

**Earthquake and Tsunami Emergency Support Project (ETESP)
External Resettlement Monitoring Report**

Sector : Road and Bridges
Subproject : SP-4 Ulee Lheue Roads



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Abbreviations and Acronyms

ADB	Asian Development Bank
AP	Affected Person
APBK	District Government Budget
APBN	Central Government Budget
BPN	Badan Pertanahan National (National Land Department)
BRR	Badan Rehabilitasi dan Rekonstruksi NAD Nias
Camat	Subdistrict Leader
ERM	External Resettlement Monitor/ing
ETESP	Earthquake and Tsunami Emergency Support Project
Geuchik	Village Leader
IRD	International Relief and Development
IRM	Internal Resettlement Monitoring
LAC	Land Acquisition Committee (Panitia Sembilan/Committee of Nine)
LARAP	Land Acquisition and Resettlement Action Plan
LARPFPG	Land Acquisition and Resettlement Policy Framework and Procedural Guidelines
LMS	Livelihood and Microfinance Support
NGO/CBO	Non Government Organization/Community Base Organization
Pemda	Local Government
PIC	Project Implementation Consultant
Satker SP4	Satuan Kerja (Project Implementation Unit) for Subproject 4
ULR	Ulee Lheue Road
Walikota	City Head
WCR	West Coast Road

Table of Contents

A.	INTRODUCTION	1
	External Resettlement Monitoring (ERM) Objectives.....	2
	Scope of the Monitoring, Data Sources and Schedule	3
B.	PROCESS MONITORING	3
	Staffing	3
	Consultation, Participation and Grievance Resolution	5
	Procedures of Operation and Budget	9
C.	PROGRESS ON THE OUTPUTS	11
D.	RECOMMENDATIONS	14
Annexes:		
A	List of Persons Interviewed for the External Resettlement Monitoring	16
B	Ulee Lheue Road SP LARAP Summary Monitoring Indicators	19

A. INTRODUCTION

1. The Ulee Lheue Road (ULR) Subproject (SP4) aims to rebuild the strategic road joining Kota Banda Aceh to the local port of Ulee Lheue and on to the West Coast Road (WCR) at Simpang Rima. It will rebuild and widen sections of the road starting from Sultan Iskandar Muda Street (Banda Aceh) to the local port of Ulee Lheue (Laguna Bridge) by 9 meters and from Ulee Lheue to the junction of the West Coast Road by 4 to 6 meters. Total length of ULR-SP4 proposed road works is 8.98 km long; from Banda Aceh to Ulee Lheue (Laguna Bridge) is 5.28 km, and from Ulee Lheue to Simpang Rima is 3.7 km.

2. The subproject passes through 13 villages in Banda Aceh and Aceh Besar. In Banda Aceh, it passes through 8 villages in Meuraxa sub-district (Punge Ujong, Cot LamKuweh, Blang Oi, Lambung, Gampong Pie, Ulee Lheue, Gampong Blang and Asoe Nanggroe) and 2 villages in Jaya Baru sub-district (Ulee Pata and Lamjamee). In Aceh Besar, it passes through 3 villages in Peukan Bada sub-district (Paya Tieng, Lamlumpu and Lamgeue). These villages were the hardest hit by the tsunami in terms of casualties and damage as the wave cut deeply into the densely populated areas. There are very few remaining private or public infrastructure, settlements and social facilities. Reconstruction is ongoing in the area with support from government and various aid organizations.

3. The subproject will benefit several villages in Kota Banda Aceh and Aceh Besar with local roads feeding into the ULR artery. The ULR links the residents of these regions with the urban center as well as with the WCR. The road improvements will facilitate traffic flow which will increase business opportunities for those with access to the ULR. It will ease travel of commuters living along the ULR but working in urban center of Banda Aceh and reduce vehicle operating cost. The wider road will also facilitate evacuation of residents in adjoining village roads in the event of future tsunami threats to the area.

4. The road widening requires land acquisition along the proposed roadway alignment, removal of fences, small shop relocation and replacement of existing trees. The types of losses include:

- (a) loss of narrow privately-owned land
- (b) loss of village-owned land
- (c) loss of government-owned land for community services/public facilities/offices
- (d) loss of fences
- (e) relocation of small shops
- (f) cutting of trees currently located in the ULR right-of way.

5. A total of 5.07 ha of privately-owned land, 0.49 ha of village-owned land, and 0.15 ha of government-owned land need to be acquired. According to the LARAP, the subproject will affect 524 privately-owned plots, 21 village-owned plots, 9 government-owned plots, 26 small shops, 2 temporary housing units, 3 fences and 139 trees planted by the Provincial Government (See Table 1 below).

Table 1. Summary of key impacts of the subproject on land/assets*

Impact	Assets Lost	# of APs
Loss of private residential/commercial land		
- 10% or less	0.817 ha	138
- 11 – 30%	1.927 ha	204
- 31 – 60%	8.877 ha	64
- 61 – 90%	0.219 ha	15
- more than 90%	0.919 ha	73
Loss of agriculture (fishpond) land		
- 10% or less	0.214 ha	21
- more than 10%	0.074 ha	9
Relocation/loss of structures		
- small shops	26 shops	26
- temporary shelter	2 units	2
- fences	3 units	3
Loss of village owned land	3.148 sqm	21 plots
Loss of government owned land	3.133 sqm	9 plots
Loss of trees planted by the Provincial Government	139 trees	-

* These impacts exclude those caused by the Ulee Lheue Subproject Bridges Component which are covered in a separate LARAP.

External Resettlement Monitoring (ERM) Objectives

6. The ERM aims to validate agreements made and documentation related to the preparation of the SP4 LARAP, identify resettlement impacts during subproject implementation, assess conditions of people affected by subproject implementation and adequacy of support for restoring damages/losses to assets and livelihoods. A team of External Resettlement Monitors from Syiah Kuala University -under a separate contract with ADB and under direct supervision of the BRR Supervisory Board- was mobilized for this purpose.

7. Specifically, the ERM aims to:
- a. confirm the extent of impact of the subproject on the APs,
 - b. assess APs' awareness of their entitlements under the Land Acquisition, Resettlement Policy Framework and Procedural Guidelines (LARPFPG) and agreements reached with the APs and BRR
 - c. validate if the assistance provided to the APs comply with the provisions of the LARPFPG as agreed in the ETESP Grant Agreement,
 - d. assess if there are impacts on the APs that were not foreseen during the SP4 LARAP preparation.
 - e. determine if the standards of living of the APs have improved, remained the same or worsened and the factors behind these.
 - f. verify from the field if there are APs who were not included in the LARAP and assess the subproject impacts on these APs

- g. recommend appropriate measures, if needed, to ensure that APs are assisted to restore their living conditions and livelihood, or are at least not worse off as a result of the subproject.

Scope of the Monitoring, Data Sources and Schedule

8. The monitoring covers the preparation/socialization process, compensation process to the affected persons, and resettlement impact of the subproject. The data were taken from interviews with (a) affected persons, (b) Project Implementation Consultant (PIC), (c) Land Acquisition Committee (LAC), and (d) BRR-Satker for SP4.

9. Data gathering was initially planned for nine days, from 3 to 11 August, 2007 targeting 20% of the 524 total of affected persons and key persons involved in the LARAP implementation (see Annex A for the list of persons interviewed). However, the ERM team encountered difficulties in contacting some APs who live in another village or city and who lack information on their contact details. Meetings with the PIC, LAC and the Satker for SP4 also took a much longer time. As a consequence, data collection was extended until 24 August, 2007. Only 72 APs (equivalent to 14% of the total number of APs) were contacted and interviewed for external monitoring.

B. PROCESS MONITORING

Staffing

10. Staff recruitment process for LARAP implementation started in 2 February, 2006. Details on the number of staff/consultant/related agencies recruited/mobilized for LARAP implementation are shown in Table 2.

Table 2. Number of staff/consultant/related agencies involved on LARAP implementation

	Stakeholder	Number
1.	BRR SP4 (2 people), Satker BRR SP4 Kota Banda Aceh (5 people) and Satker BRR SP4 Aceh Besar (5 people)	12
2.	Land Acquisition Committee/Committee Nine : 1. Secretary of Local Government (chairman) 2. Assistant of Tata Praja (co-chairman) 3. Head of National Land Board (Secretary) 4. Head of Division for City Management 5. Head of Division for Agricultural, Veterinary and Fishery 6. Head of Division for Infrastructure Development 7. Head of District Governance Management 8. Head of Sub-district Office/Camat 9. Village Leaders	38
3.	Independent Team for Land/Asset Valuation/ Assessor Team	5
4.	Project Implementation Consultant (PIC)	2
5	External Resettlement Monitoring	5

11. The 'Badan Rehabilitasi dan Rekonstruksi-NAD Nias' (BRR) is the Executing Agency (EA) for the ETESP Grant. As the EA, BRR is responsible for (a) overall coordination of LAR-related activities, (b) supplementing the Provincial Government's funds for land acquisition/resettlement compensation/rehabilitation assistance, (c) leading the establishment of market reference rates for land valuation in tsunami affected areas, and (d) engaging the External Monitoring Agency (EMA) on land acquisition/resettlement. BRR through its Project Management Office (PMO) in Banda Aceh and BRR-appointed Satuan Kerja (Satkers) handle road subprojects funded under the ETESP grant.

12. Land Acquisition Committees (LAC) in NAD were established based on 'Letter of Decision No. 3/2007' signed by the Head of BPN-NAD providing advanced instructions for land acquisition related to the ongoing rehabilitation and reconstruction in the province. The number of LAC membership in Banda Aceh and Aceh Besar is different, based on coverage needs.

- a. The LAC of Banda Aceh has 23 members. These include : (i) the Walikota of Banda Aceh, (ii) Head of BPN-Banda Aceh, (iii) Assistant of Tata Praja, (iv) Head of Division for Pemerintahan Kota, (v) Law Division of Banda Aceh, (vi) Head of Division for City Management, (vii) Head of Tax of Building and Land Department, (viii) Head of Division for Agricultural, Veterinary, and Fishery, (ix) Head of Division for Infrastructure Development (x) Head of General Division, (xi) Head of Law Division, (xii) Camat of Sub-district Office (Meuraxa and Jaya Baru), and (xiii) Heads of the 10 affected villages.
- b. The LAC of Aceh Besar has 15 members. These include : (i) the Bupati of Aceh Besar, (ii) Deputy of the District Office, (iii) Secretary of Local Government, (iv) Head of Division for Governance Management, (v) Head of General Division, (vi) Head of Tax of Building and Land Department, (vii) Head of Division for Infrastructure Development, (viii) Head of Agricultural Division, (ix) Head of BPN, (x) Head of BPN Controlling, (xi) Head of Law Division, (xii) Camat of Peukan Bada, and (xiii) Heads of the 3 affected village.

13. According to the LARAP, responsibilities of LAC are (a) community consultations to engage APs, (b) solicit AP input into the negotiation process, (c) explain the LARAP and its entitlement policies and options, including the grievance procedures, (d) undertake a verification process confirming individual's entitlements, (e) negotiate compensation with identified APs, (f) ensure that the appropriate payments are made and recorded by maintaining a database recording the identification and location of APs, inventory of losses, the compensation paid, and the date and method of payment, (g) respond to grievances and complaints, and (h) provide a update reports to BRR/the Governor on LARAP implementation. The ERM team found that the LACs have carried out all these tasks. However, information dissemination/disclosure of policies of entitlements and options, grievance procedures was not optimally done.

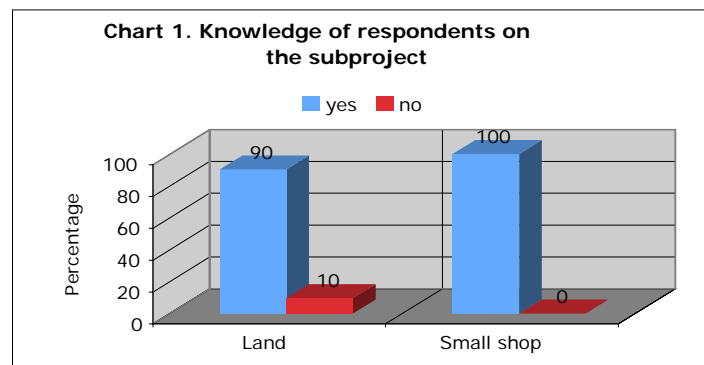
14. In compliance with Presidential Decree (Perpres) 36/2005, an Independent Land Valuation/Assessor (ILA) Team was appointed by the Office of Bupati Kota Banda Aceh and Aceh Besar to (a) determine current land prices in the area through review of recent sale records, (b) interview with adjacent land owners, and (c) review tax records (NJOP) and other possible references. The ILA also assists the LAC in the conduct of consultation with APs. It is composed of the sub district and village heads, traditional village leaders and a private land appraiser.

15. A firm was engaged by ADB to serve as Project Implementation Consultants (PIC) to support BRR in the implementation of the road subprojects financed under the grant. The staff of PIC responsible for social issues is Mr. Supriadi. The PIC is responsible for (a) monitoring contractors' compliance with stipulated measures to mitigate, enhance or compensate for environmental and social impacts related to the implementation of subprojects under the Sector; (b) monitoring and reporting overall sub project social and environmental impacts in accordance with GOI regulation, ADB guidelines on safeguards, and particular requirements of the ETESP Grant Agreement; (c) assistance to the Satkers and IA in the identification, facilitation, resolution, documentation and reporting of grievance from communities, groups or individuals related to the implementation of the Subprojects; (d) assistance to the Satker and IA in preparing requisite subproject Monitoring and Evaluation Report (including LARAP internal monitoring) and Progress Reports during construction and preparation of comprehensive Subproject Completion Reports when finished; and (e) support those AP shop owners who seek assistance in obtaining additional capital for their businesses, by coordinating with the three ETESP micro-finance conduits in Banda Aceh (PT BPRs Himkah Wakila) and Peukan Bada (PT BPRS Baiturrahman and PT BPR Dr. Imarah Saya) and similar micro-finance programs/initiatives by other agencies in these areas, under the LMS Component of the ETESP.

16. The ERM team noted that the PIC is currently monitoring contractor's compliance with environmental and social safeguard provisions in the contract. However, monitoring and reporting of compliance of LARAP-related activities was not optimally done. For instance, ETESP provision with regard to application of depreciation discounts in compensating for affected structures was not well socialized with the LACs. Information dissemination/disclosure of grievance procedures and AP entitlements was also not optimally done. As a result, some APs who have concerns do not know who they need to approach. Most of them simply refer their problems to their geuchik (village leader). The PIC prepared the Internal Resettlement Monitoring Report for the subproject and reported that all APs have been compensated. However, the ERM team found that 96 APs have not received their compensation. Assistance to APs in accessing additional capital support for livelihood improvement has also not been conducted. According to Mr. Supriadi, such activities are just about to begin.

Consultation, Participation and Grievance Resolution

17. Based on the Internal Monitoring Report, PIC has scheduled activities related to LARAP implementation. However, the dissemination and consultation activities were not clearly scheduled. Generally, the consultation activities only discussed about land and asset compensation by the subproject. Most APs have been socialized about activities related to the subproject. Some had known about the planned development in Ulee Lheue even before the tsunami (see Chart 1).



18. Chart 1 shows that about 90 percent of respondents with affected land have been informed about the subproject and 100 percent of the small shop respondents as well. Nevertheless, several of them do not know details of the commencement of the LARAP implementation. According to them, the subproject activities were not optimally socialized because only few APs came to the meeting. Many of the APs lived outside the village (as refugees). Those who were absent in the meetings got the information from friends or relatives who participated in these meetings. Other APs sent a representative to the meeting. But in the next meeting held at the Mayor Office, most APs came due to the documents requirement and compensation payment. A summary of the LARAP was translated into Bahasa Indonesia and reproduced into 'flyers' for local disclosure. However, these 'flyers' were not well distributed to all APs. Likewise, livelihood restoration meetings or sessions were not done optimally. It was difficult to run the APs identification process, entitlements explanation and grievance procedure, and those dealing with administration requirement due to the difficulty of contacting some APs who currently live away from the subproject area. Table 3 shows a summary of the LARAP consultation and local disclosure activities conducted for this subproject.

Table 3. Consultation, Participation and Grievance Resolution based on the LARAP

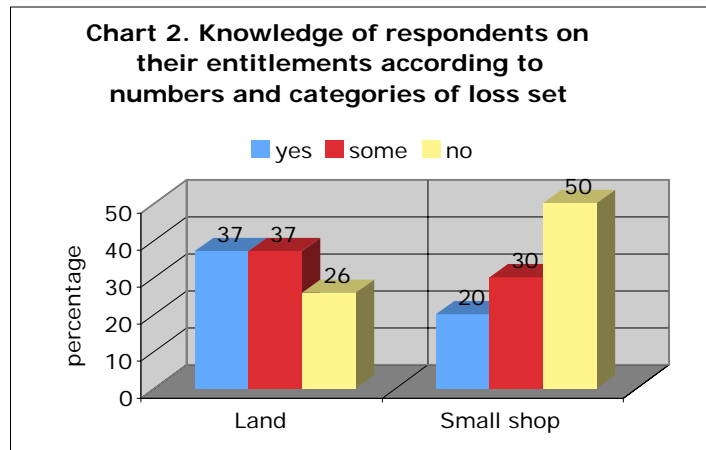
Activity	Date	Responsibility	IRM Report	ERM Team Remarks
Initiate and complete all land acquisition consultation and negotiation activities	Feb – Oct 2006	Satker SP4 BRR with LAC Banda Aceh and Aceh Besar	Finished	Finished
Inform village of land acquisition request	Sep / Oct 2006	LAC members	Finished	Finished
Identification of AP's, explanation of the land	Sep / Oct 2006	LAC members and Satker SP4 BRR	Finished	Finished, but the activities particularly related to

Activity	Date	Responsibility	IRM Report	ERM Team Remarks
acquisition plan, entitlements and grievance procedures				compensation explanation and grievance procedures have not been optimal yet (See chart 2 and 3)
Negotiation of compensation with identified AP's	Nov 2006	LAC members, Assessor Team and Satker SP4 BRR	Finished	Finished
Local disclosure of the LARAP	April-Juni 2007	Satker and PIC	No explanation of time schedule and the achievement	The distribution of flyers was not well conducted. The flyers were given to the Camat to be distributed to the APs. It was difficult for the Satker and PIC to find the APs address who were absent in the meetings.
Livelihood restoration meetings or sessions	Mei-Juni 2007	PIC/LMS	Finished	The shop owners stated that no assistance has been provided on this.
Announcement of job opportunities	July 2007	Satker BRR	Finished	The announcement was stated orally at the socialization meeting held at the Camat Office. Representatives from the subproject- Mr. Syauki (PPK), Mr. Sudarsono (satker), and Mr. Supriadi (PIC) – were present in the meeting.
ULR civil work begin	From the middle– last of June 2007	Satker SP4 BRR	Last of June 2007	Some site clearing and cutting of trees has started in some of the road sections.

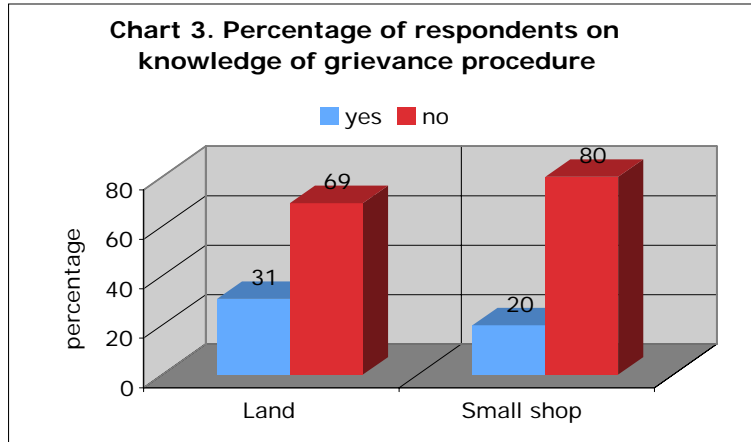
19. There are several socialization phases relating to the LARAP implementation conducted in Banda Aceh and Aceh Besar. In Banda Aceh, the village officer initially visited each known AP (land and/or small shop owners and/or squatters) about the land acquisition and resettlement plan. This was followed by a meeting at the Ulee Lheue Mosque where they consulted the APs on the price of land. A follow-up meeting was then made at the sub-district office to discuss about asset measurement and valuation schedule to be undertaken by the LAC and independent appraisers. After the valuation activity has been completed, a second meeting was held with the APs to discuss about price and payment. This was followed by three more meetings at the mayor's office to discuss about the administration requirement, price decision and payment system.

20. In Aceh Besar, the first meeting was held at the Mosque of Peukan Bada where they informed the APs about the road widening plan and land compensation. A follow-up consultation with the known APs was held to discuss the price and plan of measurement schedule. Each known AP was then visited by members of the LAC to confirm if they agreed with the land price. After the individual visits, a meeting was held between LAC and APs in the sub-district office relating to administration requirements.

21. At the time of external monitoring, all the consultation activities had been accomplished with some matters left. According to the respondents, the consultation process mainly discussed the compensation. Information about the entitlement policies, options, and grievance procedures were not explained. Consequently, some APs were unable to air their complaints and solve their problems. There was also a lack of information on how the market land price was determined. This resulted in some APs dissatisfaction with their compensation (30%). Some APs felt that they did not have bargaining option. A number of APs also think that if they did not accept the compensation offered, they had to refer it to the court. APs perceive this as more difficult to do due to its complicated process. According to the LAC, this is the highest price that the government ever offered to the community in the subproject area, even higher than pre-tsunami levels even if the area has been heavily disrupted and degraded by the tsunami. The responses showing whether the respondents know their entitlements can be seen in Chart 2.



22. Most of the respondents (74%) know the compensation amount received because of the agreements previously made among the LAC, Assessor team and the APs. On the other hand, only 50% of the small shop respondents know about their compensation. Affected shop owners were not involved and less socialized in either assets valuation process or assets valuation system conducted by the LAC. The compensation received was fully based on the LAC decision. For those who were not clear of the compensation amount which have been received, the grievance procedures were not optimally used because they did not know the procedures (see Chart 3).



23. Most of the respondents were not aware of how to use the grievance procedures (69% of the APs losing land and 80% of the APs losing small shops) which shows that the consultation process was not optimally conducted. This led to less participation of the community to give feedback by using the established grievance procedures.

24. Based on discussions conducted by the ERM team with the PIC and the APs, there were several complaints/grievances raised during LARAP implementation. These include the following:

- (a) Most APs whose lands are located along the Ulee Lheue roads live in another village as refugees and others decided to move to other villages. This made dissemination information and consultation with the APs difficult and limited;
- (b) Some APs have not received the compensation until present either for the land or asset affected;
- (c) Socialization of the LARPFPG was not well conducted to the people responsible for LARAP implementation. One of the indicators found was the application of depreciation on the valuation of small shops/assets; and
- (d) Coordination with the Livelihood Micro economics Support (LMS) component has not been optimized. The focus was only on compensation issues. Hence, increase in APs income is rather short term without guarantee for long term sustainability.

25. NGOs/CBOs such as IRD, Islamic Relief, World Vision, Up-link, and etc, that currently operate in the area have not been involved or tapped in either grievance redress or livelihood restoration for people affected by the subproject. APs owning small shops stated that they have not been able to link with any micro-finance or livelihood agencies to help them restore/improve their livelihood.

Procedures of Operation and Budget

26. The monitoring results show that the procedure of assets verification was decided partially by the LAC based on the Government Policy and the APs were later informed of the results of the valuation and asset verification. The process of asset verification include: (a) socialization at the village level conducted by Village Leader/Village

Secretary; (b) socialization at the Sub-district level by the Committee-of-Nine to all APs; (c) identification of the asset owner, and measurement/marketing of the affected land/asset conducted by field staff/Land Acquisition staff; (d) price valuation and estimation as a basis to determine the compensation price for land, building and crops affected; (e) socialization and verification of asset conducted by LAC;(f) assistance in the document administration based on the asset verification; and (g) announcement of the verification result and compensation value to each AP.

27. There is a different system of compensation delivery between Banda Aceh and Aceh Besar. In Banda Aceh, payment was made directly by BRR by depositing the amount to the bank account of the AP. For Aceh Besar, there are two modalities for compensation delivery, namely: (a) cash-payment, through the Aceh Besar District Government (If the compensation is more than 50 millions rupiahs, payment is through bank cheque); and (b) BRR deposits the amount to the APs' bank account.

28. There is coordination among BRR, Land Acquisition Committee (LAC), working group, and independent team during land/asset acquisition process. LAC, working group, and independent team are responsible for identifying the asset owners, measuring and estimating asset price and verifying asset document. BRR undertakes the disbursement of fund to APs who have completed the required documents and recommendation from LAC.

29. Some issues emerged with regard to coordination between BRR and LAC: (a) document standard/format made by LAC does not meet BRR requirements causing delay in payment; (b) insufficient communication between BRR and LAC in resolving payment delay issues; (c) different opinion on payment rules toward complex/special cases. These issues hamper the compensation payment of 63 APs in Banda Aceh district.

30. To address these issues, several measures are taken, namely: (a) BRR staff delegated to LAC the improvement of the document format; (b) provision of timely information from BRR on cases with payment compensation problems; and (c) meeting between BRR and LAC to discuss/clarify procedures and rules.

31. Based on records, the realization of land compensation for Banda Aceh are as follows: (1) Rp 12.033.158.000 from BRR NAD-Nias, and (2) Rp 4.781.419.175,00 from the provincial budget. The total land compensation payments realized for Banda Aceh is Rp 16.814.577.175. While in Aceh Besar, total amount of land compensation payments is Rp. 3.073.115.058. The amount of funds which have been not received by APs in Banda Aceh and are still being processed in the court is Rp 1.787.350.000. The APs that have not received compensation due to lack of documentation were addressed to the court, including APs who were identified later.

32. Affected lands from Simpang Jam to Ulee Lheu were valued and compensated at Rp. 500.000,-/m², while those from Ulee Lheue to Simpang Rima were valued and compensated at Rp. 300.000,-/m². These are post-tsunami compensation prices. Prior to tsunami, the price of land at the Ulee Lheue road was about Rp 275.000/m² while that for

Ulee Lheue to Simpang Rima was about Rp 150.000/m². The Land compensation price (post tsunami) was estimated based on: (a) market value of tax object, (b) current land price and; (c) last transaction of land sold. The last two points were recommended by the local sub-district leader.

33. Housing/fences valuation was based on the Dirjen Cipta Karya's rules (the division for infrastructure development, under the Public Work Department) consisting of 3 categories: permanent, semi-permanent and simple building. Permanent building with more than one floor is estimated up to Rp. 2.384.000,-/m² and building with one floor is Rp 1.700.000,-/m², semi-permanent Rp. 1.400.000,-/m², and simple building Rp 800.000,-/m². Depreciation was applied to the value based on the year built. According to the Head of City Management Division (Mr T. Bukhari), the calculation system of building depreciation was basically the same, 2 % per year. Besides that, the condition of building also influenced the valuation (such as being cemented or not cemented). When informed that as per the LARPFPG and the LARAP no depreciation should be applied in the valuation of the affected structure, Mr. Bukhari claim that he is not aware of such policy.

34. For trees, the valuation made is based on the Dirjen Perkebunan (estate/plantation department) and the local government rules. The valuation strongly depends on the type and age of tree. Dealing with grave affected, the valuation made referred to relocation cost in the amount of Rp. 400,000/grave. The relocation cost of small shop was not valued but was provided with transportation cost under request.

C. PROGRESS AND FACTORS AFFECTING THE OUTPUTS

35. The LARAP identified 524 private land and 26 small shops owners as affected persons, whereas the ERM found 648 APs affected persons. There are two reasons for these additional 124 APs: (a) the APs/heirs are newly identified, and (b) new names appeared as a result of plot fraction.

36. Compensation payment has not been completed, as can be seen in Table 4 below. There are several reasons to the non-completion of payments: (a) It was difficult to identify the land owner or the heir at the initial phase. (b) heir dispute, and need more time to verify; and (c) Lack of participation of APs during the socialization phase. According to the LAC and Internal Monitoring Consultant, there are several factors causing payment problem such as: (a) incomplete documentation; (b) unknown/unidentified land owner/heirs and; (c) discrepancies/errors in the AP's bank account number/name.

Table 4. Assets Payment Schedule and Realization

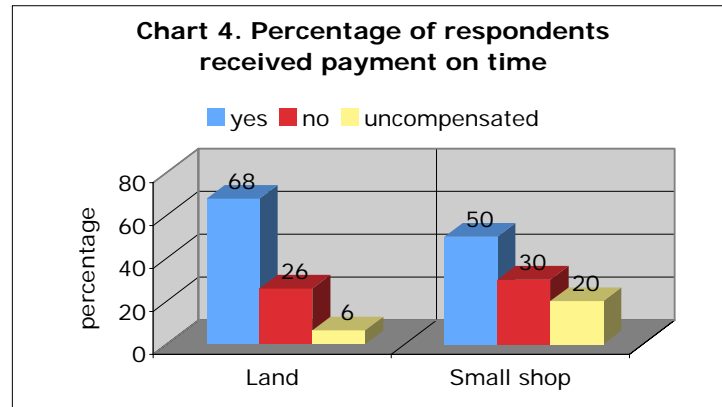
Activity	Date	Responsibility	IRM report	ERM report
Payment of AP's commenced (recorded in database)	Dec 2006	BRR and Province provide the budget to LAC. BRR pay the compensation	Finished	Not all had been finished yet
Payment of AP's completed (recorded in BPN format)	June – July 2007	BRR and Province provide the budget to LAC. BRR pay the compensation	Mar – July 2007	Not all had been finished (96 APs or 14,7% have not been compensated)
Relocation assistance for small shop implemented prior to the start of civil work	Prior June 2007	Project Implementation Consultant and Satker SP4 BRR	Mid- last June 2007	APs relocated their business by themselves. The Satker, however, has socialized that they were ready to help APs transport the structures when needed and asked previously by APs (no cash given).
ULR civil work begin	Midle– last June 2007	Satker SP4 BRR	Last June 2007	Just started by cutting the trees, cleaning, storing up the roads
Quarterly internal and external resettlement monitoring of livelihood restoration activities/ Progress and identification of any issues affecting vulnerable groups and proposed solution	After start of civil works until completion	Project Implementation Consultant	Before the civil works begins	Finished (last week August 2007)
Report accomplishment	LAR completion activity	Project Implementation Consultant	July 2007	Last August 2007

37. There are three classifications of APs who have not received compensation, namely: (a) under court process (63 APs); (b) BRR waiting list (26 APs) due to volume of work and; (c) remaining payment from the prior time, DIPA budget of 2006 which is then allocated to DIPA budget of 2007 (7 APs).

38. The 63 cases that are processed in court involve: (a) unknown owners, (b) compensation price of land refused by land owners during land acquisition process by LAC, and (c) the legitimate land owners among heirs still not established. All APs whose compensation are processed at the court have been identified. Compensation shall be provided once the cases have been resolved in court.

39. Among the APs losing land, 68% were compensated on time, 26% were late in receiving their compensation, while 6% have not been compensated. Among the structure owners, half (50%) received their compensation on time, 30% were late in receiving compensation, and 20% still remain uncompensated. Chart 4 above shows that 26% of

APs losing land and 30% of APs losing small shops received compensation late (see Chart 4).



40. More progress was noted in the compensation of land losses than structure losses. Two factors that cause this are: (a) the completion process of land documents was finished earlier than that of small shops, (b) the valuation process of affected land is easier than that of small shops. The BRR Director for Land and Mapping explained that an assessment of the affected structures, with an Assignment Letter of Disbursement by Panitia 9 will have to be made first before BRR can process payment.

41. The following tables show the number of affected persons with compensation problems in Banda Aceh and Aceh Besar.

Table 5. Number of APs Land Owners with compensation problem by village in Banda Aceh

No.	Village	Number of APs with compensation payments processed through the Court	Number of APs awaiting for payment from BRR
1.	Punge Ujong	6	-
2.	Blang Oi	11	3
3.	Lambung	4	3
4.	Cot Lamkuweh	7	4
5.	Gampong Pie	5	7
6.	Ulee Lheue	12	7
7.	Gampong Blang	3	1
8.	Ulee Pata	7	-
9.	Lamjame	8	1
Total		63	26

Table 6. Number of APs with compensation problems in Aceh Besar by village

No.	Village	Number of APs who remain uncompensated for land losses	Number of APs who remain uncompensated for non-land asset losses
1.	Lamlumpu	5	-
2.	Lamgeue	-	5
3.	Payatieng	2	2
Total		7	7

42. In Lamlumpu, there are 5 APs who have not received compensation payments. Of these, 4 APs authorized the keuchik (village leader) their bank accounts, while one AP gave a wrong bank account. The other 6 APs processed the payment by themselves via personal bank account but did not provide feedback if they have received their compensation. In Payatieng, 2 APs have not been compensated. One AP used the village leader's account number for payment. The other is a government land where the official house of Camat Pekan Bada is located.

43. According to the Satker for SP4, the payment process depends on; (a) the completion of administration process, (b) resolution of the court cases and (c) the source of compensation fund. The faster the document is completed, the earlier the payment will be received by the AP. The compensation fund allocated from the district budget (APBK) is more quickly processed than that of the central government budget (APBN DIPA). It is still not certain when the cases with payment problems can be resolved.

44. Approximately 70% of APs interviewed by the ERM used portions of their compensation money to relocate and rebuild their small shops and/or add capital to their business. Others (30%) spent it on consumer goods and other needs. For example, Mr. Syahrizal Yusuf (located at Ulee Lhee intersection) was compensated at an amount of Rp 169.000.000,-. He used 80% of the money to rebuild his business place (store) and to recapitalize his business (beverages and fried cakes, see pictures). Another example is Mrs. Marjani (Gampong Blang, Ulee Lhee) who was paid Rp 22.200.000,- and used about 75 % of it to repair her house and to recapitalize her business (food) at the Ulee Lhee Port. Her income increased from Rp 50,000/day up to Rp 100,000/day. Besides spending the compensation for business of productive sector, APs usually use the rest of the money for family celebration and daily consumption. There are many similar cases found on other APs.

45. However, the ERM team noted that action has not been taken in helping link APs with possible additional sources of capital and other livelihood opportunities in the area. The dissemination of information on job opportunities has been done. But during the external monitoring activity, the civil work has not been implemented yet.

46. Compensation for grave relocation is Rp 400.000/grave. In Cot Langkeweh (Ulee Lhee), such compensation has been paid (the village secretary, Mr. Tarmizi, stated). But in Lam Geu Eu (Peukan Bada, Aceh Besar), such compensation has not been paid yet (the AP is Mr. Affan).

47. Concerning the compensation of village/public land, all have been compensated except for 2 affected plots in Gampong Pie. Compensation for affected village/public land is deposited at the village treasury to be used for building public facility such as Menasah. However, at the time of external monitoring, no public facility has been built using the compensation amount received by the villages.

D. RECOMMENDATIONS

48. The following recommendations are put forward in relation to the findings of the monitoring:

48.1. Compensation of the remaining 103 APs

a. For cases being processed in court

- It is necessary to have more intensive coordination and communication between LAC and BRR relating to the compensation payment mechanism and format to APs.

b. For cases pending at BRR

- The BRR has to pay the compensation to APs immediately
- The BRR needs to explain and build the information and communication system which will enable LAC and APs to find out factors causing the delay in payment.

48.2. Payment of the depreciation amount deducted from the compensation of affected structures

- LAC and BRR activities must be based on the agreement made between GOI and ADB.
- LAC has to recount the depreciation cost taken and BRR must pay it to APs.

48.3. Support for linking APs with existing micro-finance and livelihood restoration activities

- PIC needs to do two things all at once, namely: (a) immediately facilitate the link between micro-finance and APs, and (b) tap/link with micro-finance experts in helping APs who wish to access existing micro-finance resources/projects in the area

48.4. Increasing AP and public awareness on grievance mechanism related to the subproject

- PIC needs to distribute the information about grievance mechanism related to the subproject by: (1) adhering posters of grievance procedures at public places, (2) activating the community leader/facilitator to facilitate any grievance addressed by APs.
- Immediately respond to any grievance received directly from APs or through community leaders/facilitators and inform APs of the action taken and status of the case.

48.5 It is recommended that the next ERM be conducted in January 2008 which will cover the following aspects:

- Monitor the progress of LARAP implementation and the resolution of problems which have been identified in this ERM, including compensation payments, grievance procedures, and livelihood restoration.
- Monitor impacts which probably emerged related to the living standard of APs due to the sub project implementation
- Identify issues which occur due to the impact of sub project implementation.

Annex A

List of Key Persons Interviewed for the External Resettlement Monitoring

No	Name	Institution
1	Supriadi	PIC
2	Bu Erna	BRR
3	Syauqi	Satker SP4
4	Sugeng	Satker SP4
5	Bustari	LAC, Banda Aceh
6	T. Bukhari	LAC, Banda Aceh
7	Syukri	LAC Aceh Besar
8	Camat Peukan Bada	LAC, Aceh Besar
9	Village Leaders and or his representative : a. Punge Jurong b. Blang Oi c. Cot Langkeweh d. Lambung e. Ulee Lhue f. Gamping Pie g. Gampong Blang h. Asoe Nanggroe i. Lamjamee j. Ulee Pata k. Langue l. Lamlumpu m. Paya Tieng	LAC

Small Shop Affected Persons

No	Name	Village	Sex	Age
1	Zainabon	Blang Oi	f	60
2	Satrilia	Blang Oi	f	46
3	Yusnizar	Blang Oi	m	44
4	Erlinsyah	Blang Oi	f	37
5	Hidayat Ali	Cot Langkeweh	m	43
6	Junaidi	Cot Langkeweh	m	39
7	Asrul	Cot Langkeweh	m	46
8	Munzir, Drs	Lamlumpu	m	42
9	Imran dan Azhar	Punge Jurong	m	42
10	Syahrizal Yusuf	Ulee Lhue	m	38

Land Affected Persons

No	Name	Village	Sex	Age
1	Zainabon	Blang Oi	f	60
2	Erlinsyah	Blang Oi	f	37
3	Zulfikri B	Blang Oi	m	43
4	Hj. Sariah	Blang Oi	f	57
5	Idhamsyiah	Blang Oi	m	20
6	Mardalena	Blang Oi	f	39
7	Riki supantri	Blang Oi	m	18
8	Syahrul Samsuddin	Blang Oi	m	51
9	Yusnizar	blang Oi	m	44
10	Hasbi Hs	Cot Langkeweh	m	47
11	Adria Mustika	Cot Langkeweh	m	27
12	Hidayat	Cot Langkeweh	m	43
13	Kamisah SE.	Cot Langkeweh	f	56
14	Salmah M	Cot Langkeweh	f	70
15	Ilyas Alibasah	Gampong Blang	f	40
16	Lukman Hakim	Gampong Blang	m	22
17	Mariami	Gampong Blang	f	55
18	Marjani	Gampong Blang	f	42
19	Zulfikri	Gampong Blang	m	43
20	Amirudin Juned	Gampong Pie	m	45
21	Fahmi Mawardi Hah	Gampong Pie	m	35
22	Zumaren	Lambung	m	32
23	Abdul Manan A	Lamgeue	m	50
24	Affan	Lamgeue	m	50
25	Arli Ismail	Lamgeue	m	37
26	Ayu Parsiah	Lamgeue	f	38
27	Cik Rosna Nur	Lamgeue	f	47
28	H. Zamzani	Lamgeue	m	62
29	Hunenen	Lamgeue	f	50
30	Nasri H. Usman	Lamgeue	m	60
31	Ridwan	Lamgeue	m	35
32	Sabri Muhammad	Lamgeue	m	35
33	Syaifullah	Lamgeue	m	30
34	M. Mukhtar	Lamjamee	m	42
35	Drs. Nasrullah	Lamjamee	m	43
36	Samidan	Lamjamee	m	48
37	Bakri	Lamlumpu	m	50
38	Mahdi	Lamlumpu	m	42
39	Rahimah	Lamlumpu	f	29
40	Adi Darma	Lamlumpu	m	33
41	Abdul Wahab	Payatieng	m	33

42	Kurnia	Payatieng	m	39
43	Marhaban	Payatieng	m	38
44	Hayaatun Nufus	Punge ujung	f	32
45	Zumifli Djuned	Punge ujung	m	54
46	Amin Idris	Ulee Lheue	m	41
47	Akbar	Ulee Lheue	m	29
48	Marniati	Ulee Lheue	f	58
49	Syahrizal Yusuf	Ulee Lheue	m	38
50	Yusuf Nyak Pa	Ulee Lheue	m	59
51	Azizah	Ulee Lheue	f	63
52	Lutfi	Ulee Lheue	m	52
53	Samsul Bahri	Ulee Lheue	m	49
54	Syahrizal Yusuf	Ulee Lheue	m	38
55	Zuraida	Ulee Lheue	f	56
56	Azhari	Ulee Pata	m	35
57	Dahliani	Ulee Pata	f	28
58	Irzaidi	Ulee Pata	m	40
59	Jamilah	Ulee Pata	f	43
60	Muchlis	Ulee Pata	m	35
61	Samirudin	Ulee Pata	m	45
62	Safiadi	Ulee Pata	m	30

Annex B

Ulee Lheue Road SP LARAP Summary Monitoring Indicators

Type of Monitoring	Basis for Indicators	Assessment	Remarks
Budget and Time Frame	Have all land acquisition and resettlement staff been appointed and mobilized for the field and office work on schedule?	Yes	They started to work in February 2006, but the completion each phase was not always as scheduled. For example: compensation payment for land or assets.
	Are resettlement implementation activities being achieved against agreed implementation plan?	No. some are delayed	Generally, the implementation activities were not against the plan. But some schedules of activities had been moved causing delay such as compensation payment and livelihood restoration
	Are funds for resettlement being allocated to concerned units/agencies on time?	Yes	Generally, the allocation of fund to units has been done on time. However, some cases had administration problem and DIPA budget system causing delay.
	Have resettlement offices received the scheduled funds?	Yes	Funds for land acquisition have been included in both the 2006 and 2007 DIPA..
	Have funds been disbursed according to the LARAP/CAP?	Yes, but a part	For example: Livelihood restoration assistance for APs has not been conducted yet.
	Has the social preparation phase taken place as scheduled?	Yes but not optimal	Most APs (approximately 60%) did not come to the socialization (live in other village or refugee). Beside that the discussion only focused on the compensation (land price) and not how to generate social awareness/participation on LARAP implementation.
	Has all land been acquired and occupied in time for subproject implementation?	Most of lands	The land had been used for civil work.
Delivery of AP Entitlements	Have all APs received entitlements according to numbers and categories of loss set out in the entitlement matrix?	Yes for land losses, but not for structure losses	Particularly dealing with land compensation. But for compensating for structure losses, depreciation was applied.
	Have APs received payments on time?	Yes, a part	Land : 68% was on time, 26% was not on time, 6% uncompensated. Small shop : 50% was on time, 30% was not on time, 20% uncompensated.
	Have APs losing from temporary land borrow been compensated?	Not applicable	There was no case found during external monitoring activities.
	Have all APs received the agreed transport costs, relocation costs, income substitution support and any resettlement allowances, according to schedule?	No	Some of the affected shop owners have yet to receive transportation/relocation assistance.
	Have all replacement land plots or contracts been provided? Was the land developed as specified? Are there measures to provide secure tenure (titles) to APs?	Not applicable	No replacement land was provided. Cash compensation was provided as replacement for affected lands.
	How many AP households have received secure tenure (titles)?	Not applicable	-
	Does house quality meet the standards agreed?	Not applicable	-
	Have relocation sites been selected and developed as per agreed standards?	Not applicable	-
	Are the APs occupying the new houses?	Not applicable	-
	Are assistance measures being implemented as planned for host	Not applicable	-

Type of Monitoring	Basis for Indicators	Assessment	Remarks
	communities?		
	Is restoration proceeding for social infrastructure and services?	Not applicable	Subproject will not cause damage to social infrastructure and services
	Are APs able to access schools, health services, cultural sites and activities?	Not applicable	-
	Are income and livelihood restoration activities being implemented as set out in the income restoration plan, for example utilizing replacement land, commencement of production, numbers of APs trained and provided with jobs, micro-credit disbursed, number of income generating activities assisted?	No	APs of small shops have not been assisted in linking with ongoing livelihood improvement activities in the area. APs have been informed of job opportunities from the subproject. But only minimal civil work is being undertaken at the moment.
	Have affected businesses received entitlements including transfer and payments for net losses resulting from lost business and stoppage of production?	No	APs had only received compensation for land and other assets. (The compensation allowances for relocation and transport costs have not been provided)
	Are there APs who were not included in the LARAP/CAP and were measures made to compensate for the impacts? Were these measures sufficient to replace losses/restore livelihoods?	Yes	There is an increasing number of APs due to name repetition or addition of heirs name caused by land sharing. One of the cases where AP's identity was not identified in LARAP was Mr. Munzir's. But he has received compensation. His name was stated in the list of people having received compensation (case of relocation for small shop in Aceh Besar)
Consultation, Grievance and Special Issues	Have consultations taken place as scheduled including meetings, groups, community activities? Have resettlement leaflets been prepared and distributed?	Yes, but not optimal	Most APs did not come to the meetings (live in other village or refugee). So that the social participation on the LARAP was weak. PIC gave the leaflets to Camat in order to be distributed to APs because it was difficult to find APs addresses so that the dissemination of information was not optimal.
	How many APs know their entitlements? How many know if they have been received?	APs knowledge on the entitlement for Land: 37% know, 37% part, 26% do not know Small shop: : 20% know, 30% part, 50% do not know	Socialization and consultation about the entitlement in the entitlement matrix was not optimal
	Did the APs contributing land/asset do so in their own free will and without pressure, intimidation or deceit?	Not applicable	No APs donated or contributed their land for the subproject. All known APs were given cash compensation for the affected land.
	Have any APs used the grievance redress procedures? What were the outcomes?	Yes, but not optimal	The knowledge of the APs about the grievance procedures, Land: 31% know, 69% do not know. Small shop: 20% know and 80 % do not know. APs who know the grievance procedure had used the procedures (report to geuchik). The outcomes have not been found in the field.
	Have conflicts been resolved?	not yet	The time when APs would receive the compensation has not been clear yet; The coordination between BRR and Panitia 9 needs to be improved dealing with APs who have not been compensated yet.
	Was the social preparation phase implemented?	Yes, but not optimal	Most of APs were absent for the socialization (lived in other village to take refuge) and the meeting only focused on the compensation (land price) and not how to generate the social awareness

Type of Monitoring	Basis for Indicators	Assessment	Remarks
	Were special measures for indigenous peoples implemented?	Not applicable	There were no special measures found in the field to be treated to indigenous peoples.
	What changes have occurred in patterns of occupation, production and resource use compared to pre-subproject situation?	No changes	Generally, APs were tsunami-affected people who work as trader, entrepreneur and fisherman. Until the monitoring took place, there were no changes occurred dealing with occupation. As trader, they only moved back to the roads. And also the entrepreneur and fisherman still work as usual.
	What changes have occurred in income and expenditure patterns compared to pre-subproject situation? What have been the changes in cost of living compared to pre-subproject situation? Have APs incomes kept pace with these changes?	Change in short term only due to compensation	According to the interview with the respondent, approximately 70% of compensation funds were allocated to rebuild their business. For example: to rebuild their shop in order to improve the occupation and income.
	What changes have taken place in key social and cultural parameters relating to living standards?	Community is more skeptic	Actually, skeptic attitude was caused by tsunami impact and not by the sub project
	What changes have occurred for vulnerable groups?	No change	Based on the interview with some vulnerable people in the field, it was found that there were no assistance given. At this time, there are no changes.