land values within the broad national range. Within this set of local values, the Province/City People's Committee also has the right to apply an adjustment coefficient. The local District People's Committee is responsible for confirming the land and structure areas affected and the entitlements to compensation.

- Decision No. 302/TTg was issued on May 13, 1996 by the Prime Minister for adjustment of the value of the K factor of Decree 87/CP dated August 17, 1994, and gives wider range for the K factor value.
- Decree 17/1998/ND – CP was issued on March 21, 1998 by GOV for adjustment of Section 2, Article 4 of Decree 87/CP, dated August 17, 1994. It sets the method for waiving the K factor according to the K value of 87/CP.

***Tax of Land Use Right Transfer:***

- Law on Taxation of Land Use Right Transfer, approved by the National Assembly, on June 22, 1994.
- Law to regulate and amend some articles of the Law on Taxation of Land Use Right on December 21, 1999.
- Decree 114/CP issued by GOV on May 9, 1994 regulates the Implementation of the Law on Taxation of Land Use Right Transfer.

***Tax of Land and Housing:***

- Ordinance on taxation of Land and Housing issued on October 10, 1992 by State Council of Vietnam.
- Ordinance for regulation and Amendment of Ordinance on Tax of Land and Housing (1992) issued by National Assembly on January 1, 1994.
- Decree 94/CP issued by GOV on August 2, 1994 regulates the Implementation of Ordinance for Tax of Land and Housing.
- Official letter No. 2944/TC-TCT dated October 28, 1995 of Ministry of Finance regulates the tax remission of housing program.

***Arbitration of Dispute of Land and Housing:***

- Law on Petition and Accusation approved by National Assembly on December 2, 1998
- Decree No. 67/1999/ND-CP, issued by GOV on August 7, 1999 regulates in detail the Law on Petition and Accusation.

**2. World Bank Policy on Involuntary Resettlement**

The primary objective of the World Bank policy is to explore all alternatives to avoid or at least minimize involuntary resettlement. Where resettlement is unavoidable, the living standards of displaced persons should be restored or improved relative to those conditions that prevailed prior to the Project. The policy applies to the taking of land

and other assets when land acquisition results in the loss of shelter, the loss of all or part of productive assets, or access to them, and the loss of income sources or other means of livelihood.

***Measures Required:***

Measures required to ensure that resettlement has a positive outcome include:

- Consulting with potential Project-affected people on feasible measures for resettlement and rehabilitation;
- Providing Project-affected persons with options for resettlement and rehabilitation;
- Enabling their participation in planning and selecting these options;
- Providing compensation at full replacement cost for losses;
- Choosing relocation sites that provide, at a minimum, the same benefits and services as the sites they replace;
- Providing allowances, training and income support to assist in making a smooth transition;
- Identifying vulnerable groups and providing special assistance to these groups; and,
- Establishing an institutional and organizational structure that supports this process to a successful end.

***Eligibility Criteria and Compensation:***

Lack of legal title does not exclude individuals from the eligibility to receive compensation and/or rehabilitation assistance. The displaced or project-affected people eligible for compensation will include: those who have formal legal rights to land or other assets, and those who initially do not have formal legal rights to land or other assets but have a claim to legal rights based upon the laws of the country; upon the possession of documents such as land tax receipts and residence certificates; or upon the permission of local authorities to occupy or use the project affected plots. The genesis of these rights may come from continued possession of public land where the government has not sought their eviction. The Bank recognizes that individual and households who occupy project-affected areas after an official and publicized cut-off date are not eligible for compensation.

***Valuation of and Compensation for Losses:***

The methodology to be used in the valuation of losses for Bank-associated Projects is based on their replacement cost. In this Project, losses comprise urban land, structures and other assets. Urban land of equal size and use should be valued at its substitution cost, with comparable public infrastructure and local services, plus the cost of any registration and transfer taxes. For houses and other structures, the market cost of the materials should be used to calculate the replacement cost to build a replacement structure with an area and the quality should be at least as good

as those affected. For both totally and partially affected structures, compensation includes market cost of material, plus the costs of material transport, labor and contractor fees, registration and transfer taxes. Depreciation of the asset and amount saved in materials will not form a part of replacement cost.

### **3. Comparison between Government of Vietnam and World Bank Approaches**

There are a number of ways in which the approaches of the Vietnam Government – either in policy or practice – are compatible with World Bank guidelines. The most important compatibilities are:

- Vietnam has a process whereby most people without legal land rights may meet conditions of legalization and receive compensation for losses.
- Permanent residents are provided with options that include relocation to an improved site, cash, or a combination of the two.
- Resettlement sites offer not only better infrastructure and services but represent a higher standard of living.
- Allowances are provided to help the Project Affected People in the transition period and there is an institutional structure through which people are informed, can negotiate compensation, and can appeal.
- Differences between the approaches and measures that need to be addressed within the program also exist. However, in this context, procedures exist within national and City governments that allow the granting of waivers of domestic law on specific projects that may be in conflict with that of the funding agency. The differences are described in item 4, required waivers below, and in Annex 2.
- On the issue of land tenure and the legal right to compensation, the Government and World Bank approaches are compatible. The government has its own process in place whereby land occupied without legal documentation can be legalized; this land, however, is compensated for at a rate equal to 100% of land price minus the taxes and fee for land use right registration from October 15, 1993 (Articles 6, 7, 9, 10 of Decree 38/2000 ND-CP on the payment for the Land Use Right).

### **4. Required Waivers**

In order to meet the requirements of World Bank OD 4.30 on Involuntary Resettlement, a number of articles in various Vietnamese laws and regulations which do not ensure compensation at replacement cost or set eligibility provisions which do not extend the right to compensation and or rehabilitation to households without proper land papers, will be waived. The articles of law and regulations that will be waived are mentioned below:

#### ***Eligibility to Compensation – Decree 22/CP***

Article 7 of Decree 22/CP (*Non eligible persons for compensation of land*) stipulates that “The person whose land is recovered and who has not met one of the

conditions stipulated in Article 6 of this Decree or who has violated the plan already ratified by the competent level, and such violation has been announced, or who violates the corridor protecting work, or who illegally occupies land shall not receive compensation when the state recovers the land. The People's Committee of province or City directly under the Central Government shall consider and make decisions on a case by case basis”.

Article 16 of Decree 22/CP (Principle for compensation of lost property), Point 3, stipulates that “The owner of affected property on recovered land as mentioned in Article 7 of this Decree, based on each individual case, the People's Committee of the province or City directly under the Central Government shall consider and decide the assistance”.

To ensure that the objectives of this resettlement policy are met, a special decision of the Government waiving Article 7 and Article 16 of Decree 22/CP is needed to permit assistance and rehabilitation measures for illegal users of land as proposed in the policy.

### ***Price of Land for Calculation of Compensation***

According to the Vietnamese regulation, calculation for land compensation will be based on Decrees 87/CP, 22/CP, 17/1998/ND-CP and Decision 302/TTg.

Article 4 of Decree 87/CP states that compensation of land must fall within the Government's range of minimum and maximum prices.

Article 8 of Decree 22/CP states that the prices of land for calculation of compensation for damage shall be determined on the basis of local prices of land issued according to the provisions of the Government multiplied by a coefficient 'K' in order to ensure compatibility of the compensation with profitability and the prevailing land prices of the locality. The “K” coefficient of relative rate between the land price counted by the beneficial potential or the *actual land price transfer for the land use rights* and land price stipulated by the Provincial Peoples' Committees and cities under the Central Government.

To ensure that the objectives of the project resettlement policy are met, unit price for land compensation will be established by the Project Provincial/City People's Committees and to be at replacement costs.

### ***Assistance Policy for PAPs who Rent Houses from the Government – Decree 22/CP***

Article 25 of Decree 22/CP states that PAPs who rent government houses and do not want to continue to do so shall be assisted in cash at a rate equal to 60% of the cost of the rented house and 60% of the cost of the land.

To ensure that the objectives of the policy are met, a special decision of the Government of Vietnam regarding waiver of Article 25 of Decree 22/CP is needed to permit assistance and rehabilitation measures for Project Affected Families who share rented government housing as proposed in this policy.

The Prime Minister of Vietnam and Chairperson of project province/city People's Committee in approving the policies and objectives set forth in this Policy



Framework will grant the waivers to the above mentioned Articles 7, 8, 16, 17, 18 & 25 of Decree 22/CP; Article 4 of Decree 87/CP, and any other laws or regulations which contradict the Project Policy. The details of differences between the World Bank policy on involuntary Resettlement and National policy are given in Annex 2.

### **SECTION 3: ENTITLEMENT POLICY**

The basic principle followed in the preparation of this Policy Framework is that the PAPs should be “assisted in their efforts to improve their former living standards, income earning capacity, and production levels, or at least to restore them”. Lack of legal title to the land cannot be an obstacle to compensation and rehabilitation measures. Compensation for lost assets must be made on the basis of replacement cost.

#### **A. General Principles**

- All Project Affected Persons (PAPs) will be compensated and/or rehabilitated disregarding land tenure status.
- Resettlement, rehabilitation and compensation programs should improve, or at minimum maintain the PAPs pre-Project living standards and warrant their participation in Project benefits.
- Resettlement and land acquisition will be minimized as much as possible, by exploring all feasible alternatives.
- Compensation and rehabilitation will be provided as a substitution, or replacement cost paid without depreciation.
- The PAPs will be provided full assistance for transportation and will be given a relocation allowance in addition to the compensation at replacement costs of their houses, lands and other properties.
- Resettlement plans will be implemented in consultation with the PAPs. In the resettlement area, community infrastructure and services will be built and improved, so that the PAPs will have access to these services. Financial and institutional services will be arranged for credit and other activities associated with resettlement.
- Effective and timely design, planning and implementation of resettlement and rehabilitation measures will be carried out to avoid unnecessary delays and the consequent inconveniences to the PAPs. In addition, institutional arrangements will be made for internal and external monitoring of all important resettlement activities.
- Resettlement, compensation and rehabilitation programs will be timed so as to guarantee the availability of new land and residences, prior to Project construction.

- Land clearance will not be started before the PAPs have received compensation, rehabilitation assistance and have had enough time to build their houses. There will be a special group within PMU for supervising the process of resettlement.

## **B. Compensation Modes**

- All PAPs living in the Project area before the cut-off date, which is established as the date that the planned components was publicly announced, are entitled to compensation for their losses and/or to rehabilitation assistance. Lack of legal rights or titles do not make them ineligible for entitlements.
- The PAPs will be compensated based on the criteria of eligibility defined later in this Section.
- The PAPs will be compensated at full replacement and substitution costs, and relocated or resettled in consultation with them. The preliminary compensation rates for replacement and substitution cost will be proposed to the PAPs to give them an opportunity to compare them with the prevailing market rates.
- All fees and taxes on land and/or house transfers will be waived or otherwise fees and taxes would be included in a compensation packet for land and/or house. The Provincial/City authorities will give preferential treatment to PAPs reconstructing their houses on their own, and to obtain the necessary property titles and official certificates. Land will be compensated in cash or land for land according to PAPs' choice.
- PAPs who want "land for land" will be rehabilitated by providing them with land plots or apartments in a new residential area nearby. The resettlement area will be planned and designed properly. All infrastructures will be provided such as paved roads, sidewalks, drainage and water supply, and main lines for electricity and telephone.
- PAPs who want "cash for land" will be compensated at the replacement cost, plus a cost for fees and taxes, to be used for their own purchase of replacement land/housing.
- Compensation in cash for all residential, commercial or other structures will be paid at the replacement cost of these structures, without any depreciation of the structure and without deduction for salvageable materials.
- The PAPs will be provided full assistance for transportation of personal belongings, household inventory and salvaged material, and will be given a relocation allowance in addition to the compensation at replacement costs of their houses, lands and other properties. The rehabilitation transition period will be minimized by providing cash compensation at least 30 days prior to the expected start-up date of Project construction.
- For PAPs relocating in a resettlement site, payment of compensation and relocation activities, including construction of houses at the relocation site, will be completed at least 30 days prior to the start of the civil works. Compensation and rehabilitation

assistance must be completed at least 30 days prior to the taking of the assets for non-relocating PAPs and 60 days for self-relocating PAPs.

- Resettlement plans will be implemented in consultation with the PAPs. In the resettlement area, community infrastructure and services will be built and improved, so that the PAPs will have access to these services. Effective and timely design, planning and implementation of resettlement and rehabilitation measures will be conducted to avoid unnecessary delays and consequent inconveniences to the PAPs.
- Institutional arrangements will be made for internal and external monitoring of all important resettlement activities.
- Financial and institutional services will be arranged for loans and other activities associated with resettlement. The method of loan repayment, installment period and amounts should be acceptable to the PAPs. The installment amounts and the schedule of payments for substitution housing and/or land will be within the repayment capacities of families. The capacity to pay will be established before the PAPs and the financial institutions make formal agreements.

### **C. Eligibility**

The following Project Affected Persons (PAPs) will be eligible to receive compensation and/or rehabilitation: all affected GOV agencies, private households, institutions or firms who are able to demonstrate through Land Use Right Certificates (LURC), Residential Land Property Certificates (RLPC), Official residence papers, land tax receipts, or, in absence of these, by means of a commune housing record or by being listed in the PAPs inventory, that prior to the RAPs cut-off dates, they owned, rented, planted, or used for business or other economic enterprise the following affected items:

- Permanently or temporarily affected land;
- Houses or other structures, crops, trees, or other assets;
- Business and production; and/or,
- Suffered income losses as a result of the Project.

The eligibility of PAPs for entitlement to compensation and rehabilitation assistance is classified as: Legal, Legalizable, Non-legal and Not-entitled. The criteria for eligibility set for each certain status of ownership of Project affected property or item is as described bellow.

#### **1. Land Tenure Status**

People may have legal rights to use land according to three types of permission from the local People's Committee: permanently, temporarily or on a lease basis. In urban areas, some people occupy residential or public land illegally without permission of the local PC. Each of these land use categories are explained below.

*Legal PAPs:* According to Vietnamese legal practice these are holders of Land Use Right Certificates (LURC) issued by the competent City authorities.

*Legalizable PAPs:* These are property owners in possession of:

- official property documents for land dated prior to October 15, 1993 without any dispute;
- having land use rights from the ancestors or old regime but not officially legalized;
- tax receipts for their properties; building permits; local residential papers.

*Non-Legal PAPs:* These are PAPs who have occupied land after October 15, 1993 (Land Law enforced) but have no official property document; no ancestral land uses rights; any tax receipts or local residency papers.

*Non-entitled PAPs:* These are PAPs i) who illegally occupied the public land after the date which competent authorities officially announced for the planned areas; or ii) PAPs who moved into the Project area after the cut-off date.

## **2. Status of Houses and structures**

People have the right to build houses and structures, as the GOV granted the right to have a house and support or assist people in building their house. In rural areas, if people have legal right to use the land, they implicitly have the right to build a house. In urban areas, the right to use land is not sufficient; a building permit must be obtained. Then, the status of the building permit sets the eligibility of houses, structures and other assets.

*Legal owner of house, structure and other assets:* Are those PAPs who built the houses with construction permits from the City authorities, or who have the House Ownership Certificate (HOC).

*Legalizable owners of houses, structures and other assets:* Are those PAPs who have no construction permits or House Ownership Certificates (HOC), but they meet the following conditions: (A) in possession of property before 1993 without any dispute, (B) having land use rights certificate (LURC) or being legalizable for land use right with permanent residential registration.

*Non-Legal owners of houses, structures and other assets:* Are those PAPs who built the houses after 1993 without construction permits or papers from the City authorities, or who do not have House Ownership Certificates (HOC), or LURC

## **3. Business**

Business means any type of activity to make a profit or earn an income. The eligibility of business depends on its status, type and size. Normally, permanent, for profit and

income earning businesses have to be registered with local authorities and have to pay taxes.

*Legal Businesses:* those permanent businesses owned by PAPs who have registered them with the local authorities and regularly pay taxes.

*Legalizable Businesses:* those unregistered, income earning, home-businesses, owned by PAPs who regularly pay or not pay tax.

#### **4. Economic Rehabilitation and Assistance**

The eligibility for entitlement to economic rehabilitation is based on the residential status of the Project Affected Persons (PAPs):

*Legal:* those PAPs who have permanent Residential Registration with the local authority.

*Legalizable:* those PAPs who have no Permanent Residential Registration, but have Temporary Residential Registration with the local authority, or have the conditions to get Permanent Residential Registration.

*Non-Legal:* those PAPs that have no permanent Residential Registration or any paper and conditions for Residential Registration.

#### **D. Cut-off date**

Cut-off date for each RAP under this Policy Framework is the date on which the planned project or planned specific components (affected areas) of the project was publicly announced by relevant local authorities.

All people moving into the project area after the cut-off date are non-eligible PAPs. They will not receive any compensation and will be requested to vacate their premises prior to project implementation. In order to facilitate this, the Project will put at their disposal the necessary transportation means for their relocation.

#### **E. Entitlements**

##### **1. Affected Land**

PAPs, who have legal and legalizable affected land, depending on legal conditions, are entitled to 100% compensation of the land lost at replacement costs.

PAPs having non-legal affected land are entitled to the assistance at 60% value of the land lost at replacement costs by cash.

In addition to cash compensation, the Province/City will find a residential area with similar conditions so that PAPs get land plots to build their houses or get available

apartments. The solution “land for land” or “land for apartment” will be clearly stated in Compensation Reports for Resettlement Plan for each component.

## **2. Affected Houses and Structures**

All legal, legalizable and non-legal PAPs who have fully affected houses and structures are entitled to 100% compensation of the house and structures lost at replacement costs. Cost reduction for depreciation or salvageable materials will not be made.

All PAPs (legal, legalizable and non-legal) owning Project affected businesses and production structures, are entitled to cash compensation or rehabilitation assistance at 100 % of the substitution cost.

All PAPs (legal, legalizable and non-legal) owning affected fruit bearing trees or trees of commercial value, are entitled to 100% compensation or rehabilitation assistance by cash at the market value.

## **3. PAPs Renting Government Houses and Structures**

Relocated legal and legalizable PAPs renting affected houses or structures from the Government are entitled to compensation by the following choices:

- PAPs choosing the relocation option will be entitled to receive a house in rent with equal rented floor area at equal standards of building and facilities and at equal rent rate.
- PAPs choosing the self-relocation option will be entitled to cash assistance equal to 60% of the replacement costs of the rented floor area of the structure plus 60% of the replacement costs of the rented land area. PAPs who are sharing a rented house and structure will be entitled to cash assistance equal to 60% of the replacement costs of the rented floor area plus 60% of the replacement cost of the rented land.

Legal and legalizable improvements made by the PAPs in affected government rented properties will be entitled to compensation at 100% substitution cost by cash.

Besides, the poorest households who can not afford themselves in renting or buying a house by installments as in the above program, can be arranged to live in social apartments and after certain years they can move out for the others to move in and they can be assisted in order to get rid of very poor level. For this small component, the selected households have to pay the cost of maintenance and public security.

## **F. Business Losses/Loss of Jobs**

Legal, legalizable and non-legal PAPs will be entitled to compensation and/or rehabilitation assistance for business losses by cash calculated on the basis of the turnover of the latest years.

Legal, legalizable and non-legal PAPs having Project permanently affected small businesses/ production centers at home without tax declaration, are entitled to an allowance of 1.0 million VND per month for family expenses for six months.

Legal, legalizable and non-legal PAPs losing jobs as a result of resettlement are entitled to assistance in seeking jobs or for training for new professional skills. The allowance for training will be 500,000 VND per month and will be given for six months.

### **1. Affected Utilities**

Legal, legalizable and non-legal PAPs who own Project affected facilities such as power supply and water supply systems, electric and water meters, telephone lines, deep wells, etc, are entitled to compensation in cash at 100% of the substitution cost.

All eligible PAPs who own Project-affected public utilities such as power and water supply networks, telephone cables etc, will be entitled to cash compensation at 100% of substitution cost of public utilities lost or all cost for relocation and rehabilitation of affected public utilities.

### **2. Transition Assistance/Livelihood Allowance**

Relocated legal, legalizable and non-legal PAPs will be entitled to a transition/ transport assistance to relocated sites shall be from VND 1,000,000 to VND 3,000,000 for each household moving its dwelling within the province or city and from VND 3,000,000 to VND 5,000,000 if it moves to another province.

Relocated legal, legalizable and non-legal PAPs will be entitled to a livelihood cash allowance for six months at the rate of allowance in cash for one household member per month equivalent to 30 kg of rice at average price of local market.

### **3. Payment in Installments for PAPs Taking Land or Apartment**

When a cash adjustment is needed and the PAPs have to pay an additional amount (cost of land or apartment minus cost of compensation), the PAPs will be allowed to pay the adjustment amount in installments for 10-20 years. PAPs will have to pay interest at low rate according to the Province/City's stipulation. The first amount payment (down payment) for an apartment would be at least 30% of the total amount payment.

### **4. Bonus**

All PAPs who relocate themselves on time, i.e. moving away from the Project site, will be entitled to a family bonus of VND 5,000,000 at most.

## **F. Entitlement Matrix**

Attachment 1 shows the entitlement matrix for the RAPs. The entitlements in the Table will be applied for PAPs in each components of the Vietnam Urban Upgrading Project.

For Component 1 (upgrading of tertiary infrastructure in low income areas), the following provision for donation of affected land has been incorporated:

Residents of the low-income areas to be upgraded are expected to contribute to the construction cost of the upgrading. In all events, the entitlement to compensation will be calculated and informed to all affected residents (PAPs).

There are PAPs who would be marginally affected on residential land, who may choose to contribute affected land in lieu of a cash contribution for the project construction.

If PAPs choose to do so, a procedure for determining and documenting the voluntary nature of the contribution are as below:

- Step 1: PMU and local authorities clearly inform to all PAP about this project resettlement policy, and the actual entitlement to compensation.
- Step 2: Volunteer PAPs sign in the DMS and entitlement forms for the affected assets that they choose to contribute for the project, and these forms will be filed in PMUs' offices.
- Step 3: 20% of volunteer households of will be checked by independent monitoring agencies at the beginning times of RAPs implementation and reports of independent monitors on this matter will be submitted to IDA for its concurrence.

These procedure shall also be clearly guided in PIM.

#### **SECTION 4: PEOPLE'S PARTICIPATION**

The local authorities and its relevant organizations, PAPs and host communities will participate throughout the various stages of the planning and implementation of RAPs. For these purposes and prior to the preparation of RAPs, the PAPs will be fully informed of the provisions of this Policy Framework at public meetings held by the respective PCs at different levels and PMU.

Each PAP will be fully informed and consulted by the relevant District Peoples' Committee and/or Communes Peoples' Committees of their entitlements and rehabilitation choices under the respective RAP.

#### **SECTION 5: RESETTLEMENT ACTION PLANS (RAPs)**

The baseline information for a RAP will include: a) an Census and Inventory (see below); and b) a detailed socioeconomic survey of all PAPs describing their age, sex, ethnicity, education, occupation, sources of income, and total household income.

The baseline information will include the following information for each PAP household:

- number of persons, names, and main occupation and level of income;



- number, type, and area of the houses lost;
- number and area of all the residential plots lost;
- number, category and area of agricultural land lost;
- quantity and types of crops and trees lost;
- businesses lost including structures, land and other fixed assets;
- productive assets lost as a percentage of total productive assets;
- quantity and category of other fixed assets affected by each sub-Project; and
- temporary damage to productive assets.

The entitlements of assets and land affected are calculated based on the above information.

## **SECTION 6: IMPLEMENTATION ARRANGEMENTS**

### **A. Implementation Schedules**

A detailed implementation schedule of the various activities to be undertaken will be included in each RAP.

Payment of compensation and furnishing of other rehabilitation entitlements (in cash or in-kind), and relocation, if that is the case, will be completed prior awarding contracts for civil works.

### **B. Complaints and Grievances**

Complaints and grievances related to any aspect of RAPs, including the determined area and price of the lost assets, will be handled as follows:

#### **1. First Step**

If any person is aggrieved by any aspect of the resettlement and rehabilitation program, he/she can lodge an oral or written grievance with ward/commune authorities. The People's Committee of the ward/commune will resolve the issue within fifteen days.

#### **2. Second Step**

If any aggrieved person is not satisfied with the decision in stage 1, he/she can bring the complaint to the District People's Committee (DPC) or District Resettlement Committee (DRC) within fifteen days from the date of the receipt of the decision in stage 1. The District People's Committee (DPC) or District Resettlement Committee (DRC) will reach a decision on the complaint within fifteen days.

#### **3. Third Step**

If the PAP is still not satisfied with the decision at district level, he/she can appeal to the Provincial or City People's Committee (PCC) or Provincial or city Resettlement

Committee (PRC) within 15 days of receiving the decision of the DPC or DRC. The Provincial or City People's Committee (PCC) or Provincial or city Resettlement Committee (PRC) will reach a decision on the complaint within fifteen days.

#### **4. Fourth Step**

If the PAP is not satisfied with the decision of the Provincial or city level, the case may be submitted for consideration by the District Court within 15 days of receiving the decision of the PPC or PRC.

PAPs will be exempted from all administrative and legal fees.

### **C. Supervision, Monitoring and Evaluation**

#### **1. Supervision and Internal Monitoring**

Implementation of RAPs will be regularly supervised and monitored by the respective PMU in coordination with the respective District Peoples' Committees and Communes. The findings will be recorded in quarterly reports to be furnished to the PMU, the PPC and IDA.

Internal monitoring and supervision will:

- Verify that the baseline information of all PAPs has been carried out and that the valuation of assets lost or damaged, and the provision of compensation, resettlement and other rehabilitation entitlements has been carried out in accordance with the provisions of this Policy Framework and the respective RAP.
- Oversee that the RAPs are implemented as designed and approved.
- Verify that funds for implementing the RAPs are provided to the respective PMUs at local level (provincial/district) in a timely manner and in amounts sufficient for their purposes, and that such funds are used by the respective PMUs in accordance with the provisions of RAP.
- Record all grievances and their resolution and ensure that complaints are dealt with in a timely manner.

#### **2. External Monitoring and Evaluation**

An independent agency or agencies or individual consultant will be retained by PMU to periodically carry out external monitoring and evaluation of the implementation of RAPs. The independent agencies will be academic or research institutions, non-Governmental Organizations (NGO) or independent consulting firms, all with qualified and experienced staff and terms of reference acceptable to IDA.

In addition to verifying the information furnished in the internal supervision and monitoring reports of the respective PMUs, the external monitoring agency will visit a

sample of 20% of household PAPs in each relevant province/city one time during implementation and six months after each RAP has been implemented to:

- Determine whether the procedures for PAPs participation and delivery of compensation and other rehabilitation entitlements has been done in accordance with this Policy Framework and RAP.
- Assess if the Policy Framework objective of enhancement or at least restoration of living standards and income levels of PAPs have been met.
- Gather qualitative indications of the social and economic impact of Project implementation on the PAPs.
- Suggest modification in the implementation procedures of RAPs, as the case may be, to achieve the principles and objectives of this Policy Framework.

## **SECTION 7: COSTS AND BUDGET**

Each RAP will include detailed cost of compensation and other rehabilitation entitlements and relocation of PAPs, if that be the case, with a breakdown by agricultural land, residential land, business land, houses, businesses and other assets. The cost estimates will make adequate provision for RAP implementation, independent monitoring and contingencies.

Sources of funding for the various RAP activities will be clearly specified in the cost tables. Compensation will be from counterpart funds, rehabilitation would be either from counterpart funds or from IDA, depending on the nature of the cost. IDA cannot finance cash payment to PAPs or the cost of the purchase of land.

## Annex 1. Entitlement Matrix

<i>Type of Entitlement</i>	<i>Definition of Entitled Person</i>	<i>Entitlement</i>
1. Loss of land (residential)	(a) Legal/ legalizable user of Project affected land.	<ul style="list-style-type: none"> <li>• PAPs are entitled to compensation at 100% of replacement cost of lost land at market value. <b>OR</b></li> <li>• PAPs receive a land plot in the resettlement area plus cash adjustment. <b>OR</b></li> <li>• PAPs buy an apartment with cash compensation received and pay the difference in installments for 10-20 years with low interest.</li> </ul>
	(b) Non-legal user without land use right	<ul style="list-style-type: none"> <li>• PAPs are entitled to cash compensation and or rehabilitation assistance for land at 60% of replacement cost of land lost. <b>OR</b></li> <li>• PAPs buy an apartment with cash compensation received and pay the difference in installments for 10-20years with low interest, if needed.</li> </ul>
	(c) User of land under dispute	<ul style="list-style-type: none"> <li>• PAPs are entitled to cash compensation and or rehabilitation assistance for land from 60% to 100% of the replacement cost of the land lost. PAPs may not be eligible for immediate compensation until the dispute is resolved (amount will be deposited in an escrow account).</li> </ul>
2. Loss of houses and structures	(a) Legal/ legalizable and non-legal owner of affected houses and structures	<ul style="list-style-type: none"> <li>• PAPs are entitled to compensation and or rehabilitation assistance at 100% substitution cost of the affected house and structure in materials, cash or a combination of the two. No deduction will be made for depreciation or salvageable materials.</li> </ul>
3. Loss of rented government structures and land	(a) Legal and legalizable renters of Project affected houses and land	<ul style="list-style-type: none"> <li>• PAPs are entitled to the following compensation choices:</li> <li>• PAPs choosing the relocation option are entitled to rent a house with equal rented floor area, the same standard of building and facilities and at an equal rent rate as the house lost.</li> <li>• PAPs choosing the self-relocation option are entitled to cash assistance in an amount equal to 60% of the substitution costs of the rented floor area plus 60% of the replacement costs of the rented land area. Self-relocating PAPs who are sharing a rented house are entitled to cash compensation in an amount equal to 60% of the substitution cost of the rented floor area plus 60% of the replacement cost of the shared rented land.</li> </ul>
	(b) Legal and legalizable renters of affected upgraded house	<ul style="list-style-type: none"> <li>• PAPs are entitled to compensate the cost of upgraded house.</li> </ul>
	(c) Legal and legalizable affected additional structures build in rented house	<ul style="list-style-type: none"> <li>• PAPs are entitled to compensate the cost of the additional structures built in rented house.</li> </ul>

*(cont.)*

<i>Type of Entitlement</i>	<i>Definition of Entitled Person</i>	<i>Entitlement</i>
4. Business' losses	(a) All eligible owners of affected big business	<ul style="list-style-type: none"> <li>PAPs are entitled to cash compensation at 100% of the monthly turnover of business lost for six months based on the average monthly turnover declared for the latest year paid to the tax Department</li> </ul>
	(b) All eligible owners of affected small business	<ul style="list-style-type: none"> <li>PAPs are entitled to cash compensation of 1,000,000 VND per month per family having small business lost for six months.</li> </ul>
	(c) All eligible owners of affected trees and crops	<ul style="list-style-type: none"> <li>PAPs are entitled to cash compensation at 100% of substitution cost of lost fruit bearing trees or lost trees of commercial value and at market price for the crop.</li> </ul>
5. Utilities' losses	(a) All eligible owners of affected privately owned utility lines and meters	<ul style="list-style-type: none"> <li>PAPs are entitled to compensation at 100% of the replacement costs in cash as follows:</li> <li>PAPs are also entitled to assistance to have these lost utilities installed on time at the relocated site.</li> </ul>
	(b) All eligible owners of affected public utilities	<ul style="list-style-type: none"> <li>PAPs are entitled to compensation at 100% of the replacement costs as follows:</li> <li>All cost for relocation and rehabilitation of affected public utilities <b>OR</b></li> <li>Cash compensation at 100% of the substitution cost of public utilities lost.</li> </ul>
6. Transition assistance and Allowance	(a) All eligible relocated PAPs	<ul style="list-style-type: none"> <li>Relocated PAPs are entitled to transition assistance by cash in an amount of 5,000,000 VND/ PAP at most depend on PAP have to relocate in or out of their provinces / cities.</li> </ul>
	(b) All eligible relocated PAPs	<ul style="list-style-type: none"> <li>Relocated PAPs are entitled to a livelihood cash allowance of: 180,000 VND per month for 6 months for each PAP.</li> </ul>
7. Loss of jobs	Legal and legalizable PAPs losing jobs	<ul style="list-style-type: none"> <li>PAPs are entitled to assistance to seek new job, <b>OR</b></li> <li>PAPs are entitled to training for new skills: this provision will be accompanied by a cash subsidy of 500,000 VND per month per PAP for six months.</li> </ul>
8. Bonus	Eligible PAPs moving out of the Project area on time	<ul style="list-style-type: none"> <li>PAPs are entitled to a cash bonus of 5,000,000 VND/ PAF.</li> </ul>
9. Social subsidy	For PAPs having social subsidization from the GOV	<ul style="list-style-type: none"> <li>These PAPs will be assisted 1.000.000/ household</li> </ul>

## Annex 2. The Main Differences Between the OD 4.30 and National Resettlement Policies

<i>Main Points</i>	<i>Project Policies</i>	<i>National Policies (Decree 22/CP)</i>
Objective	<ul style="list-style-type: none"> <li>• Improve, or at least maintain PAPs living standards</li> <li>• Consider needs of most vulnerable groups, especially for ethnic minorities</li> </ul>	<ul style="list-style-type: none"> <li>• Mainly is to compensate for lost land and assets</li> <li>• Not mentioned</li> </ul>
Who are PAPs	<ul style="list-style-type: none"> <li>• Who's land, assets, living standard, income, business, production, incomes are affected</li> </ul>	<ul style="list-style-type: none"> <li>• Who's land and asset, attached to the land are affected</li> </ul>
Eligibility	<ul style="list-style-type: none"> <li>• All PAPs existing in Project areas before cut off date</li> </ul>	<ul style="list-style-type: none"> <li>• PAPs, who use land and assets before Oct.15,1993, except encroachers</li> </ul>
Land compensation	<ul style="list-style-type: none"> <li>• Land for land or in cash at substitution rates</li> <li>• Non-eligible PAP (coming to the project sites after the cut off date) will not be entitled any compensation and /or rehabilitation assistance.</li> </ul>	<ul style="list-style-type: none"> <li>• Compensate for lost land at rates fixed by PPC to ensure compatibility with the profitability and local land use right transfer price</li> <li>• Non-eligible PAP can be considered for assistance on a case by case basis</li> </ul>
Structure compensation	<ul style="list-style-type: none"> <li>• At substitution rates or in kinds, without deduction of depreciation.</li> </ul>	<ul style="list-style-type: none"> <li>• At substitution rates for houses of type 4</li> <li>• At actual damage level for houses of type 3 and above.</li> <li>• Permit to apply depreciation.</li> </ul>
Time of compensation	<ul style="list-style-type: none"> <li>• Before moving</li> </ul>	<ul style="list-style-type: none"> <li>• Not mentioned</li> </ul>
Rehabilitation measures	<ul style="list-style-type: none"> <li>• Additional support required to improve the living standards of PAP, especially the severely affected people and the vulnerable groups.</li> </ul>	<ul style="list-style-type: none"> <li>• Not clearly mentioned</li> </ul>
Consultation	<ul style="list-style-type: none"> <li>• PAPs have to be consulted during RAP preparation and implementation, including host communities</li> </ul>	<ul style="list-style-type: none"> <li>• Not mentioned</li> </ul>
Social structure	<ul style="list-style-type: none"> <li>• Shall be considered in all project planning processes (pre-existing communities, neighborhoods, kinship groups shall be resettled as a group)</li> </ul>	<ul style="list-style-type: none"> <li>• Not mentioned</li> </ul>
Land use right certificate	<ul style="list-style-type: none"> <li>• Have to be granted to all relocated PAPs without delay</li> </ul>	<ul style="list-style-type: none"> <li>• Not mentioned</li> </ul>

## **Appendix 28**

### **Resettlement Process Framework\***

#### **Project Description**

The Sustainable Forest Development Project (SFDP) proposes the development and implementation of innovative management approaches in selected natural forests, nature reserves and forest plantations to relieve pressures on China's remaining natural forest resources, as well as to protect selected important forest ecosystems and associated biodiversity. The SFDP has three components: (a) Natural Forest Management (NFM); (b) Protected Areas Management (PAM); and (c) Plantation Establishment (PE).

#### **PAM Component Description**

The SFDP's PAM Component would support more effective *in situ* protection of threatened and globally important forest ecosystems and habitats, and associated rare and endemic species in selected Nature Reserves (NR) in China. China's NRs face increasing pressure from the human communities inside or in close proximity to them. These local communities, many of which are impoverished, are typically forest-dependent in that they derive substantial portions of their income from the use of non-timber forest products (NTFPs), rely on firewood as a major energy source (annual fuelwood consumption can be as high as 10 tons/household in the Western Sichuan mountains), and use forest areas for other subsistence and economic activities such as farming staple grains, grazing livestock, and medicinal herb production. In some areas these activities increasingly exceed sustainable levels, undermining already meager livelihoods. Moreover, coupled with widespread wildlife hunting and illegal extraction of timber products, excessive levels of forest-resource use adversely affect the biological integrity and sustainability of the NRs.

The significant forest dependence of the local communities presents a three-fold challenge to protecting the China's NRs from overuse and other threats. The first facet of the challenge is how to engage local people in NR management, during the Project and over the long-term. The second is what are appropriate encouragement and incentives for local people to use nature reserve resources sustainably. And, the third is what types of alternatives could be developed to forest-resource-dependent activities which would both support more sustainable livelihoods and maintain the integrity of the nature reserves. The PAM component takes a multi-pronged approach to addressing these challenges through three sub-components and key activities: (a) Nature Reserves Planning and Management including (i) revision of initial management plans, (ii) preparation of ecological baseline maps, (iii) implementation of wildlife damage control demonstration, (iv) strengthen field management, research, and monitoring, and (v) improvement of reserve infrastructure; (b) Community-Based Nature Conservation including (i) preparation and implementation of co-management demonstration activities, (ii) community conservation education/public awareness, (iii) energy conservation demonstrations, and (iv) technical extension and community training on sustainable livelihood activities; (c) Training and Capacity

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\*China Sustainable Forestry Development Project, Project Appraisal Document, Annex 15, "Process Framework for Mitigating Potential Adverse Livelihood Impacts", World Bank, 2002.

Building with emphasis on provincial and nature reserve levels; and (d) Monitoring and Evaluation.

## **Policy Trigger**

This Process Framework will be implemented in accordance with World Bank policy on involuntary resettlement. It covers restrictions of access to legally designated parks and protected areas that result in adverse impacts on livelihoods of the affected persons. Good practice has demonstrated that the objectives of the policy can be better achieved through a participatory process and rehabilitation interventions along the lines outlined in this Process Framework. To determine the appropriate coverage of the Process Framework, a review was undertaken of the PAM component design and the results of the Social Assessment (SA) to confirm if any involuntary restrictions of resource access are anticipated, as well as to evaluate the potential impacts on peoples' livelihoods of any restriction of access likely to be imposed as a result of the PAM component.

In general logging, grazing, hunting, fishing, herbal plant collection, mining, burning of grasses or other vegetation, and farming of crops are all forbidden by law within NRs in China, with some exceptions for limited subsistence uses. China's NRs are typically sub-divided into a core zone, where no use for any purpose other than approved research is allowed, and an experimental zone, where subsistence and income generating uses are allowed on a limited level as long as the uses do not conflict with the operation of the nature reserve. The imposition of China's "logging ban" in 1998, effectively extended the prohibition of logging, collection of forest products and other extractive uses of forest resources to all natural forests.

In order to enhance the management systems of NRs, the PAM component would support, *inter alia*, development and implementation of management plans for selected NRs, which would focus on key management activities to enhance conservation, such as habitat restoration, increased monitoring and working with forest-dependent households and communities to develop and implement regulations and other measures to ensure sustainable utilization of natural resources. The PAM component design would not require involuntary physical displacement or relocation of people. Furthermore, to the extent feasible, the NR management plans would avoid including new restrictions or stricter enforcement of current restrictions of use of NR resources by local communities which would adversely affect their livelihoods, beyond those needed to ensure the sustainability of the NRs.

Nonetheless, new or increased restrictions of access to natural resources in the NRs, such as changes in zoning between experimental and core zone, or introduction of a new, buffer zone with increased restrictions from the experimental zone, may be needed to ensure sustainability of the NRs. In some cases, changes in zoning may adversely impact livelihoods. In other cases, zoning changes may actually increase opportunities for communities, as in the case of some of the NR in Hunan Province, where re-zoning of the core zone may actually open up more collective forests for sustainable use of fuelwood and selective collection of NTFPs. However, increased restriction of access cannot be ruled out until the management plans for the NR are developed during implementation, at which time the nature of any proposed restrictions, as well as the type of measures necessary to mitigate adverse impacts of those restrictions, would be determined in consultation with the project-affected groups.



## Process Framework

This Process Framework outlines the criteria and procedures as described in OP 4.12, which will be followed as part of the Project, in cases where project-induced involuntary restriction of access to NR resources results in adverse livelihood impacts, to ensure that eligible, affected persons are assisted in their efforts to restore or improve their livelihoods in a manner which maintains the environmental sustainability of the nature reserve in question. More specifically, it describes the participatory process by which: (a) specific components of the Project were prepared and will be implemented; (b) the criteria for eligibility of affected persons will be determined; (c) measures to assist the affected persons in their efforts to improve or restore, in real terms, to pre-displacement levels, their livelihoods (e.g., as appropriate, alternative grazing areas, cultivation of unique non-timber forest products such as mushrooms, or of other crops, or investments in community infrastructure) while maintaining the sustainability of the park or protected area will be identified; and (d) potential conflicts involving affected persons will be resolved. It also provides a description of the arrangements for implementing and monitoring the process.

## Process to be Followed During Preparation

A full SA process was conducted during component preparation by provincial teams guided by provincial, national and international experts. A representative sample of rural village households in selected “critical” communities in and adjacent to the 13 nature reserves included under the Project was interviewed. The objective of the SA was to: (a) assess the existing social conditions; (b) determine the potential negative impacts of the component, if any; (c) serve as a vehicle for community consultations on the component; and (d) inform the ongoing component design.

The SA found that the likely overall impact of the proposed PAM component would be positive since participation of local communities in preparation and management of nature reserves would be increased, alternative methods for reducing crop damage from wildlife would be introduced, awareness of potential nature reserve benefits on local economies would be enhanced, and alternative livelihood and energy efficiency activities would be supported. The results of the SA were used to refine the design of the PAM component, enhancing positive impacts and mitigating likely adverse effects. Nonetheless, it is possible that some component activities could inadvertently affect adversely the livelihoods of persons living in or adjacent to the NRs.

Preparation or revision of management plans (MPs) for the NRs would follow a participatory approach, in which the roles of local communities in the management of NRs would be strengthened, and appropriate measures would be identified with local communities to enhance the sustainability of NR resource-based livelihood activities and manage pressures on the NRs. In addition, a community-based nature conservation sub-component would assist the 13 NRs participating in the Project develop their community-based approach to conservation through support to: (a) the establishment of county-level organizational structures, as well as strengthening of village institutions, for the development and implementation of co-management activities in the NRs; (b) decreasing the threats from overuse of forest resources for energy through targeted demonstrations of appropriate, practical, and cost-effective energy conservation

approaches; and (c) providing training and technical assistance for the identification and demonstration of alternative income generating techniques as alternatives to the use of critical forest resources.

### **Process to be Followed During Implementation**

The process to be followed during project implementation would consist of the following seven key steps: (a) conduct participatory rural assessment (PRA) surveys to determine community use of natural resources and critical threats, conflicts and community issues; (b) establish and train leading groups; (c) select co-management demonstration sites; (d) establish Management Forums in communities; (e) prepare Community Resource Management Plans; (f) establish and implement the Community Conservation Fund; and (g) monitor and evaluate implementation.

#### ***Participatory Rural Assessments***

Following-up on the SAs conducted during preparation, additional work on social assessment through Participatory Rural Assessment (PRA) surveys would lead off the implementation of the component. The PRAs would focus on developing a more in-depth understand of: (a) the social and geographic setting of the communities in the component areas, including their economic and social problems; (b) the types and extent of community use of natural resources, and the existing *de jure* and *de facto* rules and institutions for the use and management of natural resources; (c) the communities' threats to and impacts on the NRs; (d) the potential livelihood impacts of new or more strictly enforced restrictions on use of resources in the NRs; (e) communities' suggestions and/or view on possible mitigation measures; and (f) potential conflicts over the use of natural resources, and methods for solving potential conflicts. The results of the PRAs will be an input to the development or revision of the MPs under the nature reserves planning and management sub-component, as well as to the development of the Community Resource Management Plans (CRMPs) under the community based conservation sub-component.

#### ***Leading Groups***

Leading groups for each of the NRs—comprised of officials from local county government, staff from the nature reserves, and representatives of the local communities participating in the co-management activities—will be formed under the component. The leading groups will be charged with overseeing the co-management process, with key tasks and responsibilities including: (a) preparing selection criteria for the co-management demonstration sites; (b) coordinating technical advice, programs and cooperation among various local government departments; (c) reviewing and approving CRMPs and community contracts; and (d) resolving conflicts arising out of the co-management process.

#### ***Determination of criteria for eligibility of affected persons, and identification of measures to assist affected persons***

Selection of the villages to participate in the Community-Based Conservation sub-component would not be made until the first year of project implementation, and would be based on the results of the participatory rural assessments (PRAs) as well as the threats analysis, to identify the sources of the major threats to the nature reserves, conducted as part of the nature reserve management planning process. Participating villages would be identified based on their level of dependency on the forest resources inside the nature reserve, the degree of threat that these uses pose to the NR, and the anticipated severity of adverse impact to livelihoods from imposition of

any proposed use restrictions. The results of the PRA and the threats analysis will be used to ensure that the Project provides benefits to eligible forest-dependent households in the project areas adversely affected by the Project, and to help define project activities that will assist them in improving their livelihoods, both by enhancing and improving the sustainability of the natural resource base and by identifying alternative sources of income (e.g., skills training, small grants, technical extension, etc.).

Based on the results of the PRA surveys and the threats analysis, the leading groups will determine the eligibility of villages as well as confirm the eligibility of households in the eligible villages, and select co-management sites in or around each of the NRs on the basis of severity of impacts. Critical communities (i.e., those which are dependent on the nature reserve, pose a threat to the nature reserve, and would be adversely affected by proposed use restriction), as identified in the management planning process, will get priority for project activities under the Community Resource Management Plans (see below). Other communities, either less impacted or exerting less pressure on nature reserve natural resources, may not be able to participate. A minimum of twenty-six villages (two per NR) will be selected to participate in co-management activities, including alternative livelihood measures. For NRs in which project activities would adversely affect the livelihoods of local people in more than two villages, the other villages would be deemed eligible and would be included, and an increased level of local government counterpart funding would be in place to cover the costs of the additional villages. Another 39 villages will be selected to participate in fuelwood management and/or technical training activities. In addition, 7 villages will be supported in community-based wildlife management demonstrations.

### ***Management Forum***

A Management Forum (MF) for the co-management process would be comprised of representatives of the various stakeholders groups, including the village committee, village groups, special groups, and nature reserve staff. The exact composition of the MF would be determined by the results of the PRA, which would clarify the traditional power structures and their relationship to the official power structures. Where appropriate, the MF would include religious and/or traditional leaders (e.g., monks, ethnic minority leaders). The MFs would lead the preparation of Community Resource Management Plans (CRMPs) as well as manage the Community Conservation Fund (CCF). In addition, the MF would approve community conservation and development project supported by the CCF, enforce rules and regulations of the CRMP, and adjudicate potential conflicts.

### ***Community Resource Management Plans and Community Conservation Funds***

As an incentive for local communities to participate in the development and implementation of the MPs for the NRs, the Project will help the communities to prepare CRMPs, outlining the priority management actions that communities would need to undertake, as well as meeting priority needs of communities. Thus, the CRMPs would provide management programs, or plans and rules agreed to by the community, the nature reserve and local government, that provide for more sustainable use of critical community resources, such as firewood and wild medicinal plants. In ethnic minority communities these plans would be culturally appropriate.

The CRMPs would be developed by the village-level MF, a village stakeholder committee built on the village committee, through participatory mapping exercises and detailed consultations

with stakeholders. All people affected by MPs for the NRs would be given the opportunity to participate in planning and implementation of CRMPs. The MFs would be provided technical assistance to outline their respective natural resources management issues, and to develop a plan for solving the most important conflict or threat facing the nature reserve and the community. Each of the CRMPs would comprise a community-based NR resource use and protection program, proposals for economic activities that reduce the overuse of critical NR resources or provide alternative livelihoods for resources lost, and outline the organizational structure and approach for managing the implementation of the CRMPs. As village capacity to develop and manage projects is generally low, village leaders and other members of the MF would receive project management training under the Project.

Eligible activities in the CRMPs would be financed through the Community Conservation Funds (CCFs), with appropriate counterpart funding from local governments and beneficiaries. Eligible activities for financial assistance include small-scale enterprises, alternative livelihood activities or small-scale conservation and rural development activities, such as installing energy conserving technologies in village households. The CRMPs will also contain negotiated conservation agreements related to the MPs for the NRs, which will outline in detail the conservation activities to be undertaken by the community as part of implementation of the management plan. Funding for the CRMPs will be conditioned on commitment by the community to undertake the agreed conservation measures, as well as on making counterpart contributions and ensuring maintenance of investments, as appropriate.

The SFDP would provide funds for the establishment of CCFs. Villages can use the CCF to finance projects identified within the community that solve problems and/or take advantage of opportunities identified in the CRMPs. The Project would provide technical assistance and training to MFs regarding the management of the CCFs.

### ***Monitoring and Evaluation Arrangements***

Baseline information on socio-economic conditions of the villages and household, in particular the potential livelihood impacts of new or more strictly enforced restrictions on use of resources in the NRs, will be collected through the PRAs conducted at the initial stage of implementation. These data will be used as the basis for determining the eligibility of villages and households for assistance under the process framework, as well as designing measures to assist the affected persons in their efforts to improve or restore their livelihoods to comprise the CRMPs. Follow-up PRAs, conducted at the mid-term review and the close of Project, will update these data for the purpose of monitoring and evaluation of the implementation and impacts of the CRMPs. The specific monitoring indicators will be outlined in the Plan of Action. Possible indicators include: numbers of eligible villages and households; the potential livelihood impacts to these villages and households of new or more strictly enforced restrictions on use of resources in the NRs; livelihood benefits of measures to assist the affected persons; numbers of villages and households participating in CCFs; and funds provided by CCFs to eligible villages and households.

- Plan of Action. The CRMPs for each of the 13 NRs would together serve as the Plan of Action required by the Bank's policy on involuntary resettlement to be developed and submitted to the Bank during project implementation and prior to enforcement of new

restrictions of access to resources in the NR, describing the specific measures to assist persons to be adversely affected by the proposed restrictions.

- Conflict Resolution Mechanism. The risk of conflicts arising between communities or among NRs, villages and households during implementation of this process framework are real and must be addressed. A two-fold mechanism, with both proactive and reactive elements for resolution of conflicts, disputes and grievances that might arise, would be put in place

***Proactive Approach***

Recognizing that many conflicts arise due to difference in understanding and perceptions, a proactive approach would be adopted to avoid conflicts before they start. This approach would promote a common understanding through a four-pronged approach, including: (a) wide-spread disclosure of project background information; (b) clarification of the criteria of eligibility for assistance under the process framework; (c) clarification of the duties and responsibilities of all stakeholders in the process, and in particular the composition and roles of the leading groups and management forums; and (d) community conservation education and public awareness regarding values of the NRs, threats to the NRs, and options for mitigating these threats.

***Reactive Approach***

Conflict that do arise would be dealt with through the appropriate leading groups and MFs. The MFs would adjudicate potential conflicts at the village level. If resolution is not possible at the village level, the MF can seek advice from the county-level Leading Group, who are charged with overseeing the co-management process.

## **Appendix 29 Resettlement Supervision**

### **Resettlement Supervision Guidelines**

This note provides generic TORs for what should be supervised about the resettlement component during upcoming missions and reported back as an attachment to Form 590s. Field visits to departure and receiving sites are a critical part of resettlement supervision, and adequate field time should be allocated to the resettlement component. Taking a resettlement specialist may be most useful for projects that involve significant displacement or particularly complex resettlement components.

The Bank's overall policy objective is to help people displaced by project activities restore or improve their income and productivity capacity. Thus, supervision should focus on whether executing agencies have developed a resettlement action plan able to achieve this goal, and on its implementation status. The main points to be addressed are:

- restoration of pre-displacement income levels;
- organizational capacity for resettlement and follow-up;
- physical progress of relocation work;
- consultation with affected people;
- compensation;
- project-specific issues.

To assist with the supervision work, a few, more detailed items are suggested for supervision for each of the above points, to be used as appropriate.

### **Income Restoration**

Given the Bank's policy objectives of restoring lost incomes, supervision mission should concentrate on the following key items:

- Is there accurate baseline information of what pre-move income levels are?
- Do the proposals amount to an appropriate set of measures to restore incomes?
- Are people's living standards and income levels being adequately monitored by the project authorities; and
- In the mission's judgment, how long will it take for resettlers to recover their living standards, and what measures will sustain them until then?

Where resettlement is land-based, missions should assess the quality of the studies done, the amount and pace of land identification, and how the acceptability of replacement land is evaluated. Proposals for using non-land based income generating schemes either alone or in combination with land should be reviewed for the success of their performance.

## **Baseline Numbers**

Missions should obtain the most up-to-date estimates of the numbers of people to be affected by loss of land, loss of house, or both. Where the basis for the resettlement estimate is not clear, they should ask the borrower to explain how the number was obtained, and the criteria used to determine when people only partially affected by the project are eligible for resettlement.

## **Resettlement Organization**

Missions should (a) identify the position of the resettlement organization or unit within the overall project management structure; (b) assess the adequacy, numbers, and skills of resettlement staff; (c) review the efficiency of mechanisms that coordinate the different agencies involved in resettlement; and (d) assess the usefulness of the role played by NGOs and local organizations and, where appropriate, indicate how it can be improved.

## **Resettlement Budget**

Missions should review and evaluate detailed resettlement budgets. Resettlement budgets should at a minimum be divided into public and private compensation, and redevelopment costs for the resettled families. Missions should assess (a) the adequacy of overall resettlement budget; (b) actual expenditures; (c) per capita budgeted expenditure for resettlement; (d) provisions for adjusting budgets; (e) the availability of resources for field staff; (f) the causes of cost overruns or budgetary shortfalls. You may also wish to consult the technical annexes to World Bank Technical Paper No. 80, “Involuntary Resettlement in Development Projects”, for more detailed financial and economic guidelines; it is available in Spanish, French, and English.

## **Timetables**

The first, critical element to review is whether progress on the resettlement action program is proceeding in tandem with the main investment that is causing the displacement. Supervision should evaluate actual versus planned resettlement performance, and match deviations from the resettlement schedule against the overall project timetable. A second timetable concern refers to the adequacy of preparation of resettlement sites when resettlers are moved there, and supervision should assess both the mechanism to signal that preparation is ready as well as its effectiveness.

## **Monitoring**

Supervision should review the work done by the project's monitoring systems. What is the methodology used to obtain data, who receives it, how is processed through the executing agency, and how could it be improved?

## **Consultation**

Resettlement plans normally include mechanisms for grievance/dispute resolution. Areas of particular concern include asset compensation, integration of resettlers with their host villagers, and timely delivery of promised benefits. Missions should check to see that such mechanisms do in fact exist, and are working.

## **Compensation**

Common compensation issues include (a) whether compensation is at replacement cost; (b) compensation eligibility; (c) the efficiency of its delivery to the affected people; (d) hidden charges against compensation; and (e) compensation for public property and private businesses.

## **Handover Concerns**

Successful resettlement involves transferring all administrative responsibilities to the resettled people and their representatives. How will this be accomplished? Is there an adequate, phased program to devolve responsibilities, including budgetary resources?

## **Proposals**

Progress to date, as well as difficulties and problems with the resettlement component that are identified by the supervision mission, should be discussed with the borrower in order to agree on actions for the next 6-8 months that will bring the resettlement into line with project agreements and policy guidelines.

## **Reporting**

Detailed back-to-office reports should review the above points, and include proposals for what the Bank could do to provide technical or other assistance.



## Supervision Plan for Phase II and III Resettlement\*

### 1. General

#### 1.1 Project Introduction

The Xiaolandgi Multipurpose Dam project is located on the main stem of the Yellow River. The project is designed to control flood and ice, reduce sediment, supply water and generate power, and is of strategic importance in developing Yellow River resources.

As an important component of Xiaolandgi Multipurpose Dam project, the Xiaolandgi Resettlement project includes resettlement in the dam construction area and reservoir area with the involvement of Henan and Shanxi provinces. A total of 294.17 km<sup>2</sup> of land is occupied and inundated by the project. Almost 200,000 people are impacted. In line with the reservoir construction and operation plan, resettlement is performed in 4 phases: (1) resettlement in the construction area, (2) Phase I resettlement in the reservoir area (below el. 180 m), (3) Phase II resettlement in reservoir area (el. 180-265 m), and (4) Phase III resettlement (el. 265-275 m).

In the construction area resettlement, 19 administrative villages of 7 xiang/township in Mengjin County, Jiyuan City and Jili district of Luoyang City in Henan province were involved. A total of 10,600 people were relocated and impacted. Resettlers moved back from the river. Resettlement started in September 1991 and was accepted by the Ministry of Water Resources in April 1994.

In phase I resettlement in the reservoir area, 27 administrative villages, 1 township, 4 institutes above county level and 234 mines and industries in Xin'an, Mengjin county and Jiyuan city in Henan province were involved. Some 46,133 people (of which 42,425 were registered as rural) were relocated. Host sites were located in 7 counties and cities of Mengjin county, Jiyuan city, Xin'an county, Mengzhou city, Wenxian County, Yima city and Yuanyang county in Henan province. The budget approved by SPC was 1.596 billion yuan. Resettlement started in 1995 and was completed in June 1997. In September 1997, SPC and MWR conducted the reservoir clearance acceptance. In January 1998, MWR entrusted by SPC, conducted the phased acceptance of Phase I resettlement.

#### 1.2 Phase II and III Resettlement

In phase II and III resettlement, 155 administrative villages, 11 xiang/township and 556 mines and industries in Henan and Shanxi provinces will be involved. There are 143,555 people (129,914 people are registered as rural) who need to be relocated. Twelve counties and cities in Henan and Shanxi provinces are involved in phase II and III resettlement (see the following table for details). According to the document "Approval of compensation budget of phase II and III reservoir inundation arrangement of Xiaolandgi project by SPC ",

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\*Reservoir Area of Xiaolandgi Project, Resettlement Office of Yellow River Construction Company, 1999.

the cost for phase II and III resettlement is 6.201 billion yuan, of which 2.802 billion is for Henan province and 1.511 billion is for Shanxi province.

### Task of Phase 11 and III resettlement in reservoir area of XLD project

Item	Inundation Population (In Moving Year)					Rural Resettlement			No. of Xiang
	Total	Rural Registration	Township	Mines and Industries	Institute	Household	Population	Residential Sites	
Total.	143,555	129,914	9,069	4,233	339	37,417	129,346	218	11
Henan province	101,307	93,726	5,153	2,220	208	27,218	93,158	151	7
Jiyuan	22,224	20,124	1,318	675	107	5,817	20,124	45	1
Mengjin	7,571	6,734	836			2,066	6,734	14	1
Xin'ai	56,996	53,002	2,449	1,545		4,031	12,571	32	4
Mianchi	13,444	12,793	550		110	3,550	12,793	28	1
Shanxian	1,073	1,073				196	1,073	6	
Yuanyang						955	3,357	3	
Zhongnu						1,000	3,546	3	
Mengzhou						6,686	23,701	12	
Wenxian						2,917	9,254	8	
Shanxi province	42,247	36,188	3,915	2,013	131	10,199	36,188	67	4
Yuanqu	40,492	34,519	3,915	1,927	131	9,761	34,519	57	4
Xiaxian	558	558				133	558	1	
Pinglu	1,197	1,111		86		305	1,111	9	

### 1.3 Resettlement Supervision of Xiaolandgi Project

Resettlement supervision has been proposed and implemented under the construction reform system and the spread of supervision of construction projects in China. In August 1996, the employer (YRWHDCRO) issued document No. 63 (1996) regarding "Announcement of the implementation of supervision system in the reservoir resettlement of Xiaolandgi project". In September 1996, the resettlement office of the YRCC went to the host area and inundated area to conduct the supervision of Phase I resettlement.

Supervision of resettlement is a new test of resettlement management. With the support of the employer and the cooperation of resettlement offices at different levels, YRCCRO created a practical and feasible supervision model with regard to progress control, quality control and cost control in conformity with the principles of "exploring experience to standardize and regulate the supervision system gradually". In addition, YRCCRO has submitted timely supervision reports and other information to the employer and played an important role in improving resettlement quality and management.

### 1.4 Purpose of Supervision Plan Formulation

With the implementation of Phase II and III resettlement and the improvement and spread of the construction supervision system, there are more requirements for resettlement supervision. YRCCRO formulated this plan so as to assure the smooth implementation of resettlement and make supervision work better.

## **2. Supervision Targets**

The general target of the Xiaolandgi resettlement supervision is to arrange livelihoods of resettlers successfully and restore resettlers' living standards to their original level or even better.

### **2.1 Progress Control**

Based on the Xiaolandgi project schedule, resettlement should be performed in line with the progress plan approved by the employer. Phase II resettlement will be finished before the end of 2000 (two key stages are relocation to el. 185 before the flood season in 1998 and relocation to el. 215 before the flood season in 1999). Phase III resettlement should be conducted from 2001 to 2003.

### **2.2 Quality Control**

Based on the principle "ensuring resettlers are satisfied and become better off soon after resettlement", resettlement should be supervised by the means of carrying out phase II and III inundation arrangements and the resettlement plan in the reservoir area and other relevant laws, regulations and quality standards.

### **2.3 Cost Control**

The resettlement management model of Xiaolandgi is "under the control of MWR, the resettlement is managed by the employer and contracted to 2 provinces".

The target of cost control is to make the engineer understand cost disbursement and utilization, ensure cost payment in accordance with cost plan, and utilized properly so as to implement resettlement well.

## **3. Supervision Content**

The general resettlement task is to identify, improve, supervise and evaluate the resettlement implementation according to the contract and the resettlement plan, supervise the resettlement to meet the demand of quality targets and the project construction schedule and use the resettlement budget effectively.

Supervision includes the following aspects:

### **3.1 Progress Control**

- progress of residential sites and house construction in rural resettlement;
- progress of land allocation and implementation of production development measures in rural resettlement;
- construction progress of special items in the host area and the edge of the reservoir;
- progress of xiang/township relocation and construction;
- construction progress of large special items above the county level;

- implementation progress of mines, industries and administrative units inundation arrangements;
- resettlers' relocation progress; and
- reservoir clearance progress.

### **3.2 Cost Control**

- to inspect the cost disbursement and utilization in resettlement agencies at different levels based on the state approving the cost budget;
- to inspect budget disbursement and utilization for special items based on the state approving the budget;
- to inspect production cost utilization in rural resettlement; and
- to check individual compensation payment selectively in certain host sites.

### **3.3 Quality Control**

- to inspect resettlement quality based on the synthetic quality target;
- to inspect the establishment and improvement of the quality guarantee system;
- to inspect project construction quality selectively; and
- to take part in the acceptance and evaluation of resettlement quality.

### **3.4 Information Management**

- resettlement information gathering; and
- resettlement information management and communication.

### **3.5 Contract Management**

- data and contracts gathering in resettlement agencies at different levels; and
- supervision on contract implementation.

### **3.6 Coordination**

- to hear the complaints, publicize the resettlement policy, coordinate the relationship between resettlers and implementation agencies, and pay attention to the interest of vulnerable groups.
- to coordinate the relationship among implementation agencies at different levels;
- to coordinate the relationship between employer and implementation agencies.

## **4. Organizational Structure**

The chief supervision engineer directs the supervision organization. At the lower levels are the supervision office and several supervision teams responsible for resettlement supervision in related counties (cities).

The chief supervision engineer is responsible for the implementation of the supervision contract, the management of resettlement supervision, the coordination inside and outside the supervision organization, and the mission assignment.

The supervision office should be recruited. Contacts with resettlement agencies at provincial and city levels should be enhanced. Data gathering and information and file management should be strengthened. Supervision operations should be standardized and supervision report compiling should be unified.

Due to the previous "supervision tour" method, supervision cannot be done thoroughly and continuously. After the Spring Festival in 1999, several fixed supervision stations recruited with supervision staff will be set up in relevant resettlement counties (cities) with heavy workloads. The following supervision stations will be established:

- Xin'an station, responsible for Xin'an and Mengjin resettlement supervision;
- Jiyuan station, responsible for Jiyuan resettlement supervision;
- Mianchi station, responsible for Mianchi and Shanxian resettlement supervision;
- Mengzhou station, responsible for Mengzhou and Wenxian resettlement supervision;
- Yuanqu station, responsible for Yuanqu, Pinglu and Xiaxian resettlement supervision; and
- A station responsible for Yuanyang, Zhongmu and Kaifeng resettlement supervision. There are 5-6 people in each station, so the total is 40.

The supervision engineer and staff of each station are technical people who have been engaged in project construction, design and management and resettlement management for a long time and have more than 2 years supervision experience and an engineer title with a college education background and a strong sense of responsibility. Some of them are even department directors. In addition, some professional technical people will be recruited.

The supervision organization structure is as follows:

## **5. Supervision Style and Methods**

### **5.1 Supervision Style**

#### **5.1.1 Inspection**

According to the basic materials such as resettlement planning and the annual implementation plan, the project will be inspected item by item regularly. The results will be recorded and forms filled in. The Engineer should point out the progress and quality problems to resettlement agencies at county (city) level and report them to the chief engineer in a timely fashion.

#### **5.1.2 Engineer Visits**

Resettlers or affected people will be visited and interviewed individually to let the engineer understand the status of individual compensation payments, livelihood and production arrangements, and their opinion on resettlement. Some sensitive problems

should be recorded *in situ*. Generally speaking, the engineer should conduct the interview alone and try to settle any problems they encounter by tracing supervision, analyzing and selecting the first-hand materials, and exchanging ideas with relevant departments.

### **5.1.3 Informal Discussion**

Informal discussion takes place before, during, and after inspection in order to understand existing problems, find settlement measures, publicize resettlement policy, coordinate relationships and exchange information. The chief and staff of resettlement agencies at the county and xiang level and village leaders as well as resettlers' representatives will be involved.

### **5.1.4 Regular Meetings**

Regular meetings involving relevant agencies will be held to settle various problems, coordinate relationship and exchange information.

## **5.2 Supervision Methods**

### **5.2.1 Rural Resettlement**

Rural resettlement is the focus of resettlement supervision. The task of supervision in rural resettlement is not only to make progress meeting the demand of the plan and completing relocation tasks, but also to ensure resettlers are being provided with land, houses, water, power facilities, education, and easy access to villages so as to put livelihood rehabilitation measures into effect.

#### ***Housing in Rural Resettlement***

Based on the number of households and population registered on the compensation cards, housing progress of each residential site should be checked and recorded in 4 stages— i.e. completion, roof seal, wall building and foundation treatment—once a month (or more often during peak periods). The engineer should check whether the construction progress meets the approval of resettlement planning, analyze the reasons for delays, and put them forward to implementation agencies. Housing quality inspection includes the housing style and quality support provided for resettlers, whether the house meets the resettlers' needs, and whether resettlers are able to afford the housing cost. After analyzing the problems encountered, the engineer should provide a reliable basis for decision making so as to make sure the compensation payments and house are available. The following data need to be completed:

- statistics of housing status;
- housing plan corresponding to the statistics (name of household head, population, area, combined and separated construction status should be shown);
- a chart to show construction progress; and
- written materials on housing style (self- or collective-construction) and quality inspection and support data issued by related organizations.

### ***Production Development in Rural Resettlement***

Based on the land allocation planning, progress control should be done along with the land allocation process (land acquisition agreement signing, driving piles to delimit the boundary, payment, land acquisition, and land allocation to household). The land quality and quantity should be identified on the spot (or checked by representatives of resettlers, villages, township and county) in line with the specified standards so as to understand the current land status. The engineer should inspect the on-farm irrigation facilities and other production measures. The following data need to be completed:

- statistics of land allocation;
- land location indicated on maps at a scale of 1:10,000 (land area and category and irrigation facilities construction should be shown); and
- column chart to show construction progress and written materials.

### ***Infrastructure (roads, water supply and drainage, power supply and public buildings) Construction***

Based on the planning, the engineer should check, calculate and identify the construction quantity and the improvement of quality guarantee system, whether the project construction beyond the standard scale or not, inspect the quality of single project if necessary. The following data need to be completed:

- statistics of construction progress;
- a chart to show construction progress; and
- written materials reflecting the following problems—for example, construction does not meet the demands of the plan; how to finance the cost of the project beyond the standard (because this cost often occupies other resettlement item costs); quality of project construction should be stated.

### **5.2.2 Construction of Special Items in the Host Area and Rehabilitation on the Edge of the Reservoir**

Based on the state approved planning, the engineer should check whether the construction progress meets the approval of resettlement planning and whether the project construction is beyond the standard scale. The engineer should also inspect the quality of single projects if necessary, calculate and identify the engineering quantity, inspect the improvement of quality guarantee system (whether or not construction organization is standard, or there are any special quality check staff and measures). The following data need to be completed:

- statistics of construction progress;
- a chart to show construction progress; and
- written materials reflecting the following problems—for example, construction does not meet the demand of plan; how to finance the cost of project beyond the standard; quality of project construction should be stated.

### **5.2.3 Xiang/Township Relocation**

Construction of new townships as well as the rehabilitation of township functions should be inspected monthly based on the township planning approved by the state. Construction quantity should be calculated and identified on site. Some forms and chart should be completed to show the progress. Written materials will be also needed.

### **5.2.4 Inundation Arrangement of Mines, Industries, Enterprises and Institutes**

Inspection should be focused on the transfer progress of mines, industries and enterprises. If compensation progress is behind overall resettlement progress, relevant agencies should be informed so as to solve the problem. In addition, resettlement of employees should be reviewed. Some forms should be completed.

### **5.2.5 Resettlement Cost**

In line with the budget approved by SPC, utilization of resettlement funds should be checked regularly by means of reviewing fund disbursement files, contracts, vouchers and accounts. Inspection on individual compensation payments will be made regularly by selecting typical rural households (10-20% of each village) and reviewing the compensation cards. Resettlement cost expenses will be evaluated in line with the detailed budget and completed engineering quantity. The engineer should confirm the amount of resettlement costs and complete the following forms: cost flows among resettlement agencies and individual compensation payments.

### **5.2.6 Relocation**

Along with the relocation process, the engineer should inspect and identify resettlement households, population and livelihood arrangement and complete relocation progress forms.

### **5.2.7. Reservoir Clearance**

According to the regulations and technology standard of reservoir clearance, clearance items and quality should be inspected item by item. Clearance quantity should be identified and calculated. Some related forms should be completed.

## **6. Timing**

Based on the resettlement planning approved by the employer, supervision will be done at the same step as implementation. There are 2 stages in the supervision period, i.e. the relocation stage and the livelihood rehabilitation stage. For phase II resettlement, the relocation stage covers 1998-2000; the rehabilitation stage is 2000-2005. For phase III resettlement, the relocation stage is 2001-2003; the rehabilitation stage is 2003-2005.

## **7. Cost Budget**

Based on the supervision cost approved in the phase II and III resettlement budget and resettlement workload, supervision costs should be expended annually. About 2 million Yuan will be allocated each year (accurate figures are determined in the annual supervision contract).



## **8. Data Needed to be Submitted**

The Supervision office is responsible for data gathering and submitting to the employer:

- A detailed quarterly report on resettlement supervision of the Xiaolandgi project; an annual report on resettlement supervision; and special reports on important problems at any time.
- Any related supervision information based on the requirements of the employer and actual work
- The summary of supervision after project completion.

## Appendix 30

### Internal and Independent Monitoring Programs

<i>Monitoring Requirements</i>	<i>YBFCP Response</i>	
	<i>Internal Monitoring</i>	<i>Role of the IMEO</i>
<b>Community Reestablishment</b>		
Disbursement of compensation to villagers (for assets, structures, etc.)	<ul style="list-style-type: none"> <li>CoRO (County Resettlement Offices) reports on progress of disbursement against schedule and budget</li> </ul>	<ul style="list-style-type: none"> <li>IMEO (Independent Monitoring and Evaluation Office) to evaluate CRO progress reports, cross-check disbursement progress with affected people through public meetings and interviews in affected villages</li> </ul>
Progress and quality of housing	<ul style="list-style-type: none"> <li>SR and Village Leaders supervise house reconstruction, compliance with agreed standards, including sanitation standards. CoRO to identify very poor and single parent/single elderly households</li> </ul>	<ul style="list-style-type: none"> <li>IMEO to evaluate the sufficiency of resettlement budget for replacement costs, cross-check with affected people through public meetings and interviews</li> </ul>
Progress and quality of infrastructure	<ul style="list-style-type: none"> <li>SR to provide progress and quality control, reporting to the CoRO and PRO</li> </ul>	<ul style="list-style-type: none"> <li>IMEO to evaluate initial plans and then CRO and RS records of progress relevant to relocation timing</li> </ul>
Resettlement site preparation	<ul style="list-style-type: none"> <li>SR to supervise resettler and host village preparations, CoRO to contract for required major infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>IMEO to review progress of preparations including infrastructure and land preparations</li> </ul>
<b>Production Reestablishment</b>		
Protection of pre-project living standards (particularly vulnerable groups)	<ul style="list-style-type: none"> <li>Village Leaders consult with affected households, grievance resolution</li> </ul>	<ul style="list-style-type: none"> <li>IMEO to evaluate employment/housing of vulnerable households during regular resettlement village visits (direct interview)</li> </ul>
Maintenance of affected enterprises not relocated		<ul style="list-style-type: none"> <li>IMEO surveys to include affected enterprises (evaluate employees and production). Random site checks of affected villages during consultation</li> </ul>
Resettler employment and education	<ul style="list-style-type: none"> <li>Village Leaders will monitor the success of villagers in maintaining employment, and maintaining access to education. CRO to monitor employment of villagers trained in non-agricultural skills</li> </ul>	<ul style="list-style-type: none"> <li>IMEO to review records of CRO in regard to post training employment, and CRO summary of village production reestablishment activities</li> </ul>
Adequacy of transitional Support	<ul style="list-style-type: none"> <li>Village Leaders to monitor income restoration</li> </ul>	<ul style="list-style-type: none"> <li>IMEO review evaluation through village visits and CoRO reports</li> </ul>
<b>Public Awareness and Participation</b>		
Progress, adequacy and application of village land compensation	<ul style="list-style-type: none"> <li>CoRO monitors village progress, and adequacy of funds for host/resettlement development</li> </ul>	<ul style="list-style-type: none"> <li>IMEO to review recorded disbursements in relation to timing adequacy for production reestablishment, and compliance with agreed application of funds</li> </ul>
Villager awareness of project and impacts incl. resettlement	<ul style="list-style-type: none"> <li>PRO (Project Resettlement Offices) reviews progress of planning in undertaking surveys and inventories, where project awareness is initiated</li> </ul>	<ul style="list-style-type: none"> <li>IMEO to undertake regular village meetings, pre- and post project to ensure villager awareness and participation in resettlement planning</li> <li>IMEO to review progress in signing of land share agreements between resettler and host villagers</li> </ul>

*(cont.)*

- (2) Assessment of land acquisition, relocation and resettlement work and raising or restoring the living standards of affected villagers (residents);
- (3) Successful management experience to raise or restore the living standards of affected villagers (residents); and
- (4) Problems during the implementation of land acquisition, relocation and resettlement of the Project and suggestions for improvement.

### **3.0 Content of Monitoring and Assessment for Land Acquisition, Relocation and Resettlement**

#### **3.1 Survey of Baseline Living Standards**

Before implementation of resettlement of affected persons, the monitoring and assessment work team (hereafter referred to as Work Team) will make a random sample survey of the baseline living standards of the affected persons according to the statistic survey information of different persons and structures before land acquisition and relocation. This survey will establish a baseline that will be compared with the survey results after land acquisition, relocation and resettlement for a year.

During work on the baseline survey, the Work Department of Hunan Xiangjiang Shipping Construction Development Co. Ltd. and the local affected persons resettlement departments of all the cities involved in the Project will assist the Work Team in the work and provide convenient working conditions for the monitors.

A random sample survey of different social strata will be done, different resettlement options of non-agricultural, agricultural and self-arranged settings shall be applied in consideration of education degrees, distribution of children below 16, etc. About 15-30% of the migrants shall be randomly sampled from each stratum, and a pinpoint follow-up survey shall be made on the randomly sampled migrants.

Comparison samples of the same quantity of randomly sampled non-affected persons from the same region shall be surveyed at the same time with the randomly sampled migrants.

#### **3.2 Public Negotiation**

The Work Team shall participate in the public negotiation meetings of village and town grades. When the Work Team accepts the assignment it shall dispatch two to three monitoring persons to participate in at least two public negotiation meetings for each project at each assessment time interval. Through participating in the above-mentioned meetings, it will assess the participation of the affected persons and the cooperation of the affected persons in land acquisition, relocation and resettlement action plan.

During and after the implementation of the land acquisition, relocation and resettlement action plan, these activities shall continuously be carried out.

<i>Monitoring Requirements</i>	<i>YBFCP Response</i>	
	<i>Internal Monitoring</i>	<i>Role of the IMEO</i>
Incorporation of measures for supporting vulnerable groups	<ul style="list-style-type: none"> <li>• CoROs via the Village Leaders to identify requirements</li> </ul>	<ul style="list-style-type: none"> <li>• IMEO to evaluate plans (particularly training and transitional support)</li> </ul>
<b>Grievance Resolution</b>		
Villager awareness of grievance resolution channels		<ul style="list-style-type: none"> <li>• Villager awareness included in questionnaires and surveys distributed by the IMEO and planning institutes</li> </ul>
Recorded grievances	<ul style="list-style-type: none"> <li>• Grievance records maintained by village ROs (Resettlement Offices) and PROs</li> </ul>	<ul style="list-style-type: none"> <li>• IMEO to assess the record of grievances to assess the utility of the system in actually channeling and solving issues</li> </ul>
Promptness of grievance resolution	<ul style="list-style-type: none"> <li>• Village Leaders to report timing of grievance initiation, response taken, time and method and nature of resolution</li> </ul>	<ul style="list-style-type: none"> <li>• IMEO to evaluate response times and adequacy of resolution based on PRO records and field interviews with villagers and village leaders</li> </ul>
<b>Institutional Aspects of Resettlement</b>		
Efficiency and timeliness of conducted duties	<ul style="list-style-type: none"> <li>• PROs, based on CRO reports, to identify any shortfalls</li> </ul>	<ul style="list-style-type: none"> <li>• IMEO to evaluate and make recommendations where required for improved efficiency</li> </ul>
Adequacy of personnel for duties	<ul style="list-style-type: none"> <li>• CoROs to report evaluation of staffing conditions to PRO in regular reporting</li> </ul>	<ul style="list-style-type: none"> <li>• IMEO to make evaluation and recommendations related to staffing to the PRO</li> </ul>
Effectiveness of organizational structure and processed for implementation		<ul style="list-style-type: none"> <li>• IMEO to review and make recommendations to the PROs</li> </ul>

*Source:* China Yangtze Basin Flood Control Project, *Draft Final Resettlement Action Plan*, Chapter 9, pp. 18-19.

## **Monitoring and Assessment Work Outlines for Land Acquisition, Relocation and Resettlement\***

### **1.0 Preface**

- 1.1 The Key Zhuzhou Shipping and Hydropower Project and Hengshan Port Project under the Xiangjiang River Shipping Development Project belong to the third lot of Chinese inland river projects assisted by the World Bank loan, including Key Zhuzhou Shipping and Hydropower Project, Hengshan 1000 ton Grade Jetty and the 1000 ton Grade Channel Regulation Project from Zhuzhou to Xiangtan etc. The total investment is 1.799 billion RMB yuan including the World Bank loan of 100 million USD (830 million RMB yuan) and the remaining 969.44 million RMB yuan to be appropriated by the Central Government and to be raised by the Hunan Provincial Government.

The Key Zhuzhou Shipping and Hydropower Project is situated at the Kongzhou Shoal, six km upstream of Zhuzhou county town, and Lukou Town, in the middle section of the downstream section of the Xiangjiang River, Hunan province. The dam site is 158 km upstream from Hengyang city, 96 km upstream from the Dayuandu Shipping and Hydropower Pivot, and 24 km downstream from Zhuzhou city. Key Zhuzhou Shipping and Hydropower Project, composed of a barrage, navigable ship lock, power house and crest traffic bridge, etc., is a comprehensive project involving mainly shipping, power generation, irrigation, water supply, aquaculture, and tourism, etc. The control valley area upstream of the dam site is 65,200 km<sup>2</sup>, the annual average flow is 1,680m<sup>3</sup>/s, when the normal pond level of the reservoir is 40.5 m, the backwater length of the Xiangjiang River main course is 96 km, the total reservoir area is 58.9 km<sup>2</sup>, the total reservoir capacity is 470 million m<sup>3</sup>. The powerhouse is equipped with five power-generating sets with total installed capacity of 140 MW and annual power generation of 640 million kWh. The Project is planned to commence in 2001 and the construction period is five years.

The corollary Hengshan 1000-ton Grade Jetty is located at the Jinfeng Village, Chengguan Town and Hengshan County. Construction is planned to commence in 2003 and to be completed at the same time as the Key Zhuzhou Shipping and Hydropower Project.

- 1.2 The Resettlement Action Plan of Key Zhuzhou Shipping and Hydropower Project under the Xiangjiang River Shipping Development Project was prepared on the basis of the design documents during the feasibility study stage of the Project and approved by the World Bank. The preliminarily design is as follows:

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\*Key Zhuzhou Shipping and Hydropower Project and Hengshan Port Project under the Xiangjiang River Shipping Development. Preparation unit: Immigrant Resettlement Consultation & Assessment Center, The 2nd Harbour Engineering Investigation & Design Institute of the Ministry of Communications—president (vice): Peng Liangxing; chief engineer: Hu Xiaorong; director of the Center: Luo Xianqin. Reviewed by: Fang Jianzhang; project manager: Yu Jinbiao. Prepared by: Yu Jinbiao, You Lixin, Wang Ming. September 2001.

(1) Reservoir Area

When the normal pond level is 40.5 m, the reservoir will inundate 538 villager teams, 90 villages of 14 townships of 5 counties and cities of the Zhuzhou County, the Liling City, the Hengdong County, the Hengshan County and the Xiangtan County. The main inundation impact factors are as follows: 1165 persons affected by the inundation, 68,737 m<sup>2</sup> of total building area, 20,124 mu of total farmland area, 99.9 mu of forests, 886 mu of fishponds, 2.4 km of Grade IV roads, 223 water drainage culverts and flash-locks, 246 pumping stations, 17.15 km of 10kV transmission line and 6.2 km of telecommunication lines.

Over 95% of the farmland to be inundated within the reservoir area is located in Zhuzhou County, and farmland with an elevation over 38.5 m amounts to 83% of the total farmland to be inundated. The farmland to be inundated is concentrated into blocks and the inundation depth is not large; the overwhelming majority of farmland can be protected if proper measures are taken. Over 99.5% of the houses to be inundated are located at the Zhuzhou County, among which 62% are of brick and concrete structure. Most of the houses will have only their ground floors inundated, which can be protected in-situ after remedial measures are taken.

(2) Dam Area

The dam area requires 385 persons to relocate. More than 21,000 m<sup>2</sup> of housing, and 727.5 mu of farmland including 577.2 mu of paddy fields, will be acquired for the dam area.

(3) Hengshan Jetty

The total land occupation area is 26 mu; 13 households and 58 persons will be relocated; and 4,121 mu of housing plots, 19 mu of garden plots, and 2 mu of fishponds will be requisitioned.

It is calculated according to the price level of 1999 that the total reservoir inundation treatment and migration compensation investment is 3.044 billion RMB yuan, including:

- a) Reservoir area: the static investment for reservoir inundation treatment and migration compensation for the scheme of normal pond level of 40.5m is 271.66 million RMB yuan.
- b) Dam area: the static investment for land acquisition and migration compensation of the dam area is 30.685 million RMB yuan (including 10 million RMB yuan for Kongzhou Island).
- c) Hengshan Jetty: the static investment for land acquisition and migration compensation of the Hengshan Jetty is 2.069 million RMB yuan.

- 1.3 Hunan Xiangjiang Shipping Construction Development Co. Ltd. agrees to entrust the Immigrant Resettlement Consultation & Assessment Center of the 2nd Harbour Engineering Investigation & Design Institute of the Ministry of Communications as domestic independent monitoring and assessment unit to undertake the monitoring and assessment of the land acquisition, relocation and resettlement of the Project.
- 1.4 The main preparation basis of present Outlines are the State's and Hunan's policies and laws concerning migration and resettlement, Involuntary Resettlement Guidelines of the World Bank (OD 4.30), Project Monitoring and Assessment Guide Rules of the World Bank (OD 10.70) and the Immigrant Resettlement Action Plan of Key Zhuzhou Shipping and Hydropower Project under the Xiangjiang River Shipping Development approved by the World Bank.

After the present Outlines are confirmed by the World Bank and the Owner, the Immigrant Resettlement Consultation & Assessment Center of the 2nd Harbour Engineering Investigation & Design Institute of the Ministry of Communications will organize an independent work team to work on site and to complete all the targets defined in the Outlines according to the implementation progress of the Project in stages.

## **2.0 Purposes of Monitoring and Assessment for Land Acquisition, Relocation and Resettlement**

- 2.1 The purposes of monitoring and assessment for land acquisition, relocation and resettlement of the Project are to help the Owner or Contractor realize the goal specified in the Involuntary Resettlement Guidelines of the World Bank (OD 4.30): “raise or at least restore the income and living standards of persons affected by the Project” so as to make the relocation action involved in the construction of the Project consistent with the six policies of the World Bank through independent monitoring and assessment activity.
- 2.2 Monitoring and assessment is an indispensable integral part of good management of Key Zhuzhou Shipping and Hydropower Project and Hengshan Port Project under the Xiangjiang River Shipping Development. The monitoring activity can provide continual feedback information for the implementation of the Land Acquisition, Relocation and Resettlement Action Plan of the Project. The investigated socio-economic and population data provided by the resettlement implementation organ can be applied as the basis of assessment.
- 2.3 For the realization of the above-mentioned goals, the independent monitoring and assessment will provide information for the following four aspects for evaluating realization of the goals of the World Bank, the Hunan Provincial Communication Bureau, Hunan Xiangjiang Shipping Construction Development Co. Ltd., and the local governments:
  - (1) Report of the Relocation and Resettlement Plan Implementation Progress of the Project;

### 3.3 Complaint issue

The Work Team shall often visit some places and interview and answer the inquiries of the land acquisition, relocation and resettlement office with complaints and interview the affected persons. The effects of complaints settlement shall be continuously monitored. If necessary, put forward suggestions on necessary changes of the complaint settlement process so as to make the process more effective.

### 3.4 Monitoring and assessment

According to the requirement of the Work Outlines, the Work Team shall monitor the following activities through observation and interviews with affected persons and make independent assessments during the work period.

- Payment and level of compensation
- Land reallocation
- Application of land compensation
- Suitable resettlement place arranged for affected persons
- Construction of new houses
- Training
- Resettlement situation of surplus laborers
- Relocation of infrastructure
- Firm relocation, compensation, and resumption of production
- Compensation of property loss
- Compensation of lost property moving cost
- Timetable of the above mentioned items
- Organization of affected persons

### 3.5 Frequency and reporting of independent monitoring

Independent monitoring and assessment work team shall carry out centralized monitoring activities at least two times each year for the implementation of the land acquisition, relocation and resettlement action plan of the Project.

Routine surveys shall be carried out twice a year and a monitoring and assessment report shall be prepared and submitted to Hunan Xiangjiang Shipping Construction Development Co. Ltd. and the World Bank.

The monitoring and assessment report to be submitted by the independent monitoring and assessment work team shall cover the following five parts: (1) Table of Contents; (2) Preface; (3) Overview; (4) Main Content; and (5) Appendixes; i.e. the documents of words, data and drawings and tables etc. related to the monitoring content.



The main content of the aforesaid Report includes the general progress situation and schedule of the Project, the implementation progress of resettlement of affected persons, payment and application progress of resettlement capital for affected persons, investigation information and analysis and summary achievements; existing problems, conclusions, actions and suggestions etc.

#### **4.0 Scope and Methods of Monitoring and Assessment for Land Acquisition, Relocation And Resettlement**

##### **4.1 Adjustment of the Land Acquisition, Relocation and Resettlement Plan**

According to the red line boundaries decided in the detailed engineering design and confirmed by the World Bank, it is to modify and adjust the land acquisition, relocation and resettlement plan and to check whether the required land acquisition, relocation and resettlement work of all the projects are included in the Land Acquisition, Relocation and Resettlement Action Plan. If new items of land acquisition, relocation and resettlement are needed to supplement in the Land Acquisition, Relocation and Resettlement Action Plan, a proposal shall be submitted to the Hunan Xiangjiang Shipping Construction Development Co. Ltd., in which the quantities of land acquisition, relocation and resettlement to be increased or reduced shall be listed and the Land Acquisition, Relocation and Resettlement Action Plan shall be modified.

##### **4.2 Monitoring and assessment of permanent removal process**

It is to collect the information of compensation and houses given to the immigrants involved in the projects and the ideas of the affected persons and to assess whether this compensation and new houses can meet the requirements of relocated residents.

The following information shall be coiled from affected persons:

- Date of compensation agreements signed
- Type and quantity of compensation
- Area and quality of original house
- Date of obtaining compensation fee
- Date of providing new house plot
- Address of new house plot
- Completion date of new house
- Cost of new house
- Area and quality of new house
- Date of removal from the old house
- Date of moving into new house

The above-mentioned information will be obtained through interviewing the concerned villagers (residents) and reviewing relocation reports, interviewing the construction contractor, etc. During the discussion with the relocated villagers (residents), it is to be understood whether the relocated villagers (residents) are satisfied with the compensation and new houses and to judge whether the housing needs of relocated households are reasonably solved according to the information.

All the above-mentioned information shall be put into tables (table formats are shown in Table 4.2-1 and Table 4.2-2), as an integral part of the assessment report together with the relocated households' assessment on new houses.

### 4.3 Monitoring and assessment of temporary removal process

It is to collect and review the information of suitable economic compensation and temporary houses given to the villagers (residents) to be temporarily relocated due to the constriction of the projects and to assess the information.

The following information shall be collected through interviewing relocated households, looking up the archives of concerned departments and holding symposiums, and inquiring the house construction contractor or supplying units:

- Date of compensation agreements signed
- Type and quantity of compensation
- Date of compensation obtained
- Date of moving into temporary residence
- Address of temporary residence
- Area and quality of temporary residence
- Date of moving into the original house
- If necessary, the cost of rebuilding the original house; and
- the change of floor area between the rebuilt and original houses, etc.

### 4.4 Supervision and assessment of the execution of the resettlers' re-employment plan

It is to assess the suitability and availability of the resettlers' re-employment with project construction headquarters respectively, especially the compensation to the villagers' (residents') unemployment shall be considered due to the relocation. With the help of local personnel, we will interview the representatives of involved sides and list the villagers (residents) losing their jobs due to the land acquisition, the monitors will randomly interview 25% of the villagers to get the following information:

- Stoppage time of original job;
- Commencement time of new job;

- Personal property loss due to relocation;
- Individual compensation that can be obtained due to relocation;
- Annual income and welfare of the original work unit;
- Annual income and welfare of the new work unit; and
- Impacts on work conditions due to relocation

Besides interviewing the villagers (residents), we shall investigate the units of the villagers (residents) or employees and decide the duty, income and welfare of their new posts, and interview the leaders of the involved collectives and enterprises to decide the depletion of numbers due to relocation and the losses suffered due to stoppage and the compensation to be obtained.

A table shall be prepared to list the number of villagers or employees transferred to new posts and all the impacts on the villagers who are still pursuing agricultural production (including farming and fishing) due to relocation shall be assessed.

As per the above-mentioned information, we will assess whether the immigrants' re-employment plan is successful or not from the viewpoint of availability, practicability and the minimum range of influencing labor procession together with Hunan Xiangjiang Shipping Construction Development Co. Ltd. and the project construction headquarters.

The assessment and summarization of the relocation plan will be included in the whole assessment report as a chapter, the information obtained at this stage will be listed in the final report in the form of tables. The table formats to be applied are shown in Table 4.4-1 and Table 4.4-2.

#### 4.5 Assessment of the community compensation plan

The Work Team will interview the members of the villagers (residents) committee together with local experts to understand the impacts on the whole community due to the relocation, and will decide the compensation fees the collectives shall obtain and the uses of these compensation fees according to the information collected from the governmental organs and collectives, and will assess the reasonability of the community compensation.

All the information obtained and assessment on compensation to the community shall be summarized in one chapter of the assessment report.

#### 4.6 Completion of the monitoring and assessment work report of the projects

In accordance with the implementation progress of the Project in stages, the monitoring and assessment work report on the implementation situation of all the land acquisition and resettlement to be submitted shall include: the completed work content, resettlement budget and completion situation of the project, completion situation of the land acquisition, relocation and resettlement action plan, existing problems and suggestions for improvement.

The monitoring and assessment work shall be done after all the detailed engineering design drawings of the Project are completed. The assessment work report of the first round shall be submitted to Hunan Xiangjiang Shipping Construction Development Co. Ltd. and the World Bank within three months after the assessment work begins. The assessment reports of the second round and later shall be prepared twice a year (it may be correspondingly adjusted according to the change of the project progress) and submitted to Hunan Xiangjiang Shipping Construction Development Co. Ltd. and the World Bank in mid-July of the year and early January of the next year respectively.

The assessment work report of the first round will assess mainly the of baseline living standards of affected persons, the resettlement organization and the preliminary resettlement scheme to be implemented.

The reports will later assess the adjustment situation of land acquisition, relocation and resettlement plan, signatures of land acquisition, relocation and resettlement contracts, payment of compensation, labor resettlement, community compensation and resumption of living standards of the affected persons according to the progress of land acquisition, relocation and resettlement work.

The final report to be submitted shall be an overall report on the implementation of the land acquisition, relocation and resettlement action plan of the whole project.

### **5.0 MONITORING AND ASSESSMENT TIMETABLE**

According to the preliminary plan for the operation of the Project, the defined monitoring and assessment timetable is as shown in the following table:

Appendix 30

Scope	Content	2001		2002		2003		2004		2005		2006		2007	
		1H	2H	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H
Dam Area	1		◆												
	2			◆	◆	◆									
	3						◆	◆	◆		◆		◆		
	4														◆
Reservoir Area	1		◆												
	2			◆	◆	◆									
	3						◆	◆	◆		◆		◆		
	4														◆
Hengshan Jetty	1		◆												
	2					◆	◆	◆							
	3								◆		◆		◆		
	4														◆

Notes: ◆ A Frequency of Assessment Report submission for routine monitoring.

- 1 Monitor and assess baseline living standards, organization setting, preliminary scheme, etc.
- 2 Monitor and assess the adjustment of the resettlement plan, signature of land acquisition, relocation and resettlement contracts, payment of compensation, labor resettlement, etc.
- 3 Monitor and assess the community compensation and living standards of the affected persons, etc.
- 4 Monitoring and assessment summarization.

**Itemized Schedule of Land Acquisition, Relocation and Resettlement**

Project name				Location			
Survey category	Survey object	Survey time	Day/month/year	Surveyor			
<b>Survey Records</b>							
Household name			Sex	Age	Nationality		
Education	Professional title			Function			
Village the house is located		Team No.	Village			Township	
Family structure:	Male persons				Female persons		Total persons
House quantity:	Rooms m <sup>2</sup>		Relocated area m <sup>2</sup>				
Structure of house to be relocated:							
Farmland occupation							
Land Acquisition:							
Place to be resettled:							
<b>Resettlement Compensation Standard and Fee</b>							
Relocation encouragement:							
Relocation compensation:							
Salary compensation:							
Transition house subvention:							
Land Acquisition fee:							

*Note:* The names, sexes, ages, units (schools) of family members shall be registered in detail one by one.

### Summary of implementation situation of permanent house relocation and migrant resettlement

Township name:													
House owner name													
Old house area (m <sup>2</sup> )			Compensation (yuan)	Date of signing compensation agreement	Date of obtaining compensation fee	Date of providing new house	Address of new house (total feet)	Completion date of new house	Cost of new house	Area of new house			Date of moving into new house
Brick and tile	Brick and wood	Shed								Brick and tile	Brick and wood	Shed	

**Resettlement of affected firms and institutions and agriculture**

Town and village name:											
<i>Affected farm name</i>	<i>Date of closing or relocation</i>	<i>Date of resuming business</i>	<i>Investment on new farm</i>		<i>Number of affected persons</i>	<i>Compensation to land, crops and equipment</i>		<i>Relocation fee</i>		<i>Other fees</i>	
			<i>Planned</i>	<i>Actual</i>		<i>Total</i>	<i>Date of payment</i>	<i>Total</i>	<i>Date of payment</i>	<i>Total</i>	<i>Date of payment</i>
Provider:											
Monitor:											



**Permanent job resettlement**

Town and village name:									
<i>Name of affected person</i>	<i>Date of losing normal job</i>	<i>Date of arranging new job</i>	<i>Job obtained (occupation)</i>		<i>Transition subvention</i>		<i>Transition period</i>		<i>Name of new employer</i>
			<i>Original</i>	<i>Present</i>	<i>Rate</i>	<i>Total</i>	<i>Begin</i>	<i>End</i>	
Provider:									
Monitor:									

Source: China Key Zhuzhou Shipping and Hydropower Project and Hengshan Port Project, "Monitoring and Assessment Work Outlines for Land Acquisition, Relocation, and Resettlement", September 2001.

## Resettlement and Rehabilitation Monitoring Format

Activities	Unit of monitoring	Total task	Achievement end previous quarter	Targeted achievement end present quarter	Targeted achievement next quarter	Targeted achievement end third quarter	Targeted achievement end fourth quarter	Targeted achievement end next year	Targeted achievement end third year	Year entire task expected to be complete
<b>A. AFFECTED AREAS</b>										
1. Baseline Survey	Affected Villages/ Ward									
2. Finalization of PAP lists	PAP									
3. Land Acquisition	PAP									
a. Section 4										
b. Section 6										
c. Section 11										
d. Compensation										
4. Issue of ID Cards	PAP									
5. Land Selection	PAP									
6. House Shifting	PAP									
<b>B. RESETTLEMENT SITES</b>										
<b>B1. Site Development</b>										
1. Site Selection	# of Sites									
2. Site Acquisition	# of Sites									
3. Site Planning	# of Sites									
4. House Site Allotment	PAP									
5. Civic Amenities Contracted	# of Sites									
6. Civic Amenities Completed	# of Sites									
<b>B2. Farmland Development</b>										
7. Approval by PAPs	PAPs									
	Hectares									
	Sites									
8. Land Available for Allocation	PAPs									
	Hectares									
	Sites									
9. Land Allotment	PAPs									
	Hectares									
	Sites									
10. Land Developed for Agriculture	Hectares									
	Sites									
<b>C. REHABILITATION ACTIVITIES</b>										
1. Rehabilitation Assistance Provided	PAPs									
2. Productive Assets Distributed	PAPs									
3. Training Provided	PAPs									
4. Employment Provided	PAPs									
5. Title Mutation Completed	PAPs									
6. Health Service Functioning	Site									
7. Primary Education Facilities	Site									
8. Ration Cards Distributed	PAPs									
9. PAP Committees Formed	Site									

Source: India Resettlement Handbook, World Bank, 1995, Box 1.4.

### Socio-Economic Survey of PAPs (Before and After the Project)

Xiang \_\_\_\_\_ Village \_\_\_\_\_ Group \_\_\_\_\_

Date: \_\_\_\_\_ Year \_\_\_\_\_ Month \_\_\_\_\_ Day

No.	Host	Number in Family					Workers		Cultivated Land (mu)				Houses (m <sup>2</sup> )				Compensation Cost	Cost for Building Houses	Issues
		M	F	Farmer	Non-Farmer	Self-employed	M	F	Irrigated	Dry	Forest	Hortic.	Main	Minor	Courtyard	Structure			
1																			
2																			
3																			
4																			
5																			
6																			
7																			
8																			
9																			
10																			
11																			
12																			

Source: China Xiaolangdi Resettlement Project, *Resettlement Action Plan*, p. 147.

### Survey on Resettler's Income (Before & After Resettlement)

Xiang \_\_\_\_\_ Village \_\_\_\_\_ Group \_\_\_\_\_

Date: \_\_\_\_\_ Year \_\_\_\_\_ Month \_\_\_\_\_ Day

No.	Host	Population	Plantation income (Yuan)			Husbandry & fishing income		Industrial & sideline income	Other income	Annual total income	Agricultural production expenditures	Taxes & retainings	Other expenditures	Net income	Net income per capita
			Grain output	Crops	Other	Husbandry	Fishing								
1															
2															
3															
4															
5															
6															
7															
8															
9															
10															
11															
12															

Source: China Xiaolangdi Resettlement Project, *Resettlement Action Plan*, p. 148.

**Socio-Economic Survey on Resettlers' Departure Site**

County \_\_\_\_\_ Xiang \_\_\_\_\_

Date: \_\_\_\_\_ Year \_\_\_\_\_ Month \_\_\_\_\_ Day

No.	Villages	Population		Employment				Irrigated Land		Dryland		Vegetable Land		Forest Land		Husbandry
		M	F	M	F	Farmer	Non-Farmer	mu	PV/mu	mu	PV/mu	mu	PV/mu	Fruit Tree	Other	
1																
2																
3																
4																
5																
6																
7																
8																
9																
10																
11																
12																
13																
14																
15																

Source: China Xiaolangdi Resettlement Project, *Resettlement Action Plan*, p. 149.

**Survey of Amenities and Services Provided in the Villages**

County \_\_\_\_\_ Xiang \_\_\_\_\_

Date: \_\_\_\_\_ Year \_\_\_\_\_ Month \_\_\_\_\_ Day

No.	Village	Water Supply		Power Supply		Transport		Hospitals		Schools		Shopping Center	Communication
		Means	Daily Supply	Means	Daily Supply	Km	Grade	Grade	Number of Doctors	Classes	Number of Students		
1													
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													

Source: China Xiaolangdi Resettlement Project, *Resettlement Action Plan*, p. 150.

**Payment of Compensation**

Township/District	House Compensation				Enterprises Compensation				Other Assets		Subsidy for Job Creation				Self-Employed				Pension			
	House for which comp to be paid	Amount (\$)	Comp. Paid Houses	Amount (\$)	To be Paid		Paid		To be Paid	Paid	To be Paid		Paid		To be Paid		Paid		To be Paid		Paid	
					No.	\$	No.	\$	No.	\$	No.	\$	No.	\$	No.	\$	No.	\$	No.	\$	No.	\$
Yang Si Township																						
San Lin Township																						
Kang Qiao Zhen																						
Heng Mian Zhen																						
Sun Qiao Township																						
Bei Cai Zhen																						
Hue Mu Township																						
Zhang Jiang Township																						
Jin Qiao Township																						
Tang Zhen Township																						
Wang Gang Township																						
He Cling Township																						
<b>Total Pudong</b>																						
Xuhui																						
Luwan																						
<b>Total Puxi</b>																						
<b>GRAND TOTAL</b>																						

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, Resettlement Action Plan, July 1995.

## House Relocation

Township/District	Households Affected (HH)	Households for relocation in apartment			Households opting for retaining ownership		Households not opting for retaining ownership		Households opting for houses built by local government			Households opting for self-construction of houses			
		Total	Affected	Occupied	Total	Affected	Total	Affected	Total	Affected	Occupied	Total	Received compensation	Houses under construction	Houses completed and occupied
Yang Si Township															
San Lin Township															
Kang Qiao Zhen															
Heng Mian Zhen															
Sun Qiao Township															
Bei Cai Zhen															
Hue Mu Township															
Zhang Jiang Township															
Jin Qiao Township															
Tang Zhen Township															
Wang Gang Township															
He Cling Township															
<b>Total Pudong</b>															
Xuhui															
Luwan															
<b>Total Puxi</b>															
<b>GRAND TOTAL</b>															

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995.



## Enterprises Relocation Survey

<i>Township/District</i>	<i>Total enterprises affected</i>	<i>Enterprises needing relocation</i>	<i>Workers</i>	<i>Workers being paid transition allowance</i>	<i>Sites selected</i>	<i>Sites reconstructed</i>	<i>Enterprises in process of moving</i>	<i>Enterprises resumed production</i>	<i>Enterprises where all workers have resumed work</i>	<i>Total workers resumed work</i>
Yang Si Township										
San Lin Township										
Kang Qiao Zhen										
Heng Mian Zhen										
Sun Qiao Township										
Bei Cai Zhen										
Hue Mu Township										
Zhang Jiang Township										
Jin Qiao Township										
Tang Zhen Township										
Wang Gang Township										
He Cling Township										
<b>Total Pudong</b>										
Xuhui										
Luwan										
<b>Total Puxi</b>										
<b>GRAND TOTAL</b>										

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995.

**Temporarily Affected Enterprises**

<i>Township/District</i>	<i>Total enterprises</i>	<i>Total workers</i>	<i>Enterprises stopped/ affected production</i>	<i>Workers affected (not working)</i>	<i>Workers being paid work stoppage allowance</i>	<i>Enterprises where production has been resumed</i>
Yang Si Township						
San Lin Township						
Kang Qiao Zhen						
Hong Mian Zhen						
Sun Gao Township						
Bei Cal Zhen						
Hue Mu Township						
Zhang Jiang Township						
Jin Qiao Township						
Tang Zhen Township						
Wang Gang Township						
He Qing Township						
<b>Total Pudong</b>						
Xuhui						
Luwan						
<b>Total Puxi</b>						
<b>GRAND TOTAL</b>						

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995.

## Job Creation

Township/District	Persons to be provided jobs	Persons who have been provided jobs	State		Town & Village		Land user department		Others		Persons opting for self employment	Persons who have been paid self employment subsidy	Persons who have started productive activities	Persons to be provided pension allowance	Persons being provided pension
			Total	Already provided jobs	Total	Already provided jobs	Total	Already provided jobs	Total	Already provided jobs					
Yang Si Township															
San Lin Township															
Kang Qiao Zhen															
Heng Mian Zhen															
Sun Giao Township															
Bei Cai Zhen															
Ilea Mu Township															
Zhang .Bang Township															
Jin Qiao Township															
Tang Zhen Township															
Wang Gang Township															
He Oing Township															
<b>Total Pudong</b>															
Xuhui															
Luwan															
<b>Total Puxi</b>															
<b>GRAND TOTAL</b>															

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, Resettlement Action Plan, July 1995.

**Temporary Job Creation**

<i>Township/District</i>	<i>Persons to be provided jobs due to temporary land leasing</i>	<i>Persons provided with job</i>	<i>Persons being paid subsistence allowance</i>	<i>Persons whose land have been returned</i>
Yang Si Township				
San Lin Township				
Kang Qiao Zhen				
Hang Mian Zhen				
Sun Qiao Township				
Bei Cai Zhen				
Hue Mu Township				
Zhang Jiang Township				
Jin Qiao Township				
Tang Zhen Township				
Wang Gang Township				
He Ong Township				
<b>Total Pudong</b>				
Xuhui				
Luwan				
<b>Total Puxi</b>				
<b>GRAND TOTAL</b>				

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995.

**Temporary Economic Rehabilitation**

Township/District	Area (mu) of temporary land lease	Persons to be provided economic rehabilitation			Persons already provided economic rehabilitation		
		Agricultural land	Sideline activities	Temporary jobs	Agricultural land	Sideline activities	Temporary jobs

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, Resettlement Action Plan, July 1995.

### Payment of Compensation

Name of affected person	Compensation for house construction		Compensation for other assets		Transfer allowance		Others allowances		Remarks
	To be paid	Amount paid	To be paid	Amount paid	To be paid	Amount paid	To be paid	Amount paid	

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, Resettlement Action Plan, July 1995.

### Housing Provision

<i>Name of affected people</i>	<i>Housing Option No. 1-6</i>	<i>Area of old house/apartment</i>	<i>Area of new house/apartment</i>	<i>Date of allocation of new apartment</i>	<i>Date of occupation of new house/apt.</i>	<i>Proposed date</i>	<i>Amount of compensation aid</i>	<i>Date of payment of compensation</i>	<i>Distance from old to new house</i>	<i>Distance from new house to place of work</i>

*Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, Resettlement Action Plan, July 1995.*

## Enterprise Relocation

Name of enterprise	Type	Affected permanently(P) or temporarily (T)	Number of Workers	Distance (km) from old to new site	Compensation			Time Schedule – Dates					
					To be paid	Amount paid	Date paid	Stopping production	Selection of new site	Receive possession of new site	Relocation of production facilities started	Resumed production	
					I. Structures II. Assets III. Transfer	I. Structures II. Assets III. Transfer	I. Structures II. Assets III. Transfer						

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, Resettlement Action Plan, July 1995.



### Job Creation

Name of eligible person	Age	Eligible for job/pension opted for self resettlement	Date when resettlement subsidy provided, if opting for self employment	Date of start of pension, if eligible for pension	Type of enterprises where job provided/to be provided	Duration of training received/ place where provided	Date of providing job	Name of enterprises	Wage level	Date transition allowance payment started	Date transition allowance ended	Distance from house to job

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995.

### Temporary Economic Rehabilitation

<i>Name of affected person</i>	<i>Payment of land leasing compensation to township government</i>	<i>Monthly income before land acquisition</i>	<i>Monthly compensation received</i>		<i>Economic rehabilitation arrangement</i>			<i>When provided/arranged</i>		<i>Expected date to return to agricultural activities</i>
			<i>Amount</i>	<i>Date</i>	<i>Agricultural land</i>	<i>Sideline land</i>	<i>Temporary job</i>	<i>Monthly amount</i>	<i>Date</i>	

Source: China Second Shanghai Sewerage Project, Appraisal Report, Vol. 5, *Resettlement Action Plan*, July 1995.

## Impacts, Resolution, and Monitoring

<i>Resource</i>	<i>Project Components</i>	<i>Impact</i>	<i>Resolution/Enhancement</i>	<i>Action/Monitoring</i>
Land resources	Barrage	<ul style="list-style-type: none"> <li>• Land taking and conversion to Project structure</li> </ul>	<ul style="list-style-type: none"> <li>• Land belongs to Government</li> </ul>	
	Power channel	<ul style="list-style-type: none"> <li>• Conversion of 867 ha of land to Project use</li> <li>• Taking 1,640 ha for spoil disposal</li> </ul>	<ul style="list-style-type: none"> <li>• Fair and prompt compensation</li> <li>• Equitable purchase/resale arrangements</li> <li>• Prompt payment</li> <li>• Effective rehabilitation of spoil banks for irrigated agriculture</li> </ul>	<ul style="list-style-type: none"> <li>• Payments cross-checked by PNGO, with monitoring by PRO (SSB) WAPDA Environmental Cell (WEC) and Project Monitoring Consultants (MC)</li> <li>• Monitoring by PRO WEC, MC &amp; PNGO</li> </ul>
	Power complex	<ul style="list-style-type: none"> <li>• Land taking and conversion of 850 ha to Project structures and 100 ha for colony and access road</li> <li>• Loss of trees, orchards and crops due to land taking and construction.</li> </ul>	<ul style="list-style-type: none"> <li>• Replacement with comparable irrigated land</li> <li>• Fair and prompt compensation</li> <li>• Fair and prompt compensation</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring by PNGO, WEC, &amp; MC</li> <li>• Monitoring by PRO WEC, MC &amp; PNGO</li> </ul>
Social/cultural resources	Barrage	<ul style="list-style-type: none"> <li>• Replacement of communal bathing/laundry areas with scattered water points, depriving village women of a gathering place</li> <li>• Change in social dependency relationships due to more restricted access to water</li> <li>• Health problem due to Impoundment at barrage pond</li> <li>• Rapid population growth in Ghazi-Khalo. due to Project &amp; river crossing: results in stressing community services and facilities, schools, health centers, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Seepage from Barrage to maintain constant flow in river channel on right bank for Gala and Pontia villages</li> <li>• Addition tubewell water points, if needed</li> <li>• Water level fluctuation to control mosquito breeding</li> <li>• Development of a town plan for Ghazi-Khalo</li> <li>• Infrastructure development by local administration</li> </ul>	<ul style="list-style-type: none"> <li>• PNGO to maintain communication with leading women to evaluate need for a meeting place and apprise WEC for necessary action</li> <li>• PNGO should maintain contact with village poor to determine whether they have difficulty in obtaining water and apprise WEC for necessary action</li> <li>• Monitoring by Health Department</li> <li>• PNGO to meet periodically with local community leaders and administrators</li> </ul>
	Power channel	<ul style="list-style-type: none"> <li>• Regional and local loss of income from 867 ha of agricultural land</li> <li>• Temporary loss of agricultural production and income from lands receiving spoil</li> </ul>	<ul style="list-style-type: none"> <li>• Resettlement on spoil banks</li> <li>• Job opportunities to landless displaced persons</li> <li>• Hiring of farmers on Project labor force</li> <li>• Investment of balance sale proceeds</li> <li>• Credit and self-employment schemes</li> </ul>	<ul style="list-style-type: none"> <li>• Organized by PRO and WEC</li> <li>• Monitoring by PNGO, WEC &amp; MC</li> <li>• Monitoring by WEC &amp; MC</li> </ul>

(cont.)

<i>Resource</i>	<i>Project Components</i>	<i>Impact</i>	<i>Resolution/Enhancement</i>	<i>Action/Monitoring</i>
	Power complex	<ul style="list-style-type: none"> <li>• Threat to public safety due to risk of drowning</li> <li>• Disruption of archaeological sites, graves, and mosque</li> <li>• Interruption of people and livestock movements</li> <li>• Loss of agricultural production due to farmers hiring on with project; may be offset by additional income</li> <li>• Introduction of diseases by contact with workers from elsewhere or from poorly treated sewage in Barotha nullah</li> <li>• Degradation of village lands by poor construction practices</li> <li>• Friction between outside workers (or villagers working for the project) and villagers following traditional life style</li> </ul>	<ul style="list-style-type: none"> <li>• Education programs on dangers of channel; warning posters</li> <li>• Fencing at villages, bridges, and other places where people are near the channel</li> <li>• Escape assistance: handrails extending into water and floating booms</li> <li>• Resettlement villages with social amenities and infrastructure</li> <li>• Salvage/relocation provided</li> <li>• 46 crossings provided in 52 km</li> <li>• Planning assistance to families in managing new cash flow and altered resource base</li> <li>• Credit and self-employment schemes</li> <li>• Health checks for incoming workers</li> <li>• Careful attention to wastewater management</li> <li>• Careful attention to construction methods, chemical disposal</li> <li>• Formal and informal meetings between project management staff, PNGO and village leaders, establishing a formal grievance channel</li> </ul>	<ul style="list-style-type: none"> <li>• Assistance by PNGO for reinvestment</li> <li>• WEC to maintain contact with community leaders to learn of concerns through PNGO</li> <li>• Monitoring by PRO and WEC</li> <li>• Assistance by PNGO</li> <li>• Monitoring for unanticipated discoveries by WAPDA, salvage by Archaeology Department</li> <li>• Monitoring by PRO, WEC AND PNGO</li> <li>• Project field teams to monitor overall living conditions of affected families and apprise WEC</li> <li>• Overseeing of contractors' wastewater management practices by WEC</li> <li>• WEC to monitor local conditions</li> <li>• PNGO to be alert to problems as they develop and apprise WEC. No formal monitoring other than keeping lines of communication open</li> </ul>
Project area social and economic resources	All components	<ul style="list-style-type: none"> <li>• General project effect on economic resources</li> <li>• Loss of traditional categories of work</li> <li>• Boom-bust cycle of project construction</li> <li>• Urbanization</li> </ul>	<ul style="list-style-type: none"> <li>• Formation of Integrated Regional Development Plan (IRDP) to organize credit and self-employment generation scheme; small industrial and business growth; and long-term job growth</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring by WEC &amp; PRO with the assistance of PNGO and local communities</li> </ul>

Source: Ghazi-Barotha Hydropower Project Resettlement Action Plan, Pakistan Water and Power Development Authority (WAPDA), September 1994, Table 13.3.

## Appendix 31

### Impact Assessment\*

#### Background

1. The Mumbai Urban Transport Project (MUTP) envisages improvements in urban transport in Mumbai, primarily to encourage public transport. These improvements will be achieved through the construction of roads, pedestrian subways and bridges, roads over railway bridges, improvements in traffic management and traffic control, strengthening of railway capacity optimization and enhancement, setting up of new corridors and purchase of rolling stock. The estimated cost of the project is about US \$950 million (Rs. 4,500 crores) and the World Bank is considering financing about 60 percent of the cost the project.
2. The proposed physical activities of the project are expected to displace about 19,000 households or 77,000 persons, most of whom are squatters living dangerously close to the railway tracks and right of way of proposed road-widening corridors. The private land acquisition involved is about 60 hectares. A Resettlement Action Plan and Implementation Plans have been prepared to undertake the planned resettlement. Mumbai Metropolitan Region Development Authority (MMRDA) on behalf of the main investment implementing agencies, viz., Mumbai Rail Vikas Corporation (MVRC), Public Works Department, Maharashtra State Development Corporation (MSRDC) and Municipal Corporation of Greater Mumbai will implement the resettlement program. The resettlement program will be implemented over a period of four years.
3. The relocation to new housing involves several changes for the people involved. Among these are the access to improved infrastructure facilities; the contribution of fees for services; and the organizing in groups facilitated by local NGOs. It is therefore likely that there may be both benefits and potential difficulties or adverse impacts for the project affected population. The resettlement undertaken to date has been done prior to project approval. The Government of Maharashtra and the World Bank are now seeking information about the experiences from this initial phase of resettlement. The assessment is expected to inform the Government and the Bank about whether the resettlement has been done in accordance with principles agreed on, the degree to which objectives have been achieved and to provide guidance to further resettlement during the project implementation period.

#### Initial Phase of Resettlement Implementation

4. During project preparation, some of the civil works related to optimization of suburban railways and expansion of rail networks had to be undertaken on the safety and urgent consideration. At the same time a public interest litigation (PIL) was also filed in

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\* Impact Assessment of Initial Phase of Resettlement Implementation, Mumbai Urban Transport Project

August, 1998 on the functioning of the railways and safety of the passenger was jeopardized on account of the existing squatter hutments close to the railway tracks. In response to this PIL, the Bombay High Court had asked the government to provide a time bound plan for shifting the encroachers along the safety zone of the railways tracks with or without resettlement. This has resulted in undertaking the initial phase of resettlement implementation during the period of April 2000 to June 2001. GOM had proposed two options to shift the squatters either to the already constructed tenements or to the transit houses. Subsequently, MMRDA purchased 4,000 already constructed houses from Maharashtra Housing and Area Development Authority (MHADA) and undertaken the construction of about 6,000 transit houses to shift all squatters living within the safety zone of the railway tracks. Thus, 3,935 households (20%) have been relocated in 48 buildings in four different locations. In addition, 107 were also offered alternative shops to enable them to reestablish their petty shops. Another 6,125 (32%) were shifted to the transit housing and will eventually be shifted to permanent houses within three years.

### **Baseline Socio-economic Survey**

5. A census and baseline socio-economic surveys were undertaken during 1997-2000 by SPARC among those who have been resettled under the pre-project resettlement. The information on baseline socio-economic characteristics, housing conditions, availability of basic amenities, income and resource ownership, nature of petty business practiced, etc. was collected and disaggregated baseline data is available with MMRDA in electronic form. The Resettlement Action Plan and Resettlement Implementation Plans prepared based on the baseline surveys are also available.

### **Objectives**

6. To independently assess the experience and results of implementation of the initial phase of resettlement program, both in terms of benefits to the population moved, and difficulties or adverse impacts.

### **Scope of the Study**

7. Against the above background, the present follow-up study would assess the impact of pre-project resettlement to document the experience and results in terms of income restoration (the number and proportion of people whose income is the same or higher) and delivery of entitlements (the number and proportion of people receiving each entitlement) and to propose additional measures, if required, to realize the objective of resettlement program. The outcome of this study would also draw lessons learned which will be valuable for the implementation of the remaining resettlement program in the project.
8. The scope of consultant shall include but not limited to the following tasks.
  - (a) The study should cover all types of impacts. Therefore, the sample should be drawn among:

- (i) those resettled in permanent houses;
  - (ii) those resettled in transit houses; and,
  - (iii) those allotted alternative shop units across different geographical locations.
- (b) Based on the sample household survey, compare the changes in the living standards in terms of housing, basic amenities, income, occupation, distance to work place, site related opportunities, health conditions, etc. and explore changes of enhanced benefits as perceived by PAHs.
- (c) The study should ascertain whether the PAHs were informed of compensation and other entitlements and review payment of allowances such as transport allowance for increased distance, and subsistence allowance for loss of livelihood opportunities.
- (d) Analyze the management of multistoried buildings by the project-affected people in terms of operation and munificence of the common services.
- (e) Assess the impact of organizing the affected people in groups to manage the cooperative housing societies, empowering for collective action in negotiating with the government and local authorities for various services and day-to-day requirements.
- (f) The study should review the process followed for allotment of both residential and commercial units. The review should also look at the nature of assistance and support received from NGOs and government during shifting and transition period, difficulties undergone in allotment and shifting, problems with basic amenities, initial experience with managing the housing societies, etc. Based on the documentation, suggest the measures needed to be taken in the next round of resettlement to avoid the difficulties experienced during the initial phase of resettlement implementation
- (g) Review the functioning of local committees to deal with day-to-day-issues and arrangements to deal with maintenance of the buildings.
- (h) Separate data collection and analysis need to be undertaken among those who are allotted the alternative shops to compare the changes in income, type of business activity, impact on clientele, re-employment of workers from the old establishments, etc.
- (i) Assess the level of satisfaction with quality, design, and space organization of the flats and basic amenities available in the new sites. The impact on the health situation should be assessed on a recall basis because no baseline data was collected.
- (j) Analyze the type of income restoration activities initiated among the PAHs and study the working of saving groups in managing the credit program

- (k) Assess the nature of special assistance received by vulnerable groups such as those living below the poverty line, women headed households, disabled people, etc., and suggest the needs of vulnerable groups for consideration in the remaining resettlement of the project.
- (l) The working of the grievance redress committee should be studied in terms of process and membership of the committee with a view to suggest changes, if required. Furthermore, grievances still outstanding and how many have been resolved so far and their outcome should also be described.
- (m) The study should review the regular monitoring arrangements of resettlement implementation and adequate mechanisms in place for institutional coordination for conducting all of the above activities.

## **Methodology**

- 9. The study would use a combination of sample household surveys and focus group discussions and interviews with NGOs, MMRDA and others involved with the implementation. The sample should cover all permanent buildings and transit housing sites with a view to undertaken separate analysis to find out whether there are any differences in different locations. Furthermore, analysis should be carried out separately for those living in permanent tenements and transit housing. If some of the baseline data is not available, then such information should be compared with recall data.

## **Study Team**

- 10. The study will be carried out by a team of professionals with experience in socio-economic surveys, resettlement, consultation, and community development. It is anticipated that the study would involve about 6 man months spread over a period of 3 months

## **Reporting and deliverables**

- 11. The consultants will work closely with MMRDA throughout the study. The inception report will be submitted with in one week of signing the agreement that will fully describe the work plan and provide the data collection instruments. An interim report describing the initial findings and observations should be in one month and the draft final report should be submitted based on the data collection and analysis within 2.5 months. The comments from MMRDA and World Bank should be incorporated in the final report within 2 weeks thereafter. All data, analysis and reports will be presented both as hard copies and diskette in an agreed format.



## Background\*

The World Bank, the Asian Development Bank (ADB), and the Japan Bank for International Cooperation have extended loans to the Government of Bangladesh for the construction of the Jamuna Multipurpose Bridge. The Bridge was completed and opened on June 23, 1998.

As part of the loan agreement between the Government of Bangladesh and its co-financiers, a comprehensive program is being undertaken to resettle, rehabilitate and otherwise assist the persons who have been displaced by the project or suffered losses through loss of land, assets, or livelihood. This program is undertaken as a development program coordinated by the Jamuna Multipurpose Bridge Authority (JMBA). The policy framework and actions to be undertaken are primarily based on the Revised Resettlement Action Plan (RRAP), dated 1993. In 1996, it was also decided to assist persons displaced by erosion or flooding caused by the project. A separate program to assist Erosion and Flood Affected Persons (EFAP) was launched in 1997. An Action Plan for addressing environmental impacts (EMAP) has also been developed, focusing particularly on changes in fisheries.

JMBA is implementing the provisions in the RRAP and EFAP with the assistance of other agencies, both government and NGOs. Due to the large numbers of people displaced and the unique nature of the project in Bangladesh, the project has received international attention.

Agreement has been reached between the Government of Bangladesh and the Co-financiers that an impact evaluation will be undertaken of the RRAP and EFAP. These Terms of Reference are based on consultations among the primary project stakeholders, including JMBA, its co-financiers, the implementing NGOs, and affected people in the project area.

## Objectives and Scope

The objectives of this assignment are to assess the longer-term socio-economic effects of project induced losses of land and livelihood, and the corresponding mitigation measures of the RRAP, EFAP and EMAP. It should assess the extent to which the project has been successful in compensating, resettling and rehabilitating the project-affected persons. The evaluation shall provide guidance to the Government of Bangladesh and its co-financiers about whether the resettlement actions completed to date and their expected outcomes have been achieved satisfactorily.

While civil works for the project are completed, the resettlement activities are still ongoing. The activities under the RRAP and EFAP programs are not expected to be completed until 2001. The impact evaluation should therefore focus on issues of process, based on input indicators, and short term and intermediate results, based on output indicators. This information is expected to be used as inputs to the co-financiers' completion reports for the project as a whole.<sup>1</sup>

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\* Impact Evaluation of Environmental Management Action Plan, Project on Erosion and Flood Affected Persons, Jamuna Multipurpose Bridge Project Revised Resettlement Action Plan

<sup>1</sup> The World Bank is planning to produce an Implementation Completion Report (ICR) by June 30, 2000.

Where possible, the evaluation will assess likely longer-term impacts of the activities undertaken during the project. Where these impacts cannot be assessed with reasonable probability, the evaluation team will propose areas for follow up in the later evaluations to be undertaken for the project as a whole, and suggest impact indicators for such studies.

The evaluation should address four main elements of the program:<sup>2</sup>

- How well **social issues and impacts on vulnerable groups**<sup>3</sup> have been identified and addressed through the RRAP and EFAP programs.
- The adequacy and functioning of **organizational and institutional mechanisms** established.
- To what extent a **participatory approach** has been followed, with adequate stakeholder consultations and involvement.
- The adequacy of **monitoring mechanisms**, and how the project has been able to incorporate findings from monitoring into overall project implementation.

Issues to be addressed under each of these elements are outlined in more detail in the following sections. The evaluation is intended to be a learning exercise both for the Government of Bangladesh and the co-financiers; thus, for every observation or conclusion, the consultants are expected to suggest ways in which to address similar issues in future projects.

## Social Issues

The evaluation shall assess the key social issues related to adverse impacts covered by the RRAP, EFAP and EMAP, and identify the key groups affected, focusing on poor and vulnerable groups. The adequacy and timeliness of the various support mechanisms for different impact categories and entitlement mechanisms provided shall be reviewed, and the consultants shall provide an updated summary of progress in providing compensation and other support to the affected population. A comparison shall be made with the available baseline data to ascertain whether different groups are better or worse off than their situation prior to the displacement caused by the project.

This includes an assessment of impact on the social structure of the villages, and of the changing fortunes of particular groups within the villages. This will include analyses of changes in income levels, changes in land-holding patterns, patterns of expenditure, patterns of investment, as well as changes in employment profiles, the position of female members of families, family support systems, and changes in the quality of housing and neighborhood environments. This analysis should be accompanied by a comparison with circumstances prevailing in communities not

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<sup>2</sup> These four elements correspond to the standard components of Social Assessment processes undertaken during planning and implementation of World Bank assisted projects.

<sup>3</sup> While the basic entitlement framework for resettlement does not distinguish among different groups, experience in Bank and non-Bank financed projects has shown that the poor and vulnerable find it harder to rebuild their livelihoods or otherwise cope with the hardships imposed by involuntary relocation. Therefore, the evaluation is asked to pay special attention to the appropriateness and effectiveness of the project's impact mitigation and livelihood restoration measures for these groups.

directly affected by the project, and by a comparison of PAP circumstances with the norms of local and national development.

The assessment shall address the changing nature of the ecology of the region, and focus particularly on how the project has affected fisheries and poor people's access to fishing or other common property resources.

While the main focus of the evaluation is on the minimization and mitigation of adverse social impacts, the review team shall also make an assessment of whether the project has contributed positively to local economic growth and development in the surrounding areas, and the extent to which poorer groups are able to benefit from this.

Key issues that should be covered under this section should include but are not limited to:

- **Likely longer term impact of displacement and land loss.** The project has established a cash-for-land policy, based on the recognition that the Government would not be able to provide adequate replacement land to those losing agricultural land. The project was expected to assist people in purchasing replacement land individually with the cash compensation. The evaluation should assess the extent to which this has been successful, both regarding homesteads and agricultural land; the reasons for success or failure; and the implications for future projects of a similar nature. This should be assessed for each of the major categories of affected people, e.g. land owners, tenants, *uthulis*, etc.
- **Gender issues.** The evaluation should assess the differential impacts on men and women; the extent to which women have been able to take full advantage of support mechanisms and opportunities offered; and how appropriate the project assistance has been for women. Issues to be addressed should include training opportunities, credit, and other support mechanisms. The evaluation should also assess the different role and nature of consultations and participation among women and men, and suggest what the best organizational forms would be for enhancing women's roles and benefits through the project.
- **Self-relocation versus relocation to a resettlement site.** The evaluation should address the project experiences with self-relocation versus moving to the resettlement sites. What are the factors governing the choices people made in self-relocating? Is self-relocation an adequate solution? The intention was that the resettlement sites were primarily intended for the more vulnerable groups. The evaluation should assess whether this has worked according to the intentions, and how best to address the relocation needs of vulnerable groups in the future.
- **Livelihood opportunities for displaced persons.** The evaluation shall focus particularly on whether access to income and livelihood has improved or not among displaced persons or those losing agricultural land. Efforts are underway to provide targeted groups with skills training and credit to improve their earning capacity; the evaluation shall assess the quality and adequacy of these programs. This shall address strategies to support individual or household efforts as well as group-based activities such as fish cultivation in roadside ponds.

- **Relationship between Entitled Persons (EPs) and others in the project area.** The evaluation shall assess how the project has addressed the relationship between those entitled to support under the project, and other residents of the area, such as host communities where resettlers have established themselves. Since the support mechanisms for EPs are quite generous, there are reports that other local people perceive the support to EPs as unjust. This shall be assessed particularly in the case of the EFAP program, which provides support to people affected by floods and erosion. The targeted support to those deemed as eligible for support under the EFAP program may lead to complaints from others, since it is difficult to determine the boundaries of project induced impacts and natural occurrences of flooding and erosion. The evaluation should address these concerns.
- **Exaggerated or fraudulent claims.** Through implementing the RRAP and EFAP, it is reported that there are large numbers of exaggerated or fraudulent claims for compensation and support. This is particularly the case in the EFAP program. Verifying claims has proven to be a time consuming and difficult exercise, in part because of the incomplete land records available. The evaluation should review this issue, and discuss what the best ways may be to minimize claims made by people not eligible for support under the project guidelines, and suggest the best way to screen and verify claims.
- **Transparency and the role of local elites.** It has been reported that some of the delays and exaggerated claims have been caused by local elites attempting to gain benefits from the support mechanisms intended for displaced poor people. The evaluation should review this issue, and assess whether undue influence or gains by others than the intended project beneficiaries has taken place.
- **Project-induced dependency.** There has been a concern that the entitlements and support given under the project are creating a relief mentality among PAPs, leading to dependency on continued support rather than to self-reliance in rebuilding sustainable livelihoods. The evaluation should assess whether the project has created unintended dependency rather than capacity and independence among the PAPs, and provide guidance on how to avoid or minimize unintended consequences associated with the rise of dependency or a relief mentality.

## **Institutional Issues**

The project is the first major, comprehensive resettlement program in Bangladesh that has incorporated guidelines to not only compensate but also resettle and rehabilitate affected people. The organizational and institutional mechanisms for undertaking this effort were not in place prior to the project, and have had to be built up gradually. The approach established is based on a model of collaboration between the Government (JMBA) and development NGOs for implementing specific components of the program.

The evaluation shall assess these organizational structures, the inter-relationships and coordination mechanisms among them, and the extent to which the organizational structures have proven satisfactory in ensuring that the needs of the primary stakeholders have been met. Of particular importance are issues of coordination between the resettlement program and other components of the project. Have social impacts, land acquisition and displacement been taken into account in project designs and civil works? Has there been adequate sequencing of activities, to ensure that unnecessary displacement did not take place, and that full compensation and support was given to the affected people before they were made to move?

To the extent possible, the evaluation shall also assess whether more informal institutional mechanisms such as neighborhood or community ties, kinship or religious networks, or other institutions have been factors in the project outcomes.

Key issues that should be covered under this section should include but are not limited to:

- **Minimizing land acquisition.** A great deal of land acquisition has taken place during the project period, both for the bridge itself and its support structures, the river training works, and the access roads. The evaluation should assess whether this has been kept to the necessary minimum required for the project, or whether land has been acquired unnecessarily. If it is deemed that surplus land has been acquired, the consultants should make an estimate of the cost of this, both in terms of financial cost and the numbers of displaced persons, and offer guidance on how to minimize land acquisition and displacement in future projects.
- **Piecemeal land acquisition and cumulative impacts on people.** There are reports that some people have been displaced more than once because of land acquisition at different sites. The evaluation should assess whether adequate coordination and sequencing of land acquisition has taken place, and suggest ways in which this should be done in future projects.
- **Institutional sustainability.** The evaluation should assess organizational issues such as capacity and coordination during the implementation of the development program, and also look at longer-term institutional sustainability. This includes whether a sustainable organization with long term capacity has been built up to address future resettlement issues, as well as the model of “handing over” responsibility for longer term development to other agencies once the responsibilities laid out in the RRAP or EFAP have been carried out.

The evaluation shall assess the potential model represented by organizations such as BRAC and the Grameen Bank, which have been working with JMBA on different components of the project, where eligible people may be incorporated into the longer term development programs of NGOs or other development agencies once the specific responsibilities of the resettlement program have been met.

- **Governance and accountability.** The evaluation shall assess the adequacy of the governance and accountability mechanisms established under the project, and assess whether any affected people have been deprived of any of their rightful entitlements as a result of fees charged or other mechanisms. The evaluation shall also assess whether

project beneficiaries, officials, or others have benefited beyond the entitlements agreed on in the RRAP and EFAP.

- **EFAP Policy.** The EFAP policy, where the Government of Bangladesh accepts responsibility for induced flooding and erosion caused by the project within a delimited geographical area and time frame, is unique in Bangladesh and possibly in the world. Implementation of this policy has proven to be challenging, and has led to complaints from other flood and erosion victims who are not eligible for support under the project criteria. The evaluation shall assess how and whether this type of policy could be implemented on a broader scale, given the difficulties in distinguishing between project-induced impacts and naturally occurring floods and erosion in a country like Bangladesh.

### **Participatory Process**

The evaluation shall assess how key stakeholders have participated in design and preparation of the project, and how they have been involved in its implementation and monitoring. This shall focus particularly on the groups identified as eligible for support under the RRAP and EFAP programs, but also other primary stakeholders such as local government officials and involved NGOs. The consultants shall assess how the nature and quality of participation by various stakeholders changed over time, and how this has influenced program outcomes.

The consultants should distinguish between four levels of involvement:

- information dissemination (one way communication)
- consultation (two-way flow of communication)
- collaboration (shared control over decision making)
- empowerment (transfer of control over decisions and resources)

Particular attention shall be paid to the mechanisms established for consultations and information dissemination with the project affected population. The consultants shall assess how the grievance redress system set up under the project has functioned, and the current status of complaints or cases filed.

### **Project Monitoring and Incorporation of Social Issues in Implementation**

The evaluation shall review the monitoring methods and indicators used during the project's implementation, and assess to what extent findings from internal and external monitoring have been incorporated into project implementation. This shall include a brief overview of earlier recommendations made through monitoring, and whether recommendations made have contributed to improved project implementation.

The project has used techniques and methodologies ranging from focus group discussions to satellite imagery. The evaluation should briefly review these different techniques, and provide guidance on how different tools, methodologies and indicator types can best be integrated into

similar projects in the future. This should include an assessment of the MIS system set up under the project.

## **Project Supervision and Reviews**

The evaluation shall assess the frequency and quality of resettlement supervision by the World Bank, the ADB, and Japan Bank for International Cooperation. Particular attention should be paid to the extent to which findings from supervision missions have been incorporated into project implementation. In 1996, the Inspection Panel of the World Bank was asked to investigate the project for, among other things, lack of adequate attention to compliance with the World Bank involuntary resettlement policy. The Panel contributed to the formulation of the EFAP. Treating the Panel's involvement as a critical intervening variable in the trajectory of the resettlement works, the evaluation shall assess how Panel recommendations have been integrated into program implementation, and how this has influenced project outcomes. It shall also evaluate the extent to which the Panel's involvement influenced the behavior of PAPs and their representatives, as well as the registered levels of PAP satisfaction.

Since the project will continue to operate beyond the official closing date, the evaluation shall provide guidance to the co-financiers for how rehabilitation of PAPs and other components of the project should be supervised.

## **Evaluation Methodology**

The instruments used to collect data for these investigations will be developed by the consultants in cooperation with JMBA and the co-financiers. It is suggested that a review meeting be held between the consultants, JMBA and the co-financiers at the beginning of the evaluation to clarify the scope of work and suggested approach.

Existing documentation should be reviewed by the consultants. The research team will have access to all relevant documents/records concerning the project held by JMBA or the co-financiers. Implementation and outcomes will be assessed based on the agreed principles and plans of action described in the RRAP of 1993 and the EFAP of 1996. Additional documents such as progress reports and findings from other reviews including reports from the World Bank's Inspection Panel will also be reviewed. Particular emphasis will be placed on systematic consultation with various stakeholder groups utilizing approaches such as focus group discussions and key informant interviews.

## **Team Composition**

It is suggested that a team composed of five or six independent consultants be recruited for the evaluation, led by an international authority on resettlement issues or rural development familiar with Bangladesh. The team should consist of both male and female consultants. Of the team, at least two members should be international consultants. The following skills shall be represented among the consultants:

- experience with involuntary resettlement

## Appendix 31

- expertise on gender issues
- expertise on common property resources and the links between the environment and sustainable development
- expertise in legal and administrative rules and practices in Bangladesh
- rural development expertise, including income generation and credit
- project management and organizational expertise

It is essential that the consultants selected provide an objective and neutral evaluation of the project components. Persons who have been involved at any stage with planning or implementing the project will therefore not be considered eligible for membership in the review team, because of potential conflict of interest.

It is suggested, however, that one staff member from JMBA and one staff member from one of the implementing NGOs be seconded to work full time with the evaluation team during their field work, to assist in getting access to data and other sources of information, and provide factual information to the team. These people will not be involved in evaluating the information gathered, nor in making recommendations. The costs of these members' time will be borne by JMBA.

### **Reporting**

A draft report shall be presented to JMBA and the co-financiers at the end of the evaluation, and discussed at a project wrap-up meeting. Provision shall be made for time to review and comment on this report, and for necessary corrections and updates to be made by the consultants following receipt of the comments.

### **Time Frame**

It is suggested that a total of six man-months be used for the review, with the five consultants working together doing fieldwork, conducting interviews and collecting primary data during a three-week period in February/March 2000. The remainder of the allocated time shall be used for review of secondary data sources such as background documents, and for report writing. The draft report shall be presented by March 15, 2000, and be discussed in a workshop with participation by the consultants and the key stakeholders.

It is expected that the finalization of the report following comments made by GOB and the co-financiers be done by the team leader after the completion of the other team members' work. An additional two weeks has been allocated to the team leader for this work. The final approved report should be completed by April 15, 2000.



No.	Item	Date	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00
1	Finalization of Terms of Reference	31-Oct-99									
2	Selection of consultants/ contract signing	Nov/Dec-99									
3	Stakeholder workshop	2-Dec-99									
4	Review of secondary data by consultants	Jan/Feb-00									
5	Field work and primary data collection	Feb/Mar-00									
6	Draft report and workshop	15-Mar-00									
7	Review and comments by GOB and co-financiers	31-Mar-00									
8	Revision and submission of final report	15-Apr-00									
9	Synthesis of evaluation report	30-Apr-00									
10	Draft ICR	15-May-00									
11	Final ICR	30-Jun-00									

## Budget

The evaluation will be paid for by the co-financiers in shares equal to the total costs. JMBA will provide logistical support including the use of vehicles and accommodation where required.

## **Round Table Discussions and Press Briefings**

In its letter dated October 15, 1995, an environmental NGO asked for a meeting between the NGOs and the mid-term review mission to discuss the hydropower project. The Bank management felt that the most appropriate arrangement to facilitate a free and fair exchange of views would be to hold a roundtable at which all parties (NGOs, affected villagers, the power company, the Government and the Bank mission) could participate. Accordingly, the power company was requested by the Bank to arrange the roundtable and with Government support, it readily agreed to do so. In subsequent correspondence, the NGO made it clear that it would not attend any meeting at which representatives of the power company and the Government were present nor would it invite those representatives to participate in a meeting organized by itself. Further attempts were made by the Bank to persuade the NGO to attend the roundtable sponsored by the power company to which all concerned NGOs, including the environmental NGO, were invited. In response, the environmental NGO arranged a meeting of its own in the afternoon of the same day as the roundtable organized by the power company. The Bank mission did not participate in the national NGO's meeting.

Although the roundtable organized by the power company on November 7, 1995 was attended by only two NGOs and the editor of a newspaper (no press persons were prevented from listening in), the four hours for which the meeting lasted provided an excellent opportunity for a free exchange of views on all aspects of the dam project and more importantly on: (a) health; (b) fisheries; and (c) resettlement and compensation. The meeting was followed by a two-hour question and answer session with the press.

### **B. Summary of Findings – Resettlement and Compensation**

The National Organization for Economic and Social Development (NOESD) established an environmental impact mitigation plan of 10 major items (resettlement and compensation, forest conservation, foot bridges for tourism, fisheries, communicable diseases study and prevention, highways and bridges, archaeological study and preservation, public information, environmental monitoring, project monitoring and evaluation). The total mitigation plan for these 10 activities will cost about US \$29 million, (\$14 million for compensation, \$8 million for resettlement and \$7 million for environmental impact mitigation) to be financed by the power company. By the end of October 1995, the power company had disbursed nearly half of that amount.

Compensation for house and farm plots to be lost to flooding amounts to about \$9 million, of which the power company had disbursed 99% by the end of October 1995. (The remaining cases involve mostly legal disputes over land titles and communal land-outside of the power company's control).

The power company estimates that the work of resettling people into new houses was 60% completed by the end of October 1995.

Pertinent details of Resettlement and Compensation are shown in the following tabulations:

**Number of villages affected by the project:**

Farm plots and/or house plots affected	11	
Farm plots only affected	20	
<b>Total</b>		<b>31</b>

**Number of house plots affected:**

		<u>Work Finished</u>
At the village next to the dam	11	11
Below 213 MSL (relocated)	142	119
Between 213 and 214 MSL (backfilling on same site) (20 being done; 22 no request)	95	53
<b>Total</b>		<b>248</b>

**Number of families with farm plots affected:**

(a) Farms fully inundated		
Less than 1 acre	29	
1–2 acres	3	
2–3 acres	2	
3–4 acres	1	
More than 10 acres	7	
	<u>Sub-total</u>	42
(b) Farms partially inundated		
Less than 1 acre	275	
1–2 acres	29	
2–3 acres	24	
3–4 acres	11	
4–5 acres	7	
5–6 acres	7	
6–7 acres	4	
7–8 acres	5	
8–9 acres	3	
9–10 acres	2	
More than 10 acres	246	
	<u>Sub-total</u>	613
	<b>Total</b>	<b>655</b>

**Total number of farm plots affected:**

**1,099**

*(cont.)*

**Compensation rates and allocation of land:**

- (a) Compensation rates
  - Farm plots flooded
    - \$5,000 per acre home plots flooded
    - \$5,000 per acre home plots backfilled
    - \$1,500 to \$4,500 for removing and rebuilding house, depending on size
  - Houses flooded
    - \$7,000 for all houses (owner can remove house)
  - Trees, fences, wells, out-buildings
    - At standard rates set by Compensation Committee
- (b) Formula for allocation of farm plots
  - The power company changed the formula on 9/15/95 (an improvement on the earlier formula).
  - In resettlement area
    - The power company will give farmers land up to the amount lost by flooding, but not more than 10 acres (regardless of the amount of land such farmers retain at home).
  - In home village
    - The power company will now try to buy amount of land lost to flooding and give to farmers not more than 10 acres. If the power company cannot find such land to buy, it will ask farmers to do so, and pay them \$5,000 per acre.

**Resettlement options:**

These options are available for all families who relocate from flooding, or who wish to relocate from blasting.

- (a) Move to same or nearby village to land bought by the power company
  - Home plot: 600 sq. m. (24x24 m)
  - House: 4x8 m or 6x6 m
  - Alternative models available
  - Farm plot as described above
- (b) Move to resettlement area
  - Home plot: 800 sq. m. (28x28 m).
  - House: same alternative
  - Farm plot as describe above.
- (c) Move to any area of choice elsewhere
  - \$7,000 to build or rebuild.
  - Farm plot as described above.
- (d) Move temporarily from blasting
  - \$200 per month until blasting is finished

**Notes:**

Villagers who cannot accept any of these resettlement options may file appeals with the Resettlement Committee for special consideration on a case-by-case basis. The district officers said that they had received appeals and were in the process of considering them.

For villagers choosing to resettle in or near their home village, the power company has bought land on the right bank in three nearby villages and also on the left bank in three nearby villages. The power company will provide necessary infrastructure (roads, water, electricity, etc.) in these new residential areas in addition to the substantial infrastructure improvements provided to the 11 villages near the reservoir.

Land titles are an essential part of the dam resettlement process. By national law, government agencies can compensate for land only to owners with some level of legal title. Eighty per cent of the owners affected by the project had no formal papers whatever. The power company and the three district offices concerned made an extraordinarily successful effort to accelerate a necessarily slow process of entitlement. In 1993 owners of 73 farm plots (out of 1,099) refused the first step in the process: requesting a land survey by the district office. In 1994 only 6 owners still refused, and in October 1995 only 2 owners still refused. Land entitlement is now nearly 100% complete. That achievement is a tribute to hard work, coordinated efforts and also a reflection of greatly increased acceptance (even if reluctant) of the project.

*(cont.)*

Some families losing farmland would have all or part of their land in the resettlement area and would have to travel long distances between home and farm, as much as 30 or 40 km. Those farther upstream, however, could take the option of getting new land from the power company in or near their villages. Buses on the right bank now reach the resettlement area every hour, and the power company expects buses from the left bank to cross the bridge at the dam as soon as construction is complete. Farmers in the area are used to walking several hours to reach remote fields, where they have simple field houses to stay during peak work periods.

**Status of compensation for flooding:**

	<i>Districts</i>			<i>Total</i>
	<i>First</i>	<i>Second</i>	<i>Third</i>	
Compensation finished				
Houses	60	84	0	144
Farm plots	302	425	220	947
Compensation not finished				
Houses	0	0	0	0
Farm plots	4	11	1	16
Total compensation million B	99	73	16	188
<b>Status of backfilling house plots</b>				
Finished	30	23	0	53
Being done	12	8	0	20
Not yet requested	12	10	0	22

## September 1995 Conflict and Its Resolution

The continuing conflict between opponents and proponents of the dam project erupted in September 1995 in a series of confrontations, threats of violence, talks and stalemate on the bridge at the dam site and subsequent negotiations in capital among the Government, the power company, affected people and NGOs. It was decided to appoint a committee to look into the grievances of the protestors but no agreement could be reached on the chairman for the committee. To assuage the feelings of the villagers and to reassure them about what was being planned for them by the Government, the power company, on September 18, made the following 6 proclamations:

1. to place markers and prepare clear maps showing the 213 MSL boundaries in the 3 districts—markers have been placed at 730 locations while maps are under preparation;
2. to compensate for all properties lost to flooding and to provide residences or farm plots to affected households (a reiteration of what was already being done);
3. to provide resettlement assistance (on the same terms and conditions as offered to people who had to relocate) to people in the village near the dam construction site (who would not be affected by the flooding but who would be inconvenienced by the noise of blasting)—by November 2, 1995, some 234 families in that village had filed claims with the power company and these are being attended to;
4. to organize a committee of villagers, academics proposed by villagers, Fisheries Department personnel and the power company to consider alleged fisheries loss and

possible assistance—a proposal to set up a Fisheries Committee has been submitted by the power company to the Government and is under the latter’s consideration;

5. to accept responsibility for any future treatment of people with schistosomiasis near the reservoir; and
6. to consider any special claims later submitted to district offices.

As part of the seven proclamations above, the power company opened a Public Service Center in front of the First District office and started a mobile unit to receive petitions from villagers—by November 14, 1995 the power company had received 1,166 petitions and these are being attended to.

The claims filed by 234 families in the village near the dam comprise the following:

Move permanently, the power company will provide a house and plot	55
Want \$7,000 compensation, will build the house themselves	144
Move temporarily during blasting, receive \$200 per month during blasting	<u>35</u>
<i>Total</i>	<u><u>234</u></u>

This total figure is over 40 families more than the survey showed at the beginning of construction. This is due to people filing multiple claims, but the power company is prepared to examine all claims.

The 1,166 petitions received by the power company are of 7 types, of which the most significant 4 are as follows:

- uncertainty of flood above 213 MSL and wanting to move from homes between 213 and 214 MSL
- regarding backfilling (the same transitional elevation)
- regarding properties missed on survey lists.

This new burden of work represents an emergence of resettlement issues from the ongoing conflict over the dam. The sources of the conflict are considered in section "General Observations and Impressions".

### **C. Summary of Findings: Environmental Impact Mitigation**

#### **The Local National Park**

A summary of the components and status of the Environmental Impact Mitigation Plan is presented in Tables 1 and 2 at the end of the report.

A widely shared fear is that the dam project will destroy a good deal of forest, but an important project component is designed to preserve the adjoining local national park. The power company has allocated \$1 million and already transferred \$500,000 to the Forestry Department to improve the capacity of the park to serve a growing population of visitors and still preserve the forest.

Work is about 68% completed toward equipping a park protection unit, a security guard unit, a first aid unit for visitors, and patrol trails. The Department has operated the park since 1980.

The park is an irregular oval shape about 12 km long east-west and about 8 km wide north-south, occupying an area of 80 sq. km or 8,000 ha. It lies eastward of the dam, along the right bank of the river. The park contains dry Dipterocarpus and deciduous forest. Viewed from the river, from a walking trail on the right bank, and from an interior patrol trail, the forest is in relatively good condition. The trees are too irregular for commercial lumber, but not for local subsistence use. The animal population is quite varied. Tigers have disappeared, but park staff report barking deer, wild boar, flying lemur, along with tropical fox, rabbit, and squirrel. Some 200 species of birds inhabit the park, mainly local varieties, but also migrating birds in flight between their summer and winter nesting grounds.

Like most parks and forests in the country, the local national park wild life is very close to human occupants. Three villages along the river are just outside the northern edge of the park and one small village inside the southern edge has over 300 inhabitants. Many of them leave home seeking work elsewhere after the rice harvest. Park officials note chronic difficulties limiting the extent to which these local villagers clear underbrush for agriculture (leaving big trees for shade); cut the trees (using hand saws only) for fuel, local building, and charcoal; and hunt the animals for food. Park officials anticipate increased future pressure on the park from growing population in the area, soil erosion, and increased tourism. They cite no direct environmental impacts from the dam, other than the loss of 125 acres for the powerhouse; but they see the dam and improved roads as attracting more tourists to the park. Over 100,000 people per year visited the park before the project was started.

The Forest Department has proposed to the government to begin a national forest of over 3,000 acres on the left bank of the river from the village just downstream of the dam nearly to the county seat.

### **Archaeological Study and Preservation**

Another widely expressed fear has been that the dam would flood prehistoric sites of great significance. The lower part of the river and adjoining valleys are regions of ancient human habitation. Rock paintings upstream from the river valley are considered over 3,000 years old. The power company accordingly allocated \$75,000 to the Archaeological Division of the Fine Arts Department to survey sites in the project area. Done in 1983 before the power company's survey of the reservoir boundaries at 213 MSL, the first archaeological survey reported that several ancient sites would be inundated. But after the power company's survey, the second archaeological survey reported in 1992 on 19 sites in the project area: 16 are 19th century religious sites: and 3 are ancient, ranging from 600 to 1,500 years old. All 19 sites were above 213 MSL except for the lower portion of one site on the right bank of the river, just below the mouth of the village about 500 m upstream from the dam.

A Fine Arts Department archaeologist explored, excavated, and prepared the site for preservation. The pillar was once mounted at about 218 MSL, well above reservoir flood level. A stone stairway descended to the river, the lower part of which was submerged in flood season, and would now be permanently flooded. The original pillar was transferred to the national

museum in the provincial capital, and a replica was set in its place. The stone stairway was restored down to the original (flooded) level, with rock structures just upstream to protect the submerged part of the stairway.

The Fine Arts Department added to the funds provided by the power company to extend prehistoric study in and near the project area. They discovered several large burial mounds, one now being excavated near the provincial capital—outside the project area. The carefully written and well illustrated report, “Archaeology of the River” (in the local language with an English summary) is a valuable addition to the prehistoric knowledge of the southwestern part of the country. It advances current understanding of an ancient king’s role in the valley and the contribution of his kingdom to the rise of later civilizations. It may be regarded as an indirect benefit of the project.

## **D. General Observations and Impressions**

### **Changes**

***Village infrastructure.*** The most visible change in the last year is the dramatic improvement in village infrastructure in the project villages. The power company is more than 60% done with construction of: 38 km of all-weather roads; 12 bridges; 3 school compounds backfilled with new buildings and houses for teachers; 3 new schools in higher, larger locations; 5 religious compounds with improvements to buildings; a new health clinic; and wells with hand pumps in all the villages. The beginnings were evident last year, but the changes are so extensive as to make it difficult to recognize parts of most of the villages. What is more important is that infrastructure development has been done in consultation with the villagers.

Another visible change in some project villages is the growing number of new houses built by people compensated to move to higher ground away from the riverbank. The power company took photos of the old houses at the time of compensation and also photos of new houses as they were built. The visual contrast is striking. Many of these people moved out of shacks with woven mat walls, on or near the ground; and they built larger houses with wooden walls and concrete foundations, raised on pillars above the ground to prevent flooding.

***Villagers’ acceptance of the project.*** Several villagers and local district officials emphasized that villagers were much more interested in improvements in their own limited capacity to make a living than in greater electrical capacity for the country. Nevertheless, the dramatic improvements in village infrastructure gave villagers a new perspective on their future opportunities (mobility, marketing, higher education for their children, health care, etc.). They still worry about fish supply in the river, the level of flooding, and water borne diseases; but they now see new opportunities that make them (however hesitantly or uncertainly) more accepting of the project. The optimistic report of district officers and power company officials that villagers are more accepting this year was confirmed by the spontaneous remarks of young fishermen in the most hostile village last year. To be sure, these young fishermen are still worried about what they see as declining fish yields in the river.

***The dam as amplifier rather than cause.*** Project opponents have claimed that it would initiate many negative trends: deforestation, destruction of fisheries, inflation of land prices, health



hazards from water borne diseases, distrust among neighbors and the like. Proponents have denied such grim predictions, pointing to substantial benefits. Actual outcomes may confound both claims. The negative (and perhaps positive) impacts of the project are likely to take the form, not of direct effects, but of amplifications of already existing trends of change in the area. Increasing fishing and pollution in the river is already decreasing the diversity and amount of fish available. Destruction of forests in the area is already severe. Land prices have been going up with increasing demand for weekend houses along the river and other rivers in the province. Health hazards have long been very high from local preference for eating raw fish. The “positive” and “negative” impacts of the project can best be anticipated as part of the process of change in the region.

## **Problems**

*The people “between”.* The most vexing problem in resettlement and compensation last year and this year seems to be the people in the intermediate level between 213 and 214 MSL. The power company generously compensated people losing house or farm plots below 213 MSL, but the power company was confident that those above 213 MSL would not be flooded. Even so, the power company offered to raise the level of houses of those in the intermediate level. The offer probably tended to confirm the doubts and fears of people at that level, those right at the water level. For the power company, the 213 level is the crucial threshold, above which no danger exists. But for villagers living at that seemingly precarious level, 20 or 40 cm. of elevation still leaves them dangling at the water's edge. They are used to fleeing from floodwaters, but used to returning in a week or two. The future looks especially ominous to people living at this level. Their complaints were loud last year, and they are still numerous in the petitions submitted recently to the power company, discussed above.

*Lack of social infrastructure.* National, provincial, and district government officials created some remarkably effective institutional infrastructure in the provincial Committees for Resettlement and Compensation, including their numerous sub-committees at the district level. But no comparable social infrastructure has been created by or for the project population. As in all river basin projects, watershed boundaries and administrative boundaries ignore and crosscut each other. The villagers affected by the project are scattered along both banks of the river, in parts of 1 province, 3 districts, 7 sub-districts, and 31 hamlets. They have no forum in which to exchange information, organize themselves, make decisions or coordinate activities. This was vividly illustrated in October 1995. In the course of (sometimes unofficial) negotiations among villagers, NGOs, the power company, and government officials (begun at the dam site and continued in the national capital) agreement was reached to form a joint to discuss issues and manage future conflicts.

The committee members would be: 3 chosen by the power company, 3 chosen by the villagers, 2 technical people (one chosen by each side), and a chairman jointly chosen by both sides. The power company promptly chose its members, but the villagers have no institutional structure in which to choose “their” members. This matter remains unresolved.

*The high cost of conflict.* Some local district officials doubt that the power company or other government agencies will be able to build infrastructure projects in the future if the costs of compensation and conflict control run as high as they have in the dam area. The power

company's compensation rates were more generous than in the past, these officials note; but the power company and government are now committed to spend additional funds to deal with the turmoil of recent conflict. Some felt the power company's response in October 1995 was excessively generous; others thought that the power company had no choice.

## **E. Recommendations**

Appropriate recommendations at the mid-term review of a technically well run but very controversial project would seem to tilt toward basic rethinking of energy project strategy for the future, rather than fine tuning of the current operation. The power company has already agreed to (a) bring before the compensation and resettlement committees the case of those persons living between elevations 213 and 214 MSL for sympathetic consideration; (b) review and respond to all complaints and petitions received; and (c) follow up its proposal to the Government for setting up of a Fisheries Committee to look into the grievances of the fishermen. The latter needs to be pursued.

Consistent with stated policies of the power company and the Bank to encourage wider and deeper public participation in future projects, it would seem fitting for both agencies to conceive of and justify future energy projects in terms of what benefits they could provide to the local people who would suffer the greatest losses and dislocations. As a district officer in the dam area said, the local people do not care about kw or mw or demand curves. They care about immediate livelihood problems and improvement: crops in the fields, fish in the water, fruit on the trees, and trees in the forest. Energy projects should organize to address these concerns initially, and eventually to produce energy.

It is too late to define and justify the dam project in this manner, but it is not too late to organize its post-construction implementation in a way that could serve as a model for future energy projects. Building on the good institutional foundation of the provincial Committees for Resettlement and Compensation, the government should establish a small, integrated river basin authority for the lower river. Like the provincial committees, the river basin authority would coordinate and pay for the services of various government agencies and NGOs. Unlike the committees, the authority would have a small, full time staff to handle coordination. The power company would fund the authority with a small percentage of its profits from producing electricity at the dam (for illustration only, 1%). The authority would be accountable to the power company for funding, and to the provincial governor(s) and district officers for policies and management.

In future energy projects the development authority would be in operation from the beginning of the design phase, thus obtaining the active contribution of local people affected in their own development, rather than inciting their resentment, hostility, and opposition. This would be intrinsically better for the local people's satisfaction and benefit, and extrinsically better for the power company's image, and thus for its capacity to work with local people for the larger good of energy production.

In this case, the development authority would coordinate activities by: the power company, public health, agriculture, irrigation, irrigation pumping project, land office, education, community development, accelerated rural development, highways, and other relevant agencies.

Early in the project cycle, the authority would sponsor a general assembly of all villagers affected and support the assembly in electing a council of representatives. An initial focus on the lives of the local people affected would make future energy projects better local development projects and thus better national energy projects.

**Table 1. Environmental Impact Mitigation Plan Summary**

<i>Item</i>	<i>Work</i>	<i>Budget in thousands of dollars</i>	<i>Completion Scheduled</i>	<i>% Completed</i>
1.	National Park Conservation on (Forestry Department): <ul style="list-style-type: none"> <li>• Warning system for tourist safety</li> <li>• Fully equipped national park protection unit</li> <li>• Fully equipped security guard unit</li> <li>• Fully equipped first aid station</li> <li>• National park patrol road</li> </ul>	800	5/97	58%
2.	Tourist Attraction Enhancement (the power company): <ul style="list-style-type: none"> <li>• Two suspension bridges to island</li> <li>• Water regulation to preserve/enhance river views</li> </ul>	800	5/97	85%
3.	Fisheries Development (Department of Fisheries): <ul style="list-style-type: none"> <li>• Fisheries increment and development center</li> <li>• Fisheries resource conservation/control center</li> <li>• Fisheries migration ladder</li> <li>• Fisheries migration study</li> </ul>	800	3/96	25%
4.	Health Impact Mitigation (Ministry of Health, the power company, local university): <ul style="list-style-type: none"> <li>• Monitoring/prevention of water borne diseases</li> <li>• Improving health status of affected population</li> <li>• Research work on Schistosomiasis</li> </ul>	250	5/97	35%
5.	Land Transport Improvement (Highways Department): <ul style="list-style-type: none"> <li>• Improvement of highway and two new bridges</li> </ul>	550	5/95	100%
6.	Archaeological Salvage (Fine Arm Department): <ul style="list-style-type: none"> <li>• Survey and exploration of archaeological sites</li> <li>• Restoration of archaeological inscription</li> </ul>	30	5/95	100%
7.	Public Relations Campaign (the power company): <ul style="list-style-type: none"> <li>• Community relations program</li> <li>• Public information program</li> </ul>	1,200	5/97	74%
8.	Environmental Monitoring (the power company): <ul style="list-style-type: none"> <li>• Monitoring implementation of environmental impact</li> <li>• Mitigation plan</li> <li>• Telemetering system for flood control</li> </ul>	1,300	5/97	29%
9.	Project Monitoring and Evaluation (Government Committee, the power company, NOESD): <ul style="list-style-type: none"> <li>• Monitoring by governmental committee</li> <li>• Evaluation by the power company and NOESD</li> </ul>	100	5/97	37%
10.	Contingency	750		
	<b>TOTAL</b>	14,000		46%

## **Appendix 32**

### **Resettlement Mid-term Review\***

#### **A. Mission Activities**

I took part in the first supervision mission of the project in October 1995. I arrived in the provincial capital on October 30, 1995 and joined the Bank supervision mission that was concerned with a mid-term review of the hydropower project. My assignment was primarily resettlement and compensation, and secondarily social and environmental issues.

Power company officials, a Ministry of Health official, and the hydropower part of the mission flew to the provincial capital on November 1 and drove to the dam site 70 km west and downstream of the capital. On November 2 this group attended a briefing by the power company and then visited the dam site, a health clinic for construction workers funded by the construction contractor and staffed by rotating local nurses, the village on the left bank just downstream from the dam, a recently restored archaeological site, and the village on the left bank.

After that (November 3–6, and again from November 9–11) I met with villagers and project officials on my own without being accompanied by power company officials, except for a driver. After flying to the national capital to take part in the roundtable meeting arranged by the power company on November 7 for NGOs, government officials, and the Bank team, I returned to the dam for a second week.

#### **Site Visits**

Right bank: village 1 (several villagers starting work on a new religious building on land raised by the power company, 2 farmers near a pump irrigation ditch, an elderly neighbor of the headman, the head teacher and a health worker); village 2 (4 women resettled from near the river to the center of the village, a man by the power company-installed water pump, and a teacher); village 3 (the headman and his wife, a woman by her house near the old temple, and a man and his son fishing for minnows in a flooded field, and the head priest); village 4 (elderly woman wanting to move away from blasting and ‘threat of flooding’, 2 young construction workers on the dam, and a shop keeper); village 5 (young farmer near river bank, man near the old health clinic, old farmer away from the river); village 5 (neighbor of the headman, 2 fishermen, a woman by her garden); and village 6 (to see changes in road and school construction).

Visits to sites: boat trip from the main river up the tributary to the county seat (several fishermen and farmers); an archaeological ruin on the left bank downstream from the county seat; and the local national park.

Visits to officials: at the power company camp (the superintendent; two officers in the Resettlement Division; and many informal talks); the assistant director of the local national park; a district officer; and the provincial governor.

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\* This mid-term review report is based on an actual report, but the names and some details have been deleted or changed to disguise the identity of the project because mid-term reviews are not publicly available documents.

**Table 2. Environmental Impact Mitigation Plan Work Progress**

<i>Item</i>	<i>Work Progress (October 1995)</i>
1. National Park Conservation (Forestry Department):	The national park protection trait and the security guard unit have been completed. The first aid station is in the design stage.
2. Tourist Attraction Enhancement (the power company):	The two suspension bridges to the island are to develop the island as a tourist spot are under erection. Flow regulation system to preserve access to the island will be installed after project completion.
3. Fisheries Development (Department of Fisheries):	The fisheries study has commenced and the results of the first sampling survey in September 1995 showed the presence of 87 species. The design of the fish ladder has been completed. The design of the Fisheries Development Center and the Fisheries Resource Conservation Center have been completed.
4. Health Impact Mitigation (Ministry of Health, the power company, the local university):	The Ministry of Health has formulated 5 work plans that are in various stages of implementation. The progress of work is slow. The power company's Division of Medical Services has introduced mobile medical team services that have been functioning satisfactorily. The research work entrusted to the local university has progressed satisfactorily. Surveys conducted have shown that there are no signs of the Neotricula snail and no cases of schistosomiasis in the dam area. Further work will continue.
5. Land Transport Improvement (Highways Dept.):	This work has been completed.
6. Archaeological Salvage (Else Arts Department):	This work has been completed.
7. Public Relations Campaign (the power company):	To date the following have been accomplished: (a) 304 operations involving provision of water, clothes, school items and medical equipment to affected villagers; and (b) 177 operations involving site visits of journalists, seminars with local press and dissemination of project information through radio and news media.
8. Environmental Monitoring (the power company):	Two site investigations have been conducted by power company staff which have concluded that doers have been no significant environmental changes. Design of Telemetering System for Flood Control has been completed.
9. Project Monitoring and Evaluation (Government Committee, the power company, NOESD):	NESDB has completed two evaluations so far. The September 1994 evaluation concluded that most of the work related to environment impact mitigation is proceeding as planned. The results of the June 1995 evaluation are still awaited. The Government appointed Environmental Impact, Monitoring and Evaluation Committee has so far met five times—February 2, 1994; March 12, 1994; March 17, 1994; March 27, 1995; and May 19, 1995. The Committee's composition is expected to be marginally changed by the new Government.

## **Appendix 33**

### **Implementation Completion Report Section on Resettlement\***

#### **A. Background**

The project's Resettlement Action Plan (RAP) at appraisal covered land acquisition and compensation to populations affected by construction of: the Yangzhou 1200-MW coal-fired power plant; the first phase of the disposal site for the ash produced by the plant; and a 500-kV transmission line to carry power from the plant to the grid of the Jiangsu Provincial Electric Power Company (JPEPC). The appraisal conducted a detailed baseline survey for the resettlement of populations affected by the construction of the main power plant. For the ash disposal site and the transmission line, the RAP contained estimations from the Yangzhou Thermal Power Plant Project Office since the engineering designs for the transmission line were to be prepared during project implementation. The Bank and the project office agreed that the office would conduct detailed surveys and produce separate resettlement plans for these components following the completion of detailed engineering designs. In addition, the project prepared a separate RAP for the additional Yangcheng transmission line, which did not become part of the project until 1999.

#### **B. Implementation Arrangements**

For resettlement resulting from the power plant and the ash yard, JPEPC was to be responsible for overall coordination. The Yangzhou Thermal Power Plant provided the funding and the Yangzhou Municipal Government Haijiang County and Bali Township were responsible for detailed execution of the RAP. The Yangzhou Power Bureau, in association with the local, county and township governments were responsible for the resettlement resulting from the 500-kV transmission line from the Yangzhou power station to the Jiangsu Power Grid. For the additional 500-kV line from Yangcheng to Huaiyin, the Yangcheng Project Preparation Office under JPEPC was responsible for overall coordination. The city electricity supply bureaus and selected transmission companies were responsible for implementation.

#### **C. Planned and Actual Scope of Resettlement**

As indicated in Table 1, the overall resettlement impact of the original project components overall was considerably less than anticipated in the RAPs. As Table 1 indicates, 524 households required resettlement, only about half of the estimate in the RAP. Correspondingly, there was a 30 percent decrease in land acquisition and a 60 percent decrease in house removal, compared to the RAP. The number of households resettled due to the power plant construction alone, amounted to 264, as estimated at appraisal. The net decrease in affected persons for all the original project components resulted from refinements of transmission line and ash site designs to minimize the resettlement impact. In contrast, the total households resettled due to the construction of the Yangcheng-Huaiyin transmission line amounted to 316, more than double the original estimate of 128. The higher impact of resettlement for this component was due to the

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\* *China Yangzhou Thermal Power Project Implementation Completion Report*, Additional Annex 9: Summary of the Resettlement Completion Report, World Bank, June 17, 2003, pp. 41-45.

length of the transmission line (over 600 km), spanning several provinces and the difficulty in estimating the impact.

**Table 1. Planned and Actual Resettlement for the Yangzhou Thermal Power Project**

<i>Items</i>		<i>500 kV</i>			<i>Total</i>	<i>Yangcheng 500 kV Transmission</i>
		<i>Thermal Power Plant</i>	<i>Transmission Component</i>	<i>Ash Site</i>		
Relocated households	RAP	264	568	221	1,053	128
	Actual	264	235	26	524	316
	Difference	0	-333	-195	-529	188
Demolished houses (m <sup>2</sup> )	RAP	22,840	88,223	27,700	138,763	25,446
	Actual	22,840	26,709	5,894	55,443	36,547
	Difference	0	-61,514	-21,806	-83,320	11,101
Acquired land area (mu)	RAP	1,650	26	1,007	2,683	892
	Actual	1,693	52	160	1,905	854
	Difference	43	26	-847	-778	-38
Affected people	RAP	927	2,657	907	4,491	1,264
	Actual	927	816	78	1,818	1,750
	Difference	0	-1,841	-829	-2,673	486

Note: The land acquisition for the Ash Site does not include 5,740 mu of land allocated from state-owned land.

#### D. Compensation Policy by Project Component

**Construction of the Power Plant and Ash Yard.** The compensation rates for the Yangzhou Thermal Power Plant and Ash Yard were set up first by following the Land Administration Law at the time. For land compensation, it was set at 6 times of annual output value or Y3,600 per mu, based on average annual yield of the land for the past three years (Y600 per mu). For the resettlement subsidy, it was set at 10 times the value of annual output, at Y6,000 per mu. Building compensation was a flat rate of Y600 per square meter was set for both old house removal and new house construction. For non-residential structures, the compensation was Y200 per square meter, for a cowshed it was Y100 per square meter. Most of the 264 households affected by power plant construction (89 percent) were relocated to the nearby Bali town center, where modern apartment housing blocks were built for their accommodation. In terms of economic rehabilitation, non-farm employment was to be provided for those between 16 and 40; and a living allowance of Y75 per month would be provided for those over 40 years old. About 11 percent of the affected households were able to remain farmers in their villages. They received housing lots from the village at no charge. Due to their limited land loss, the compensation was a combination of land readjustment within their village groups and cash compensation delivered to affected groups and individuals.

**Original Transmission Line Component.** Since the detailed RAP was prepared later than the one for the power plant, the compensation rates were higher. The combined compensation rates for both land and resettlement expenses amounted to between Y14,200 and Y24,000, or between 1.5 and 2.5 times the combined land and resettlement compensation rates for the power plant (Y9,600). The compensation for the building structures, ranging from Y120 to Y400 per square meter, was more than adequate for providing them with replacement housing.

**Yangcheng Transmission Line Component.** Based on the successful resettlement experience for the 500-kV transmission component, similar compensation rates were adopted for Yangcheng Transmission Component. Due to limited land acquisition, the economic rehabilitation strategy was mainly a land-based one, with a combination of land re-adjustment within and a compensation fund delivered to affected village groups.

## E. Planned and Actual Cost of Resettlement

Table 2 summarizes resettlement expenses for the Project. For the original project components - the power plant, 500-kV transmission line and ash site components, the actual resettlement cost was Y145 million, which was 16 percent less than the RAP estimate. Most of such cost saving was due to a 49 percent reduction in resettlement cost for the 500-kV transmission line and a 20 percent resettlement cost reduction for the ash site component. The reduced scope of resettlement was the main cause of the reduction in compensation, though compensation adjustments for the thermal power plant resettlement resulted in slightly higher costs (1.7 percent) than in the RAP. However, if including additional support from Yangzhou Thermal Power Plant Project Office and Yangzhou and Hanjiang Governments, the actual resettlement cost for the power plant site would be even higher.

For the Yangcheng 500-kV transmission component, the resettlement cost estimate was Y86.49 million, which included the cost of land acquisition, house removal, restoration of infrastructure, and various taxes and fees. No comparable figure was available for the actual implementation. However, according to the resettlement completion report, actual compensation to the affected population amounted to Y24.9 million, which was 18 percent higher than that in the RAP (Y21 million). Therefore, the actual total resettlement cost could be higher than that in the RAP, giving the increasing scope of resettlement for the component.

**Table 2. Resettlement Budget for the Yangzhou Thermal Power Project  
(million Yuan)**

<i>Components</i>	<i>RAP</i>	<i>Actual</i>	<i>Difference</i>
Thermal Power Plant	68.00	69.17	+1.7%
500 kV Transmission Line	29.00	14.74	-49.1%
Ash Site	76.00	61.08	-19.6%
<b>Total</b>	173.00	144.99	-16.2%
Yangcheng 500 kV Transmission Line	86.49	n.a.	

## F. Impact of the Resettlement on Dwellings and Income of Affected Populations

**Households Affected by the Construction of the Yangzhou Power Station.** The households resettled in the town center moved into new apartment housing built by the Bali township government, which was considered a substantial improvement in dwellings. There were four different types of apartment units, ranging from 65 square meters (2 bedrooms) to 85 square meters (3 bedrooms). Each apartment was equipped with a separate kitchen, bathroom, and



modern sanitation facilities. However, despite the improvement, the move required a change of living style compared to the rural area. In particular, it eliminated the vegetable garden and areas for keeping farm animals. The lack of these rural facilities, combined with the new gas cooking stove and flushing toilet, resulted in higher living costs. Higher housing costs compared to compensation amounts, unforeseen lower interest rates on compensatory funds, and adverse economic factors in the region further eroded the benefit structure of the move for the resettled households. As a result it was necessary to adjust the resettlement benefits of those moving into the town center.

Concerning the impact on income, according to a sample survey of 52 households, conducted in 2002, for the resettlement completion report, both households that had resettled in the town center and those that had remained in the villages had higher incomes than before the move. The survey also compared the resettled households with 20 households in neighboring villages that had not been resettled. The results indicated that the resettled households had a per capita income of Y3,600 compared to Y3,550 for neighboring households that had not been resettled. Within the resettled group, the per capita income level in 2001 of those resettled in the villages (Y3,682) was slightly higher than those who had moved to the town center (Y3,583). However, those who had moved to the town center had experienced a 109 percent increase in their per capita income between 1993 and 2001, while the income of those resettled in villages had increased by about 55 percent. The main reason was that, prior to resettlement, the per capita income of the group resettled in the towns was much lower than that of the group resettled in the same village area.

***Households Affected by Transmission Line Construction.*** The resettlement completion study conducted a survey of 51 households affected by the construction of the Yangzhou transmission line, collecting data on dwelling space and income. On average, the households increased their living space by 28 percent. The survey also reported that overall the per capita income of those affected increased by 21 percent from Y3,300 in 1997 to Y4,000 in 1999. For households affected by the Yangcheng transmission line, a selected household sampling indicated that new houses were 94 percent larger than the former houses. It also indicated that per capita income had increased by eight percent between 1998 and 2001.

## **G. Overall Performance and Key Factors Affecting Resettlement Implementation**

Overall the resettlement was satisfactory, resulting in improved living conditions as defined at appraisal: higher income levels, more spacious living spaces, and access to improved water and other infrastructure. The RAP for the power plant could have benefited from greater consultation with the affected populations concerning the move to the nearby town center from the farm areas and greater consideration of the lifestyle impacts. In particular the resettlement completion report indicates that there should have been more attention to the option of providing the households with funds to build their own homes rather than moving to government-constructed housing. The RAPs for the transmission line components were less complex, involving no move from rural to urban areas.

There were two main factors that affected resettlement under the project. The first was refinement in the designs of the original project's transmission line and ash yard components, which significantly reduced overall resettlement impact and cost. The second was a change in the

conditions that increased the cost of resettlement relative to the compensatory amounts for those who moved to the town center as the result of Yangzhou Thermal Power Plant construction. These conditions included: (a) higher housing costs and cost of living expenses than originally estimated; (b) changes in the local economic situation that affected the availability of jobs for those receiving employment as compensation; and (c) lower interest on pension fund investments. At the insistence of the Bank, resettlement authorities addressed these factors by: (a) increasing the monthly living allowance; (b) lowering the cost of new housing; (c) increasing the pension fund amount; and (d) establishing a self-employment fund for qualified workers.

## **H. Lessons Learned**

The full resettlement completion report cites the following key lessons learned, which reinforce those derived from other Chinese power projects. These are the need to:

- (a) improve resettlement planning at project preparation stage to allow better assessment of compensation rates and rehabilitation measures, and the preparation of more accurate cost estimates;
- (b) carefully review proposed economic rehabilitation measures and to ensure proper economic rehabilitation options are selected after extensive consultation, and are appropriate for all types of affected people, particularly those vulnerable groups; and
- (c) appraise proposed institutional arrangements for resettlement implementation to ensure adequate staff and supervision by the project owner, and adequate staff, training and resources for both internal and external resettlement monitoring and evaluation.