

# Resettlement Planning Document

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Resettlement Framework  
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## Nepal: Second Small Towns Water Supply and Sanitation Sector Project

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## ABBREVIATIONS

ADB	–	Asian Development Bank
AP	–	Affected Persons
AH	–	Affected Household
BPL	–	Below Poverty Level
CBO	–	Community Based Organizations
CDC	–	Compensation Determination Committee
CDO	–	Chief District Officer
LACFC	–	Land Acquisition and Compensation Fixation Committee
CPR	–	Community Property Resource
DDC	–	District Development Committee
DOR	–	Department of Roads
DSC	–	Design and Supervision Consultants
EA	–	Executing Agency
GON	–	Government of Nepal
GRC	–	Grievance Redress Committee
HA	–	Hectares
HH	–	Households
IP	–	Indigenous People
IR	–	Involuntary Resettlement
LA	–	Land Acquisition
LA Act	–	Land Acquisition Act
MoPPW	–	Ministry of Physical Planning and Works
NGO	–	Non-Government Organizations
NRs	–	Nepalese Rupees
PD	–	Project Director
PH	–	Physically Handicapped
PLI	–	Poverty Level Income
PM	–	Project Manager
PPTA	–	Project Preparatory Technical Assistance
PSA	–	Poverty and Social Assessment
RP	–	Resettlement Plan
R&R	–	Resettlement and Rehabilitation
Sq.m	–	Square Meter
TA	–	Technical Assistance
ToR	–	Terms of Reference
WHH	–	Women Headed Households
VDC	–	Village Development Committee

## GLOSSARY OF TERMS

Land Acquisition means the process whereby land and properties are acquired for the purpose of the project construction.

Baseline Socio-economic Sample Survey The purpose of the baseline socioeconomic sample survey is to establish monitoring and evaluation parameters, it will be used as a benchmark for monitoring the socio-economic status of APs. The survey will cover 10% of affected people and 20% of seriously affected people. The survey will also collect gender-disaggregated data to address gender issues in resettlement. The survey will carry out the following: (i) preparation of accurate maps of the sub-project area; and (ii) analysis of social structures and income resources of the population.

Census The purpose of the census is to register and document the status of potentially affected persons within the sub-project impact area. The census will cover 100% of APs. The census will provide a demographic overview of the population, and will cover people's assets and main sources of livelihood.

Compensation means payment in cash or in kind of the replacement value of the acquired property.

Land Acquisition and Compensation Fixation Committee (LACFC) means the committee established under the chair of Chief District Officer as per Land Acquisition Act 2034 for the determination of compensation rate and implementation of compensation taking into the consideration replacement value of the properties as guided by the resettlement plan and the use of community valuation methods.

Grievances Resolution Committee (GRC) means the committee established under each sub-project to resolve the local grievances.

Project Affected Person (AP) includes any people including encroachers/ squatters, households, or firms who, on account of changes that result from the project will have their (i) standard of living adversely affected; and/or (ii) right, title, or interest in any house, land (including residential, commercial, agricultural, forest, and/or grazing land), water resources, or any other moveable or fixed assets acquired, possessed, restricted, or otherwise adversely affected, in full or in part, permanently or temporarily.

Significantly Project Affected Person (SAP) means those APs who lose 10 percent or more of their total productive assets.

Replacement Cost means the method of valuing assets to replace the loss at market value before the project or dispossession, or its nearest equivalent, plus any transaction costs such as administrative charges, taxes, registration, and titling costs.

Resettlement means all the measures taken to mitigate all or any adverse impacts of the project on the APs property and/or livelihoods including compensation, relocation (where relevant), and rehabilitation.

Relocation means the physical relocation of APs from their pre-project place of residence.

Rehabilitation means the measures provided under the resettlement plan other than payment of the compensation of acquired property.

Vulnerable Groups: Social categories whose livelihoods may be particularly vulnerable to disturbances created by the project. This means any people who might suffer disproportionately or face the risk of being marginalized from the effects of resettlement including: female-headed households, marginalized ethnic groups (Dalits, Freed Kamaiya), Muslims/religious minorities, elderly, disabled, indigenous people (margilized IPs), Ultra-Poor (below poverty line—NRs 3,000 HH/month (source: Nepal Living Standards Survey 2003/2004)), landless or households losing 100% of total landholdings (particularly those totally dependent on agriculture for livelihood), as well as remote villages.



## I. OVERVIEW

### A. Introduction

1. From 2000-2008, ADB provided a loan for the Small Towns Water Supply and Sanitation Sector Project (STWSSSP) in the amount of \$35 million for 29 small towns. The Project supported the Government of Nepal (GoN) in implementing its 15 Year Development Plan (2000-1015) which identified 209 small towns throughout the country. The 2007 Nepal Country Programming Mission of ADB made provision for project preparatory technical assistance (PPTA) to continue and improve development of the water supply and sanitation sector in small towns. The project aims to further improve water supply and sanitation services in small towns building upon lessons learned from the previous STWSSSP and to continue to help the Government implement its updated 15 Year Plan.

### B. Scope of Land Acquisition

Land requirements for water supply, sanitation, and solid waste components are considered small scale, and therefore, resettlement impacts for the Project are not anticipated to be significant. Feasibility studies carried out for three sample towns (Sukhad, Khandbari, and Duhabi) further demonstrate this point. Short Resettlement Plans (RPs) were prepared for Duhabi (2 AHs) and Khandbari (7 AHs), and no impacts were identified in Sukhad. Government land is mostly available, and where private land is required, land requirements are small and usage and ownership known. In Duhabi and Khandbari, lands to be acquired are agriculture plots with no structures. The present density of development in these areas is low, and the road RoW is clear of any encroachments. Vulnerable persons were also identified, including female-headed households, IPs, and HHs below the poverty line (Nepal poverty line of NRs 3,000 per household per month). An estimated 20 towns will be covered and prioritized on the basis of poverty incidence, conditions of existing water supply system (quantity, quality, coverage, number of hours supplied) and existing sanitation and drainage system (coverage), and community interests. Land acquisition and resettlement needs will be minimized in the design of the project and upgrading and rehabilitating existing facilities will be encouraged wherever feasible.

2. As a requirement for sector project, a resettlement framework (RF) is intended to guide the preparation of RPs for future subprojects having involuntary resettlement impacts. It therefore covers a range of possible land, structure, and livelihood impacts that could occur, albeit small scale as envisioned. The RF was prepared following the ADB requirements for sector projects in accordance with the ADB's Policy on Involuntary Resettlement (1995) and the requirements of the Government of Nepal as per the Land Acquisition Act, 2034 (1977) and other regulatory provisions relevant to procurement of land for project. The RF identifies the broad scope of the project and outlines the policy, procedures and institutional requirements for preparing resettlement plans for subprojects based on detailed design. RPs are "active" documents and are therefore subject to being updated during project implementation and detailed design. All compensation to APs shall be paid before the award of civil works contract of the subproject concerned.

## II. POLICY OVERVIEW AND LEGAL FRAMEWORK FOR RESETTLEMENT

### A. Government of Nepal Laws

3. The **Land Acquisition Act, 2034 (1977)** is the core legal document to guide tasks related to land acquisition and resettlement activities in Nepal. There is provision in Clause 3 of the Act to acquire land for any public purpose, subject to the award of compensation. According to Clause 4, institutions seeking land acquisition (such as Water User Committees) may also request GON to acquire the land under the regularity provisions subject to be compensated by such institutions' resources. Clause 27 of the Act provides for land acquisition through the mutual agreement with the plot owners, where the process of land acquisition as per Act is not required. The Act grants the plot owner the right to choose between a mutual agreement process, or the formal process for land acquisition (as described below). Where Clause 27 is enacted, and the plot owner not satisfied with the compensation agreement offered, Clause 18 (sub-clause 2) states that the owner can file a complaint with the Ministry of Home<sup>1</sup>.

4. As per the regulatory provision, while acquiring land, GoN forms a Land Acquisition and Compensation Fixation Committee (LACFC) under the chairmanship of Chief District Officer (CDO) of the restrictive districts. The other members to be included in the Committee comprise of the Chief of Land Revenue Office (LRO), an Officer assigned by CDO, representative from District Development Committee (DDC), Concerned Project Manager, and VDC representative. The Project Chief functions as the Member Secretary of the Committee. In addition, it has become the practice to include representatives from the Affected Persons (APs). This practice of fixing compensation is known as Community Consensus Valuation (CCV). LACFC determines the amount of compensation considering the following factors: current price of land value, value of standing crop, houses, walls, sheds or other structures, loss incurred as a result of shifting residence or place of business, and consider relevant acts and periodic guidelines of GoN. According to Clause 6, if the land has to be acquired for institutions other than the local governance bodies and institutions fully owned by the government, the Committee has to consider the following in fixing the compensation amount: (i) Price of land prevailing at the time of notification of land acquisition; (ii) Price of standing crops and structures, and; (iii) Loss incurred by the AP by being compelled to shift his or her residence or place of business in consequence of the acquisition of land.

5. As revealed in Clause 9 sub-section 3 of the Act, the duration of compensation days will be determined by LACFC. Clause 37 of the Act illustrates that the Committee may extend the period of additional three months, if compensation are not collected by those affected. After termination of extended three months period the amount will be deposited to the Government account.

6. The compensation to be provided for land acquisition should generally be in cash as per current market value. However, there is also a provision under Clause 14 to compensate land-for-land provided government land is available in the area. The Act also envisages the possibility of two separate rates of compensation, distinguishing between families who lose all their land and those who lose only some part of their landholdings. As stipulated in the Clause 10 there is provision for the affected households to take the crops, trees and plants from land and salvageable from the structures. Clause 39 indicates options to allow the affected

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<sup>1</sup> Under the Project, a Grievance Redress Committee (GRC) will be set up for each subproject to address any complaints regarding the land acquisition process, therefore offering the AP another venue to express grievances.

households to take all salvageable assets without deduction of any costs from the affected households.

7. Any grievances and objections will be referred to the Grievances Redress Committee (GRC) as per Clause 11 of the Land Acquisition Act, 2034 (1977). The Act assigns the CDO as the sole responsibility to chair land acquisition activities and to address the grievances related to the RP implementation activities.

8. Clause 20 of the Act authorises the legal tenant entitlement to 100% compensation for the structure built on the land with the permission of the land owners. Clause 68 (1) of the Forest Act 2049 states that the government may permit the use of forest land for projects under the national priority. According to the clause 68 (2), if any loss to persons or community is involved while permitting use of such land, it is required to compensate the loss.

9. The typical process of land acquisition is indicated in Table 1.

**Table 1: Process for land acquisition as per Land Acquisition Act**

S.No.	Steps outlined in the LAA
1	Sectoral agency (DWSS) decides to execute a development project at a certain location
2	Sectoral agency (DWSS) requests the Government to acquire land specifying objectives and committing payments of compensation and other expenses
3	GoN approves and orders the initiation process and LACFC is formed
4	Public notification is made at public places in the project area, VDC offices and to the affected households
5	Necessary preliminary survey including boundary demarcation, agricultural production valuation and social census of affected families takes place
6	Land Revenue Office report on the area and location of land to be acquired including likely compensation and amount of loss
7	The local officer (CDO) issues notices including purpose of acquisition and detail of land to be acquired
8	Land transactions are banned within the notified area
9	Owner can file complaints within 7 days through the local officer
10	Resolution of grievance within 15 days of complaint
11	Acquisition of land and payment of compensation

10. Another key legislation in Nepal related to land acquisition is the **Land Reform Act 2021 (1964)**. This Act establishes the tiller's right on the land which he is tilling. The LRA additionally specifies the compensation entitlements of registered tenants on land sold by the owner or acquired for the development purposes. The most recent Act Amendment (2001) established a rule that when the State acquires land under tenancy, the tenant and the landlord will each be entitled to 50 percent of the total compensation amount. Tenants are verified through a record of tenancy at the Land Revenue Office.

## **B. ADB Resettlement Policy**

11. ADB's *Policy on Involuntary Resettlement (1995)* requires that where land assets are lost, titled affected people are entitled to compensation, in the form of cash at replacement cost or replacement land, and to other assistance to at least restore their economic and social base. Whereas non-titled affected people including displaced tenants, sharecroppers, and squatters, are entitled to various options of resettlement assistance, provided that they cultivated/occupied the land before the eligibility cutoff date. Resettlement assistance to non-titled affected people may also include replacement land, although there is no entitlement to this for such affected people. However, the absence of formal titles will not constitute a bar to resettlement assistance and rehabilitation. Further, the principles adopted herein contain special measures and assistance for vulnerable APs, such as female-headed households, disabled

persons, indigenous people's (marginalized), ethnic groups and households living below the poverty line (NRs 3,000 HH/month). Persons affected by land acquisition, and relocation and/or rehabilitation of structures/assets (businesses, houses, etc.) are entitled to a combination of compensation measures and resettlement assistance, depending on the nature of ownership rights of lost assets and scope of the impact, including social and economic vulnerability of the affected persons. Thus the affected persons in the Project will be entitled to various types of compensation and resettlement

### C. Difference between ADB Policy on Resettlement and GON Legal Framework

12. The following overall goals are common between the GON legal frameworks and ADB guidelines related to resettlement:

- (i) Involuntary resettlement shall be avoided to the extent possible or minimized where feasible, exploring all viable alternative project designs.
- (ii) Where displacement is unavoidable, people losing assets, livelihood or other resources shall be assisted in improving status at no cost to themselves.

13. However, there are certain key differences between ADB guidelines and GON legal frameworks which are summarized below in Table 2.

**Table 2: Some Difference between ADB Policy and GON Legal Framework**

ADB Policy	GON Legal Framework
Compensation to land regardless of legal ownership.	Legal ownership is required, however, registered tenants with the Land Revenue Office also acknowledged.
Compensation to all affected structures including encroachers	Encroachers are not entitled for compensation.
Compensation for affected assets as per prevailing market rate	(i) To be determined by Compensation Fixation Committee (CFC) to be formed under CDO, or (ii) according to Clause 27 of the Act provides for land acquisition through the mutual agreement with the plot owners.

## III. RESETTLEMENT PRINCIPLES, ENTITLEMENTS, & ASSISTANCE

### A. Project Principles

14. The three important elements of the ADB's Policy on Involuntary Resettlement (1995) are (i) compensation to replace lost assets, livelihood, and income; (ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services; and (iii) assistance for rehabilitation to achieve at least the same level of well-being with the project as without it. In addition, the absence of legal title to land should not be a bar to compensation. Vulnerable groups are entitled to special assistance. The following are the policy principles adopted for this Sector Project (Annex 1 includes further description of ADB's principles):

- (i) Involuntary Resettlement (IR) should be avoided or reduced as much as possible by reviewing alternative alignments for the project;
- (ii) Where IR is unavoidable, Affected People (AP) should be assisted to re-establish themselves and improve their quality of life;
- (iii) Gender equality and equity should be ensured and adhered to throughout the project cycle;
- (iv) Affected people should be fully involved in the selection of relocation sites,

livelihood compensation and development options at the earliest opportunity. RPs should also be prepared in full consultation with APs, including disclosure of RP and project related information. The RP to be planned and implemented with full participation of local authorities;

- (v) Replacement of land must be explored as an option for compensation in the case of loss of land. However, in the absence of land for replacement, adequate cash compensation should be provided for to all APs;
- (vi) Resettlement to be planned as a development opportunity or the APs; Lack of legal titles will not be a bar to resettlement assistance;
- (vii) Compensation for loss of land, structures, other assets and income should be based on full replacement cost. This should include transaction costs such as administrative charges and taxes;
- (viii) All compensation payments and related activities must be completed prior to the commencement of civil works;
- (ix) Assistance to APs to become economically and socially integrated into the host communities by means of design and implementation of participatory measures;
- (x) Provision for and replacement of Common Property Resources and community/public services to the APs;
- (xi) Special attention to vulnerable people/groups' namely households below the recognized poverty line, Indigenous People, disabled, elderly persons and female headed households (see definition of Vulnerable Groups in Glossary)
- (xii) Voluntary land arrangements acceptable where owners and users of the land verify publicly and in writing that they agree to provide the land for the project purpose in exchange for project benefits (i.e., water supply and/or sanitation), providing there are no squatters on the land.

## **B. Eligibility and Entitlements**

15. **Eligibility.** All APs who are identified in the project-impacted areas on the cut-off date will be entitled to compensation for their affected assets, and rehabilitation measures sufficient to assist them to improve or at least maintain their pre-project living standards, income-earning capacity and production levels. The cut-off date for title holders is based according to the Land Acquisition Act, and for non-titleholders the date of the census survey. Those who encroach into the subproject area after the cut-off date will not be entitled to compensation or any other assistance.

16. **Entitlements.** The entitlement matrix in Table 3 summarizes the main types of losses and the corresponding nature and scope of entitlements in accordance with GoN and ADB policies. Following detailed design, the detailed measurement survey (DMS) of AP's land and/or non-land assets and detailed census survey will be used for determining actual impacts, and replacement cost surveys (or asset valuation) will be carried out. This information will be used to inform the LACFC cost determination, or used to inform the negotiation of land value between the WUSC and plot owner as per the LAA. Where the replacement cost of the LACFC is lower than the market determined value, then WUSC is required to pay the difference. In cases of disputes such as where land records are not updated or where the APs are unable to produce the desired documents, then the compensation amount will be deposited with the CDO till the case is disposed. Where the entitlement matrix does not cover a particular impact it can be enhanced in the resettlement plans based on the findings of the socio-economic assessment

and detailed measurement survey. Standards described will not be lowered but can be enhanced in the subproject RPs as required.

Table 3: Entitlement Matrix						
	Type of Loss	Application	Entitled Person	Entitlement	Implementation Issues	Responsible Institution(s)
1a	Loss of land	Full/partial permanent loss of homestead, agricultural, vacant land	Owner(s) with legal title	<p>Land-for-land arrangements, if government land available, of equal productive capacity satisfactory to AP, or</p> <p>Cash compensation equivalent to current market rate/replacement value. Compensation will include provision for all fees (documentation fee, etc.), taxes, and other charges as applicable under relevant laws.</p> <p>If the residual of land is not economically viable, option to be compensated for the entire asset.</p> <p>Agricultural land owners who lose more than 10% of their cultivated land holdings will be considered severely affected and qualify for a cultivation disruption/transitional allowance of Rs 10,000 per HH<sup>2</sup></p>	<p>As per the LAA., compensation for land determined through either (i) mutual agreement with plot owner, or (ii) the option to allow LACFC determination of compensation. To be determined by plot owner.</p> <p>LACFC or NGO to determine viability of residual land if owner opts for compensation for full land area.</p> <p>If compensation through mutual agreement, NGO to verify satisfaction of plot owner with compensation amount. If not satisfied, then owner can raise with GRC with assistance from NGO.</p>	WSSDO, WUSC, NGO, LACFC
1b	Loss of land	Full/partial permanent loss of homestead, agricultural, vacant land	Tenant(s), leaseholder(s), tenant farmer (s)	<p>Registered (legal) tenants will be entitled to 50 percent of the total land compensation amount as per the Land Reform Act.</p> <p>Assistance in finding replacement land.</p> <p>Shifting allowance for households based on actual cost of moving/unloading.</p>	<p>Tenants are verified through a record of tenancy at the Land Revenue Office (LRO).</p> <p>Landowners will reimburse leaseholders land rental deposit or unexpired lease.</p>	WSSDO, WUSC, NGO, LRO
1c	Loss of land	Permanent Loss of agricultural land	Sharecropper	<p>30 days' advance notice to harvest standing seasonal crops, if harvest is not possible, compensation for share of standing crops at market rates (item 4)</p> <p>Cash compensation for perennial crops and fruit bearing trees based on annual net product market value multiplied by average fruit production for next 15 years (or such period as set out in the prevailing law)</p> <p>Sharecropper assisted in finding replacement land to continue farming.</p> <p>If no replacement land is available, HH members involved in farming are eligible for skill development training based on their need at the rate of NRs 5,000/person/HH<sup>3</sup></p> <p>APs eligible for project employment</p>	<p>Harvesting prior to acquisition will be accommodated to the extent possible.</p> <p>Value of crops/fruit trees to be negotiated between sharecropper and WUSC or determined by LACFC with advice from Agriculture Department</p> <p>A list of affected people will be maintained by WUSC and given to the contractor. Contractor as per their contract required to hire project affected people, prioritizing vulnerable APs.</p>	WSSDO, WUSC, NGO
1d	Loss of land	Permanent Loss of	Non-title holders	60 days advance notice to shift from occupied land		WUSC, NGO,

<sup>2</sup> NRs 10,000 is based on common practice in Nepal for providing seed money to initiate income activities. The amount is valued at more than two months income at minimum daily wage rate (@150/day).

<sup>3</sup> The training cost includes the cost of training allowance for affected households for the short term training on income generation for a period ranging 4 – 6 days @ Rs. 150 a day, which is Rs. 900. Other costs include the costs for training fee and logistic cost, where the cost of groups of trainees will be involved. The cost is therefore lump sum given as Rs. 5000.

Table 3: Entitlement Matrix

	Type of Loss	Application	Entitled Person	Entitlement	Implementation Issues	Responsible Institution(s)
		homestead, agricultural land	(squatter(s) and encroacher(s)) (on government land)	Assistance in finding alternative land		WSSDO
2a	Loss of structure	Residential/commercial structure and other assets (e.g. fences, gates, posts) structure	Owner(s) with legal title	<p>Cash compensation equivalent to replacement value of structure/asset (or part of structure/asset) with provision of all taxes, registration costs, and other fees incurred for replacement structure;</p> <p>Owners losing total structure are entitled to relocation allowance (cash) equivalent to two month rent<sup>4</sup> for moving to alternative premise for re-establishing house/businesses</p> <p>Assistance in finding alternative site.</p> <p>Rights to salvage materials from structure</p> <p>Transfer/shifting allowance to cover the cost of moving structures (transport plus loading and unloading) and materials will be paid on actual cost basis or on current market rates.</p>	Compensation for structures determined through mutual agreement between plot owners and WUSC, or the option for LACFC determination of compensation.	WUSC, NGO, WSSDO
2b	Loss of structure	Residential/commercial structure and other assets (e.g. fences, gates, posts) structure	Tenant(s) and leaseholder(s)	<p>As per the LAA, the tenant is entitled to 100% compensation for the structure built on the land with the permission of the land owners.</p> <p>If structure is constructed by the tenant/leaseholder, cash compensation equivalent to replacement value of structure/asset (or part of structure/asset)</p> <p>Tenant's/leaseholders losing entire structures they built are entitled to relocation allowance (cash) equivalent to two month rent for moving to alternative premise for re-establishing house/businesses</p> <p>Assistance in finding alternative site.</p> <p>Rights to salvage materials from structure if constructed by tenant/leaseholder</p> <p>Transfer/shifting allowance to cover the cost of moving structures (transport plus loading and unloading) and materials will be paid on actual cost basis or on current market rates.</p>	<p>Structure owners will reimburse tenants and leaseholders rental deposit or unexpired lease.</p> <p>Compensation for structure built by tenant through mutual agreement between WUSC and tenant or compensation determined by LACFC</p>	WUSC, NGO, WSSDO
2c	Loss of structure	Residential/commercial structure and other assets (e.g. fences, gates, posts) structure	Encroacher(s) and squatter(s)	<p>60-days advance notice</p> <p>Rights to salvage materials from structure</p> <p>Transfer/shifting allowance to cover the cost of moving structures (transport plus loading and unloading) and materials</p>		WUSC, NGO, WSSDO

<sup>4</sup> Two months based on the following: first month to find a place, second month to settle.

Table 3: Entitlement Matrix

	Type of Loss	Application	Entitled Person	Entitlement	Implementation Issues	Responsible Institution(s)
				to be paid on actual cost basis or on current market rates. Assistance in finding alternative land		
3a	Loss of livelihood/Income	Livelihood/ income	Business owner (s), tenant (s), leaseholder(s), employee(s), agricultural worker(s), hawker(s)/ vendors(s)	One-time lump sum grant of two-months <sup>5</sup> income to business owner, leaseholder/tenant, based on the nature and type of losses assessed on a case-to-case basis.  For employees: one-time financial assistance equivalent to 30-days minimum wage rates to be within District for respective categories.  Those losing main source of livelihood are eligible for skill development training based on need at the rate of NRs 5,000/person/HH.  APs eligible for project employment		WUSC, NGO, WSSDO
4	Loss of crops and trees	Standing crops and trees	Owner(s) with legal title, tenant(s), leaseholder(s), sharecropper(s), encroacher(s), squatter(s)	30 days' advance notice to harvest standing seasonal crops, if harvest is not possible, cash compensation for crops (or share of crops) equivalent to prevailing market price  Cash compensation for perennial crops and fruit bearing trees based on annual net product market value multiplied by average fruit production for next 15 years (or such period as set out in the prevailing law)  Compensation for loss of wood-trees at current market value of wood (timber or firewood, as the case may be).	Harvesting prior to acquisition will be accommodated to the extent possible.  Value of crops/fruit trees to be negotiated between sharecropper and WUSC or determined by LACFC with advice from Agriculture Department	WUSC, NGO, WSSDO
5	Impacts on vulnerable APs	All impacts	Vulnerable APs	Additional subsistence allowance equivalent to NRs 10,000/HH <sup>6</sup> for restoring or enhancing their livelihood.  In case of total loss of land, and a total dependency on agriculture, replacement land if feasible/available.  Eligible for skill development training based on need at the rate of NRs 5,000/person/HH  Vulnerable households will be prioritized in any project employment	Vulnerable households to be identified during detailed measurement surveys conducted as part of the RP.  A list of vulnerable people will be maintained by WUSC and given to the contractor. Contractor as per their contract required to hire project affected people, prioritizing vulnerable APs.	WUSC, NGO, WSSDO
6	Temporary loss of land for the use of contractors during construction	Land temporarily acquired for the Project	Owner(s) with legal title,	Contractor to negotiate a contract agreement on the rental rate with the owner for temporary acquisition of land.  Project and the contractor to ensure that persons other than the owner affected as a result of temporary acquisition are compensated for the temporary period.		WUSC, NGO, WSSDO

<sup>5</sup> Based on two months to find replacement income with advanced notice

<sup>6</sup> NRs 10,000 is based on common practice in Nepal for providing seed money to initiate income activities. The amount is higher than two months income at minimum daily wage (@150/day).

Table 3: Entitlement Matrix

	Type of Loss	Application	Entitled Person	Entitlement	Implementation Issues	Responsible Institution(s)
				Land should be returned to the owner at the end of temporary acquisition period, restored to its original condition or improved as agreed with the AP.		
7	Temporary loss of access	Temporary loss of access to land, structure, utilities, common property resource	Owner(s) with legal title, tenant(s), leaseholder(s), sharecropper(s), encroacher(s), squatter(s)	30 days' advance notice  Provision of temporary access (e.g. planks across pipe trench) where possible;  Restoration/enhancement of affected land, structure, utilities, common property resource		WUSC, NGO, WSSDO
8	Temporary loss of livelihood (i.e., vendors inside ROW temporarily impacted due to construction)	Temporary loss of livelihood/source of income	Owners of temporary kiosks, mobile vendors, with or without acceptable proof of ownership over the land; with or without building permit	30 days advance notice  Provision of alternative sites for continued economic activity (e.g., within available ROW or across road)  Use of Project dump trucks to haul goods and relocate shops.  Restoration of affected land, structure, utilities, and common property resource  For construction activities involving disruption for a period of more than a month, provision of alternative sites for hawkers and vendors for continued economic activities. If not possible, allowance based on minimum wage rate for 1 month or the actual period of disruption whichever is more.		WUSC, NGO, WSSDO
9	Loss of cultural & community structures /facilities	Schools, community centers, markets, places of worship, public trees, natural resources (including water used for irrigation and other livelihood purposes.)	Community  IPs who traditionally used water from the source for irrigation  Households using the water from the source for different livelihood, and other purposes.	Replacement or restoration (requiring adequate cash compensation to complete these activities) of the affected community facilities – including public water stand posts, temples, shrines, bus shelters etc. Enhancement of community resources  For irrigation water, continued provision of water at quantities that will not adversely affect productivity and other output, and/or project benefits given to affected users through consultation and negotiation.  25 trees sapling and growth care support per tree in the case of public trees		WUSC, WSSDO
10	Any other loss not identified			Unanticipated involuntary impacts shall be documented and mitigated based on the principles provided in ADB's IR Policy (1995)		DWSS/WUSC

## IV. SCREENING AND RESETTLEMENT PLAN PREPARATION

### A. Screening

17. Resettlement screening for subprojects will be carried out during the project identification and prioritization process. The PMO, with support of a consultant, will use the screening and categorization form in Annex 6 to determine the nature and significance of resettlement effects. The screening criteria based on the degree of resettlement impacts are: (i) **Significant (Category A)** - as a result of the subproject, 200 or more people will experience major impacts, that is, being physically displaced from housing, or losing 10% or more of their productive (income-generating) assets; (ii) **Not significant (Category B)** - as a result of the subproject, fewer than 200 people will be physically displaced from housing or lose less than 10% of their productive (income-generating) assets. A short resettlement will be required; or (iii) **No resettlement effect (Category C)** - the subproject does not require temporary or permanent land acquisition, and there are no impacts involving the loss of land, structures, crops and trees, businesses or income. No resettlement plan is required.

18. Any subprojects within this Sector Project that are determined to cause significant resettlement impacts (Category A) will not be selected.

### B. RP Preparation

If resettlement impacts are unavoidable, preparation of a resettlement plan is therefore required and will be prepared by a Resettlement Specialist from DSC with support from WSSDOWUSC/NGO. The RP will be prepared according to the following procedures: (i) Undertake a detailed census and replacement cost survey<sup>7</sup> of all APs including titled and non-titled persons (land ownership and tenancy will be identified from District Land Revenue Office and District Survey Office records). Conduct a socio-economic survey of least 10% of all APs and 20% of severely affected households; (ii) At the same time of surveys closely consult with APs about the subproject likely impacts, and principles, and preferred entitlements using RF; (iii) Based on surveys, prepare the draft RP with time-bound implementation schedule, procedures for grievance mechanism and monitoring and evaluation, and a budget; (iv) Draft RP made available to APs; (v) Finalize the subproject RP and submit to PMO and ADB for approval; (vi) The final RP will be translated and disclosed to APs and posted on ADB's website.

**Table 4: Surveys for RP Preparation**

<b>Census/Detailed Measurement Survey (DMS)</b>	<p>The census and detailed measurement survey (DMS) of lost assets will collect data on the affected assets from 100% of APs following detailed engineering design. The data collected during the DMS will constitute the formal basis for determining AP entitlements and levels of compensation. For each AP, the scope of the data will include:</p> <ul style="list-style-type: none"> <li>(i) Total and affected areas of land, by type of land assets;</li> <li>(ii) Total and affected areas of structures, by type of structure (main or secondary);</li> <li>(iii) Legal status of affected land and structure assets, and duration of tenure and ownership;</li> <li>(iv) Quantity and types of affected crops and trees;</li> <li>(v) Quantity of other losses, e.g. business or other income, jobs or other productive assets, estimated daily net income from informal shops;</li> <li>(vi) Quantity/area of affected common property, community or public assets, by type;</li> </ul>
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<sup>7</sup> A replacement cost survey for various types of affected assets will be a basis for determining compensation rates at replacement cost, and will be used to help the owner in valuing his/her land and negotiating deal with WUSC who will pay for land acquisition.

	<p>(vii) Summary data on AP households, by ethnicity, gender of head of household, household size, primary and secondary source of household income viz-a-viz whether household is headed by women, or consists of marginalized ethnic groups (Dalits, Freed Kamaiya), Muslims/religious minorities, elderly, disabled, indigenous people (highly marginalized, marginalized, and, disadvantaged IPs), Ultra-Poor (below poverty line of NRs 3000/month), landless or households losing 100% of total landholdings (particularly those totally dependent on agriculture for livelihood), as well as remote villages.</p> <p>(viii) Identify whether affected land or source of income is primary source of income; and</p> <p>(ix) AP knowledge of the subproject and preferences for compensation and, as required, relocation sites and rehabilitation measures.</p>
<b>Socio-Economic Survey</b>	<p>At a minimum, the SES will collect information from a sample of 10% of affected people and 20% of severely affected APs, disaggregated by gender and ethnicity. The purpose of the socioeconomic survey is to provide baseline data on APs to assess resettlement impacts, and to be sure proposed entitlements are appropriate, and to be used for resettlement monitoring. The scope of data to be collected includes:</p> <p>(i) Household head: name, sex, age, livelihood or occupation, income, education and ethnicity;</p> <p>(ii) Household members: number, livelihood or occupation, school age children and school attendance, and literacy, disaggregated by gender;</p> <p>(iii) Living conditions: access to water, sanitation and energy for cooking and lighting; ownership of durable goods; and</p> <p>(iv) Access to basic services and facilities.</p>
<b>Replacement Cost Survey</b>	<p>The <b>replacement cost survey (RCS)</b> will be done in parallel with DMS and SES activities by collecting information from both secondary sources and primary sources (direct interviews with people in the affected area, material suppliers, house contractors), and from both those affected and those not affected. The government rates will be adjusted, as necessary, based on the findings of a LACFC. Compensation rates will be continuously updated to ensure that APs receive compensation at replacement cost at the time of compensation payment.</p>

## V. INCOME RESTORATION STRATEGY

19. Income restoration assistance to the affected persons includes both short and medium term strategies. Short term income restoration strategies are for immediate assistance during relocation and include the following:

- Compensation for land, structures, and all other lost assets is paid in full before construction activity begins;
- Land owners who loses more than 10% of their cultivated land or productive assets will be considered severely affected and qualify for a cultivation disruption/transitional allowance of Rs 10,000 per HH
- APs losing entire structure are entitled to subsistence allowance (cash) equivalent to two month rent for moving to alternative premise for re-establishing house/business
- Assistance in finding replacement land for continuation of livelihood/living arrangements
- Shifting allowance for households based on actual cost of moving/unloading
- 30 days' advance notice to harvest standing seasonal crops, if harvest is not possible, compensation for share of standing crops at market rates
- Business owner/tenants including farmers earning livelihood from crops and experiencing
- loss of income are entitled to one-time lump sum grant of two-month income based on the nature and type of losses assessed on a case-to-case basis.
- Employees losing income are entitled to one-time financial assistance equivalent to 30 days minimum wage rates to be within District for respective categories.

- For vulnerable groups, additional subsistence allowance equivalent to NRs 10,000/HH for restoring or enhancing their livelihood. Vulnerable households will be prioritized in any project employment

Those eligible for medium-term income restoration activities which include skill development training based on need at the rate of NRs 5,000/person/HH include instances where no replacement land is available to continue livelihood activity (including sharecroppers, tenant farmers), those losing main source of livelihood, and vulnerable people.

20. Where necessary, training may include (i) capacity building, enterprise training, and facilitating economic activities to landowners; (ii) training for self employment to agricultural laborers. Training for self-employment that would be given by a NGO for skill development may include but not limited to (i) plumbing, (ii) electrical, (iii) automobile repair, and (iv) electronic repair and service. Training will be imparted to any willing member of the household. Where NGOs are not capable of training, suitable trainers or local resources will be identified by the local NGO in consultation with local training institutes.

21. During the construction stage the APs, especially vulnerable APs, will be given preference over others in being engaged in project activities suitable to their skills. In order to make the APs employable, an NGO will identify the required skills for the construction activities prior to the commencement of the construction and provide the required training to the APs. The contract document for the project shall include a provision for employment under the social requirements. Accordingly, the list of AP names, especially the severely affected AHs and the vulnerable groups will be provided to the contractor, for consideration in the project.

## **VI. INSTITUTIONAL RESPONSIBILITIES AND ARRANGEMENT**

### **A. Institutional Roles and Responsibilities**

22. At the national level, the Ministry of Physical Planning and Works (MPPW) will be the Executing Agency (EA) with responsibility for sub-project execution delegated to Department of Water Supply and Sewerage (DWSS). DWSS will have overall responsibility for resettlement activity under the Sector Project, which includes ensuring compensation paid to all APs prior to the award of civil contracts. Actual responsibilities for safeguards will lie in the Project Management Office (PMO) within DWSS to manage and ensure RP implementation. Towards this, PMO will utilize the services of a Resettlement Expert (RE) as part of the Project Management Consultant (PMC) team (See TOR in Annex 5). The RE will be responsible for the overall coordination and supervision of resettlement activities and to ensure overall compliance of RPs with Government and ADB policies and procedures. He/she will also provide training and ongoing support to WSSDO, WUSCs, and NGOs during the resettlement planning and implementation process. He/she will conduct internal monitoring of RP implementation and submit quarterly progress/monitoring reports to MPPW and ADB.

23. The Water Supply and Sanitation Divisional Offices (WSSDO) of DWSS will manage and monitor day-to-day resettlement activity at the field level by providing support and assistance in RP preparation and implementation. WSSDO will submit monthly RP progress reports. A key responsibility of WSSDO is to support the design and supervision consultant in resettlement plan preparation, and to monitor WUSC during implementation. WSSDO will ensure WUSC pays all due compensation and assistance/allowances as per the RP prior to the award of civil contracts and submit monthly progress reports to PMO. WSSDO will also assist in public notification and information dissemination regarding resettlement activity during feasibility

studies. To facilitate these responsibilities, WSSDO will receive resettlement training and support from the PMO RE.

24. At the local level, WUSCs will work closely with the design and supervision consultants during design stage in identifying APs and alternative sites, as well as participate in public meetings and consultations. WUSC will implement RPs in close coordination with NGOs. When plot owners decide to negotiate directly with WUSC, WUSC will come to mutual agreement for land compensation and deliver all payments and assistance/allowances to APs (titled, non-titled, vulnerable) as per the RP prior to awarding the civil works contract. Where WUSC does not exist yet, an Interim Service Area Committee (ISAC) will accomplish these activities before being converted into a WUSC.

25. Village Development Committees (VDCs) and municipalities, who are the urban local bodies, assist in the dissemination of RPs to the public and provide any necessary support to WUSCs during RP implementation.

26. For each subproject, a Town Project Coordination Committee will be established, chaired by the head of WSSDO and represented by WUSC and local government officials. The role of this group is to coordinate at the project level amongst local stakeholders including local government, consultants, contractors, WUSC, and affected persons.

### **1. Project Management Consultant (PMC), Resettlement Expert (RE)**

27. The PMC-RE (see TOR in Annex 5) within PMO is responsible for overall coordination, supervision, and management of resettlement activity and issues for the Project. He/she will review all RPs and classifications, and ensure quality and compliance with GoN and ADB policies, during preparation and implementation. He/she will provide necessary training programs and guidance in order to develop capacity in DWSS PMO, WSSDO, WUSC, and NGOs. The PMC-RE will coordinate monitoring of RP implementation including review of monthly reports from NGOs, taking corrective action where necessary, and write quarterly monitoring reports to MPPW and ADB. A key role of the PMC-RE is to ensure compensation and rehabilitation packages are paid to APs prior to the award of civil contracts. The PMC-RE will also maintain a database for the PMO of all APs.

### **2. Design Supervision Consultant (DSC), Resettlement Specialist (RS)**

28. Design Supervision Consultant (DSC) will be recruited by DWSS PMO to undertake feasibility study and detailed engineering designs for the subproject. The DSC consultants will include a Resettlement Specialist (RS) (see TOR Annex 5) who will, under the guidance of WSSDO and PMC-RE do the following: classify all new subprojects in accordance with ADB's classification system (Annex 6), prepare new RPs and update existing ones (two existing RPs for Khandabari and Duhabi), and submit RPs to PMO for review and EA/ADB approval. In preparing RPs, the DSC-RS will closely work with the WUSC and NGO to determine the boundaries of the service areas, conduct census of APs, map (cadastral survey) all affected land plots, and finalize compensation/rehabilitation package consistent with the RF. Based on this participatory process, the DSC-RS will prepare the RP in compliance with ADB and Government requirements. The DSC-RS will also make available a translated version (local language) of the draft and final RPs and disclose them to APs. The DSC-RS will coordinate and provide assistance to WUSC, who will implement the RPs, and the local NGO.

### **3. Non-Governmental Organization (NGO)**

29. Local Non Government Organizations (NGOs) will be hired by the WSSDO to assist WUSC implement RPs. The NGO will be a link between the WSSDO, WUSC, and APs during implementation and will work in close coordination with the DSC-RS. During implementation, the NGO will involve elected representatives and local leaders, wherever necessary, to implement the RP to facilitate transparency in the process and public participation. They will assist the WSSDO and WUSC in dissemination of the RPs and other resettlement related information. A key responsibility will be to take the lead in joint verification and identification of APs, as well as verify the satisfaction of APs in land deals with the WUSCs. NGOs will participate in the LACFC whenever formulated as well as the Grievance Redress Committee (GRC) to determine the replacement value of assets lost and address any complaints/issues brought to the GRC. They will carry out a census of the APs and identify the vulnerable households, and identify training needs of APs for income generation activities and ensure that they are adequately supported, when necessary. NGOs will assist in informing APs about the likely resettlement impact of the Project and solicit views of those affected regarding compensation, and relocation options. The NGO will verify the implementation of all RP requirements and confirm whether APs received entitlements as per the RP prior to the award of civil contracts. NGOs will be responsible for providing external monitoring by submitting an annual monitoring report to WSSDO and PMO.

**Table 5: Institutional Roles and Responsibilities**

<b>Activity</b>	<b>Responsible Agency</b>
<b>Sub-project Initiation Stage</b>	
Disclosure of proposed sub-project details by issuing Public Notice	DWSS/WSSDO
Disclosure of proposed land acquisition	DWSS/WSSDO
<b>RP Preparation and Updating Stage</b>	
AP identification and verification	DSC-RS/WUSC/NGO
Conducting detailed census, socioeconomic, and replacement cost surveys of all APs	DSC RS/WUSC/NGO
Conducting consultations with APs and other stakeholders through FGDs/meetings/workshops. Summary RF available in local language	WSSDO/WUSC/NGO/DSC RS
Computation of replacement values of land/assets proposed for acquisition and finalizing rehabilitation measures	DSC RS/NGO
Determining final compensation for land/property (as per government law)	WUSC with Land Owner, or LACFC
Review of RP	PMC-RE
Disclosure of final entitlements and rehabilitation packages	WSSDO/NGO
Approval of RP	MPPW/ADB
Translating draft and final RPs into local language	DSC-RS
Disclosing of RPs to APs	WSSDO/WUSC/NGO
<b>RP Implementation Stage</b>	
Information dissemination to APs	WSSDO/WUSC/NGO
Compensation paid to APs before award of civil contracts	WUSC
Implementation of proposed rehabilitation measures	WUSC/NGO
Consultations with APs during rehabilitation activities	WUSC/NGO
Grievances Redressal	GRC/MOH
Internal monitoring	WSSDO
External monitoring	NGO

ADB = Asian Development Bank, CDO = Chief District Officer; CFC = Compensation Fixation Committee, DWSS = Department of Water Supply and Sanitation, MPPW = Ministry of Planning and Public Works, NGO = nongovernmental organization, RP = resettlement plan, VDC = Village Development Committee, WSSDO = Water Supply and Sanitation Division, WUSC = Water User and Sanitation Committee., ISAC = Interim Service Area Committee; MOH = Ministry of Home

## **VII. CONSULTATION, INFORMATION DISCLOSURE, AND GRIEVANCES**

### **A. Public Consultation**

30. A range of formal and informal consultative methods will be carried out for all sub-projects including, but not limited to: focus group discussions (FGDs), public meetings, community discussions, and in-depth and key informant interviews; in addition to the censuses and socio-economic surveys. Consultations will be held with special emphasis on vulnerable groups. Encouraging public participation in consultations informs the public of the Sector Project and serves as a venue for the public to express their opinion on priorities which the Project should address.

31. The key stakeholders to be consulted during sub-project preparation, RP implementation, and program implementation includes:

- (i) all APs, including vulnerable households;
- (ii) program beneficiaries;
- (iii) host populations in resettlement sites (if any);
- (iv) elected representatives, community leaders, and representatives of community-based organizations;
- (v) local NGOs;
- (vi) local government (VDC, DDC) and relevant government agency representatives; and
- (vii) WUSCs , WUAs

32. Consultations with APs during RP preparation will ensure that views of APs on compensation and resettlement assistance measures are fully incorporated while consultations conducted during RP implementation will identify necessary assistance required by APs during rehabilitation. Continuing involvement of those affected by sub-projects is necessary in the resettlement process. The WSSDO, WUSCs, and NGOs with support and guidance from the PMC-RE and DSC-RS will ensure that APs and other stakeholders are informed and consulted about the sub-project, its impact, their entitlements and options, and allowed to participate actively in the development of the sub-project. This will be done particularly in the case of vulnerable APs, who will be encouraged to choose options that entail the lowest risk. This exercise will be conducted throughout the sub-project—during preparation, implementation, and monitoring of sub-project results and impacts.

33. The WSSDO, DSC-RS, WUSC, and NGOs will ensure that views of APs, particularly those who are vulnerable, related to the resettlement process are looked into and addressed. The NGOs will ensure that APs consulted are informed of the outcome of the decision-making process, and will confirm how their views were incorporated. Since resettlement is a continuous process and baseline data/information will be collected, the WUSC and the NGO will regularly update the baseline information.

## **B. Information Disclosure and Dissemination**

34. Summaries of the RPs and RF will be made available in Nepali language to the APs, local NGOs, and public offices in the sub-project site. Copies of these documents will be provided to any requester by charging the photocopy cost. The draft and final RF and RPs will be disclosed in ADB's website (and DWSS website) and made available to APs; information dissemination and consultation will continue throughout program implementation.

35. For all sub-projects, information will be disseminated to APs at various stages. In the initial stage, WSSDO, WUSC, NGOs, and local government will be responsible for informing potential APs and the general public of the project and land acquisition requirements through leaflets and publication in local media outlets and newspapers. WUSC/NGO will conduct

consultations and disseminate information to all APs during these initial stages to create awareness of the project.

36. In the implementation stage, WUSCs and NGOs will provide information to APs on IR policies and features of the RP. Basic information such as sub-project location, impact estimates, entitlements, and implementation schedule will be presented to APs. This will enable stakeholders to provide inputs on the resettlement process, prior to award of civil work contracts.

37. An information dissemination campaign for APs will be conducted by the WSSDO with assistance from WUSC/NGO at the outset of RP implementation. All the comments made by the APs will be documented in the sub-project records and summarized in sub-project monitoring reports. A summary of consultation and disclosure activities to be followed for each sub-project is in Table 6.

38. Details and responsibility for consultation and disclosure activities are given in Table 6.

**Table 6: Consultation and Disclosure Roles and Responsibilities**

Project Phase	Activities	Details	Responsible Agency
Project Initiation Stage	Sub-project information dissemination; Disclosure of proposed land acquisition to APs	Leaflets containing information on the Project and sub-project to be prepared. Public notice issued in public places including newspapers and direct consultation with APs	WSSDO/WUSC/NGO
RP Preparation Phase	Stakeholder consultations	Further consultations with affected persons and households, titled and non-titled. Summary RF made available to all APs.	DSC-RS/WSSDO/ WUSC/NGOs
	Disclosure of final entitlements and rehabilitation packages and disclosure of draft RP	RPs disclosed to all APs in local language	DSC-RS//WUSC/NGO
	Finalization of RP	Review and approval of RP by EA. Review and approval of RP by ADB. Web disclosure of the RP.	MPPW, DWSS, and ADB
RP Implementation Stage	Consultation with APs during RP implementation	Consultations with APs.	NGO/WUSC

ADB = Asian Development Bank, AP = affected persons, DWSS = Department of Water Supply and Sewerage, EA = executing agency, DSC = Design Supervision Consultant, MPPW = Ministry of Physical Planning and Works, NGO = nongovernment organization, RF = resettlement framework, RP = resettlement plan, WSSDO = Water Supply and Sanitation Divisional Office, WUSC = Water Users and Sanitation Committee.

### C. Complaints and Grievances

39. Any grievances and objections will be referred to the Grievances Redress Committee (GRC). The constitutional basis of the Grievance Redress Committee (GRC) for RP activities is Clause 11 of the Land Acquisition Act of Nepal 2034 (1977). The Act assigns CDO as the sole responsibility to chair land acquisition activities. In keeping with the legal provision mentioned in the Act, the basic process of grievances redressal to be undertaken under the Project will be as follows:

- (i) Decisions should be given within fifteen days after receiving the grievances.
- (ii) Further processing of the grievances or any decision should be taken only after consultation with the CDO and also the Project Officer, if deemed necessary.

- (iii) Ministry of Home Affairs can exercise legal authority as of District Court while investigating in the matter of such grievances.

40. When plot owner and WUSC negotiate directly and come to mutual agreement, GRC as per the LAA is not required. In these cases, the Project will form its own Project GRC formulated by the WSSDO. Other members of the committee will be local government representative (VDC, DDC), two representatives of APs with one male and one female, a representative of vulnerable people's organisations active in the area concerned, Consultant, the NGO, and a representative from the Project. The APs may submit their concerns or grievances verbally or in writing to this Committee. The head of WSSDO will be the member-secretary of the committee and shall act as the Project's Grievance Officer.

41. Through public consultations, the APs will be informed that they have a right to grievance redress. The APs can call upon the support of the NGO to assist them in presenting their grievances or queries to the GRC. Grievances of APs will first be brought to the attention of field level staff of the WUSC/NGO. Grievances not redressed will be brought to the GRC. The GRC will meet every month (if grievances are brought to the Committee), determine the merit of each grievance, and resolve grievances within a month of receiving the complaint. Further grievances will be referred by APs to the appropriate courts of law. The WSSDO will keep records of all grievances received including: contact details of complainant, date the complaint was received, nature of grievance, agreed corrective actions and the date these were effected, and final outcome.

42. The various queries, complaints and problems that are likely to be generated among the APs and that might require mitigation, include the following:

- (i) APs not enlisted;
- (ii) Losses not identified correctly;
- (iii) Compensation/assistance inadequate or not as per entitlement matrix;
- (iv) Dispute about ownership;
- (v) Delay in disbursement of compensation/assistance; and
- (vi) Improper distribution of compensation/ assistance in case of joint ownership.

## **VIII. BUDGETING AND FUND FLOW MECHANISM**

43. The resettlement cost estimate includes all costs related to resettlement including compensation, relocation, transfer costs, displacement allowances, rehabilitation costs, administrative costs, special assistance for vulnerable households, consultation, and costs of monitoring and evaluation. All land acquisition funds will be paid to APs by the WUSC, and backed by DWSS. Grant Assurances will guarantee APs are compensated for all losses as per the RP before the award of civil contracts and NGOs will verify whether compensation was paid and to the satisfaction of the AP. The resettlement cost in each RP will include a contingency of 10% of the total cost in order to adjust any deviation in the project implementation. Detailed budget estimates for involuntary resettlement will be prepared by DSC for each RP. Details in the budget will include the full costs of each item.

44. Where the national law does not meet the replacement cost, this will be supplemented as necessary by WUSC. Replacement cost is based on market value before the project or dispossession, whichever is higher.

45. The WUSC will ensure that funds are delivered on time to the APs. Civil works contracts will not be awarded unless required compensation payment has been completed. However,

income rehabilitation measures may continue and be completed even after civil works has begun. All land acquisition and resettlement assistance will be considered as an integral component of project costs. In cases where compensation is set by the LACFC (when the plot owner does not negotiate directly with WUSC) and the replacement value is lower than the prevailing market price, an NGO will verify the replacement value, and WUSC will pay the difference.

46. Table 7 shows the estimated budget for implementing RPs for sub-projects in the 20 towns; this includes the two RPs from the sample sub-projects developed during project preparation and additional sub-projects that will be developed by the EA during the detailed design and implementation phases.

**Table 7: Summary Resettlement Costs for STWSSSP II**

Resettlement Costs (\$'000)								
	No	Cost	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Sukhad	1							0
Duhabi	1	4.23	2.87	0.51	0.51	0.35		4.23
Khandbari	1	50.90	46.89	1.64	1.64	0.73		50.90
Terai Towns (w/o ww)	10	83.98		75.79	3.27	3.27	1.64	83.98
Terai Towns with ww	3	62.10		56.04	2.42	2.42	1.21	62.10
Hill Towns	4	49.51			44.69	1.93	2.90	49.51
<b>Resettlement Cost Total</b>	<b>20</b>	<b>250.71</b>	<b>49.75</b>	<b>133.99</b>	<b>52.53</b>	<b>8.70</b>	<b>5.74</b>	<b>250.71</b>

## IX. IMPLEMENTATION SCHEDULE

47. Land acquisition, compensation and relocation of APs cannot commence until the RP has been reviewed and approved by ADB. The RPs for all sub-projects will begin implementation from second quarter of 2010 and be implemented in three batches. The project will be implemented over six years.

48. The process for RP preparation and income rehabilitation measures may continue before and after the civil works has begun. The major activities to be carried out during the project period include; (i) payment of compensation and other allowances, (ii) handing over of site to the WUSC, and (iii) income restoration assistance.

Table 8: RP Implementation Schedule

	Feasibility Study		Detailed Design		Contract Bidding	Award for Civil Work Contracts	Construction								
	1Q	2Q	3Q	4Q	5Q	6Q	7Q	8Q	9Q	10Q	11Q	12Q	13Q	14Q	15Q
<b>Resettlement Planning</b>															
Approval of RP by ADB and by MPPW				♦											
Disclosure of RP		♦		♦											
Distribution of RP Report and Brochure		♦		♦											
Recruitment of NGO	♦		♦												
Socio-economic survey by NGO and list of APs	♦	♦	♦	♦											
Issue of identity cards	♦	♦													
Identify and confirm poor and vulnerable APs	♦	♦	♦	♦											
Form Grievance Redress Committee				♦	♦										
Grievance Redressing Activities				♦	♦										
<b>Land Acquisition, Temporary Land Occupation and Resettlement</b>															
Announce start date of RP implementation through public notification				♦											
Disburse compensation payment and assistance for relocation				♦	♦										
Handing over of lands to the contractor for construction <sup>8</sup>							♦								
<b>Livelihood and Income Restoration</b>															
Disburse livelihood restoration assistance				♦	♦	♦									
Organize skill development training for vulnerable APs				♦	♦	♦									
Capacity Building	All through the RP implementation period														
Internal monitoring	All through the RP implementation period (WSSDO)														
External monitoring	Annual report during the RP implementation period (NGO)														

Note: The census will be the cut-off date for non-titled APs. For titled APs, the cut-off date is the date of notification as per the Nepal LA Act (1977). The RP will be updated based on final detailed design and AP census and surveys. Endorsement and disclosure of finalized RPs consistent with the RF to be undertaken.

<sup>8</sup> For components not involving land acquisition, the handing over of project sites to the contractor will be possible from the first quarter. For the other components involving land acquisition and resettlement, the project sites will be handed over for civil works by the sixth quarter.

## **A. Staff Training in Resettlement Implementation**

49. Staff at DWSS PMO, WSSDO, WUSC, and NGOs involved in land acquisition and resettlement activities will undergo a training in ADB's resettlement policy and management conducted by the PMC-Resettlement Expert. The training sessions will be repeated in field offices, DDCs and VDCs either by grouping the adjacent districts or individually as per convenience of the field staff. The training session will focus on the following:

- (i) Principles and procedures of land acquisition;
- (ii) Public consultation and participation;
- (iii) Entitlements and compensation & assistance disbursement mechanisms;
- (iv) Grievance redressal;
- (v) Resettlement data-base management; and
- (vi) Monitoring of resettlement operations.

## **X. MONITORING AND EVALUATION**

### **A. Need for Monitoring**

50. Monitoring is a major part of the resettlement management system to ensure its goals are met. RP implementation will be monitored both internally and externally. Internal monitoring is to be conducted by DWSS including its divisional offices and NGOs will undertake the task of external monitoring.

### **B. Internal Monitoring**

51. The DWSS along with its divisional offices (WSSDO) and in close coordination with NGOs will be responsible for internal monitoring. WSSDO will provide necessary oversight and monitor the RP implementation and submit monthly progress reports to PMO. Correct actions to be taken, if necessary. This will be done in coordination with the WUSC.

52. The WSSDO will maintain a record of all transactions in their resettlement database, followed by entitlement records signed by AP and survey based monitoring of resettlement / land acquisition progress on a monthly basis. Monitoring will ensure:

- (i) That all internal training of relevant safeguards staff occurred;
- (ii) Verification that there are no outstanding or unresolved land acquisition issues with respect to the project and that property valuation and economic rehabilitation has been carried out in accordance with the provisions of the plan;
- (iii) Information campaign and consultation has been carried out with APs;
- (iv) Status of land acquisition and payments on land compensation;
- (v) Value of entitlement received is equal to that of original structure or land acquired;
- (vi) Effective utilization of entitlements received;
- (vii) Compensation for affected structures and other assets;
- (viii) Relocation of APs; if applicable;
- (ix) Payments for loss of income;
- (x) That all economic rehabilitation measures are implemented, as approved;
- (xi) Effective operation of both the Grievance Committees and Sub-project level Committees; and

- (xii) Funds for implementing land acquisition and economic rehabilitation activities are available in a timely manner, are sufficient for the purposes, and are spent in accordance with the plan.

53. WSSDO will also be responsible for carrying out field level monitoring through:

- (i) Review of census information for all APs;
- (ii) Consultation and informal interviews with APs;
- (iii) In-depth case studies;
- (iv) Informal sample survey of APs;
- (v) Key informant interviews; and
- (vi) Community public meetings.

54. A performance data sheet will be developed to monitor the project at the field level. Quarterly monitoring reports will be prepared by PMO through the PMO-RE for overall project level monitoring and sent to ADB reporting the progress of all aspects of resettlement activities. Monitoring and evaluation reports documenting progress on resettlement implementation and the completion report will be provided by the MPPW to ADB for review.

### **C. External or Independent Monitoring**

55. A NGO will carry out annual review of resettlement implementation as well as post project evaluation throughout the project cycle. The NGO will be assigned to carry out external monitoring and evaluation works. The NGO will be focused on:

- (i) Evaluating the social and economic impact of land acquisition and rehabilitation of APs; A focus will be on monitoring different Project impacts on different ethnic and minority groups, and on women;
- (ii) Verifying the objective of enhancement or at least restoration of income levels and standard of living of the APs have been met;
- (iii) Suggesting modifications in land acquisition and economic rehabilitation, where necessary, to achieve the principles and objectives as set before; and
- (iv) Making final ex-post evaluation to ensure all resettlement and Land acquisition activities have been completed; any problem issues identified are followed-up (including recommendation of mitigation measures for the budget).

56. More specifically the following activities will be required to be performed:

- (i) Verification of internal monitoring – to ensure the appropriateness of activities being carried out by WUSCs;
- (ii) Conduct a post-training impact assessment one year after project implementation. Indicators would be developed during detailed design stage.
- (iii) Sample Baseline and Biannual Household Surveys – to monitor progress from a pre-resettlement benchmark.
- (iv) Evaluation of Delivery and Impacts of Entitlements – to determine if they are as per the approved Resettlement Plan.
- (v) Evaluation of Consultation and Grievance Procedures - especially levels of public awareness of grievance procedures, access by AP's and households to information and rapid conflict resolution.
- (vi) Evaluation of actual operations of Grievance Committee - assisting APs as required and acting as observers.
- (vii) Declaration of successful implementation – summing up the outcome of activities on completion of all entitlements distribution and resettlement activities.
- (viii) Recommend Follow-up Actions for the EA - relating to outstanding actions required to complete achievement of objectives of the RP and resettlement

policies, additional mitigation measures for APs, if required, and timing and budget of these additional measures.

- (ix) Describe lessons learned for future projects.
- (x) Prepare and submit mid-term and end-term impact evaluation reports and submit to the PMO, the EA, and ADB.

#### **D. Reporting Requirements**

57. The WSSDO will prepare monthly progress reports on resettlement activities and submit to PMO. The PMO will monitor RP implementation and submit quarterly reports to ADB. The NGO will submit annual reviews directly to ADB and determine whether or not resettlement goals have been achieved, more importantly analysis of whether livelihoods and living standards have been restored/enhanced and suggestion of suitable recommendations for improvement must be made. The NGO will also carry out a final ex-post evaluation to ensure that all resettlement and land acquisition activities have been completed. Any problems or issues identified are followed-up (including recommendation of mitigation measures and supplementary budget); and learning from such issues must be recorded which would help to deal with issues such as these more effectively.

**ANNEX 1**  
**ADB POLICY ON INVOLUNTARY RESETTLEMENT POLICY PRINCIPLES**

1. **Involuntary resettlement should be avoided whenever feasible.**
2. **Where population displacement is unavoidable, it should be minimized by providing viable livelihood options.**
3. **Replacing what is lost.** If individuals or a community must lose all or part of their land, means of livelihood, or social support systems, so that a project might proceed, they will be compensated and assisted through replacement of land<sup>9</sup>, housing, infrastructure, resources, income sources, and services, in cash or kind, so that their economic and social circumstances will be at least restored to the preproject level. All compensation is based on the principle of replacement cost.
4. **Each involuntary resettlement is conceived and executed as part of a development project or program.** ADB and executing agencies or project sponsors, during project preparation, assess opportunities for affected people to share project benefits. The affected people need to be provided with sufficient resources and opportunities to reestablish their livelihoods and homes as soon as possible, with time-bound action in coordination with the civil works.
5. **The affected people are to be fully informed and closely consulted.** Affected people are to be consulted on compensation and/or resettlement options, including relocation sites, and socioeconomic rehabilitation. Pertinent resettlement information is to be disclosed to the affected people at key points, and specific opportunities provided for them to participate in choosing, planning, and implementation options. Grievance redress mechanisms for affected people are to be established. Where adversely affected people are particularly vulnerable groups, resettlement planning decisions will be preceded by a social preparation phase to enhance their participation in negotiation, planning, and implementation.
6. **Social and cultural institutions.** Institutions of the affected people, and, where relevant, of their hosts, are to be protected and supported. Affected people are to be assisted to integrate economically and socially into host communities so that adverse impacts on the host communities are minimized and social harmony is promoted.
7. **No formal title.** Indigenous groups, ethnic minorities, pastoralists, people who claim for such land without formal legal rights, and others, who may have usufruct or customary rights to affected land or other resources, often have no formal legal title to their lands. The absence of a formal legal title to land is not a bar to ADB policy entitlements.
8. **Identification.** Affected people are to be identified and recorded as early as possible in order to establish their eligibility through a population record or census that serves as an eligibility cutoff date, preferably at the project identification stage, to prevent a subsequent influx of encroachers or others who wish to take advantage of such benefits.

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<sup>9</sup> If the residual of an asset taken is not economically viable, compensation and other assistance are provided as for the entire asset. In this case, affected people have the option to retain their assets. Nonland based options may be used where land is not the preferred option of the affected people; or where land of similar quality and quantity is not available.

9. **The Poorest.** Particular attention must be paid to the needs of the poorest affected people, and vulnerable groups that may be at high risk of impoverishment. This may include those without legal title to land or other assets, households headed by females, the elderly or disabled and other vulnerable groups, particularly indigenous peoples. Appropriate assistance must be provided to help them improve their socio-economic status.

10. **The full resettlement costs are to be included in the presentation of project costs and benefits.** This includes costs of compensation, relocation and rehabilitation, social preparation and livelihood programs as well as the incremental benefits over the without-project situation (which are included in the presentation of project costs and benefits). The budget also includes costs for planning, management, supervision, monitoring and evaluation, land taxes, land fees, and physical and price contingencies. Where loans include sub-projects, components or investments prepared only after project approval and loans through financial intermediaries that are likely to cause involuntary resettlement, sufficient contingency allowance must be allocated for resettlement prior to approval of the loan. Similarly, resettlement plans should also reflect the timeframe for resettlement planning and implementation.

11. **Eligible costs of compensation.** Relocation and rehabilitation may be considered for inclusion in ADB loan financing for the project, if requested, to assure timely availability of the required resources and to ensure compliance with involuntary resettlement procedures during implementation.

## ANNEX 2 CENSUS AND BASELINE SOCIO-ECONOMIC SURVEY GUIDELINES

### A. Cut-Off Date

1. The cut-off date for titleholders will be the date of notification under the land acquisition act and for the non-titleholders will be the census date. People moving into the sub-project area after this cut-off date will not be entitled to support. Persons, who were not enumerated during the census but can show documentation or evidence that he/she is rightfully an Affected Person (AP), will be included. WUSC/NGO is responsible for such verification. Only those APs within the sub-project impact area will be considered eligible for support under the sub-project.

### B. Census Requirement and Contents

2. Census of households and individuals located within the sub-project has to be undertaken to register and document the status of potentially affected population within the sub-project impact area. It will provide a demographic overview of the population covered by the Resettlement Plan (RP) and profiles of household assets and main sources of livelihood. It will cover 100% of the potentially affected population within the sub-project impact area.

- (i) **Resource Base.** The resource base including land, water, and forest, etc., with an assessment of its development and ecological potential in the pre-project conditions. During the conduct of the census, legal boundaries of affected properties and the right of way (ROW) are to be verified. Structures, trees and other assets are to be recorded.
- (ii) **Economy Base.** The economy base of the affected people including the modes and magnitude of production, consumption pattern, related economic institutions.
- (iii) **Household Census.** Household census covering immovable property owned by the APs and other resources in their possession/use. These surveys would be carried out in association with local and host communities as well as with the local representatives.
- (iv) **Social Structures.** The social structure, norms, customs, cultural centers, traditions, patterns of leadership and institutions of social network.
- (v) **Affected Persons.** The census will prima-facie identify tenants, leaseholders, sharecroppers, encroachers, squatters, and agricultural workers. During such census, those APs dependent on the existing infrastructure link for their livelihood, shall also be identified and listed along with their identified income. Besides this, the census will also identify APs who are from Scheduled Tribes (STs), and vulnerable APs such as the poor, female-headed, old, handicapped, infirm, orphaned, and destitute.

### C. Census Procedures

3. The following procedure is to be adopted in carrying out the census:
- Preliminary screening to provide initial information on social impacts;
  - Verification of legal boundaries of the sub-project area, to document existing structures, land plots, and others physical assets. This involves:
    - (a) Identification of suitable resettlement sites, in close proximity to the affected area if required;
    - (b) All encroachments, private land holdings and others assets in the sub-project area is to be documented;

- (c) Assets, structures, land holdings, trees, etc. to be recorded; and
- (d) All information is to be computerized; photography to be used to document existing structures.
- (iii) The baseline socio-economic survey shall cover information on the various categories of losses and other adverse impacts likely under the sub-project;
- (iv) The census will identify potentially affected populations with special attention to vulnerable groups; and
- (v) Assessment on the value of various assets to be made.

#### **D. Database Management**

- (i) **Data Sources.** As a pre-requisite for conducting the primary household surveys, relevant information is to be collected from secondary sources. These include:
  - (a) Revenue records maintained, with regard to land particulars for facilitating acquisition of properties and resettlement of displaced;
  - (b) Census records for demographic information;
  - (c) Development agencies to get information on various development programs for special sections of population like those living below poverty line, Scheduled Tribes, Schedule Castes, etc.; and
  - (d) Local organizations including NGOs in order to involve them and integrate their activities in the economic development programs of the displaced population.
- (ii) **Data Collection.** Household level contacts and interviews with each affected family for completing the household socio-economic profile. Each of the households surveyed and the structure/land likely to be affected by the sub-project has to be numbered, documented and photographed. Public consultation exercises in different sub-project areas to be conducted with the involvement of Affected Persons. In these exercises, women among the Affected Persons are to be involved to elicit their views and options on the overall planning of resettlement activities. Discussions with a cross-section of affected population will help towards understanding the problems and preference of the APs.
  - **Data Analysis.** The analysis would cover the following: population, population density, age, sex ratio, literacy rates/education, gender issues, tribal issues, religious groups, income, occupation and poverty line.
  - **Data Update.** Since there is generally a time gap between the census and land acquisition procedure, it implies that actual physical relocation of APs may be delayed. Therefore, it is suggested that NGOs responsible for implementation of RP along with WSSDO, should conduct a rapid appraisal to continuously update information.

## ANNEX 3

### Format and Scope of a Short Resettlement Plan

Topic	Contents
<b>Executive Summary</b>	
<b>Scope of land acquisition and resettlement</b>	<ul style="list-style-type: none"> <li>• Alternative options, if any, considered to minimize land acquisition and its effects, and why the remaining effects are unavoidable.</li> <li>• Summary of key effects in terms of land acquired, assets lost, numbers of people affected, and socio-economic data</li> </ul>
<b>Objectives, policy framework, and entitlements</b>	<ul style="list-style-type: none"> <li>• Borrower's policy and legal framework for resettlement, with any gaps in this framework as compared to ADB policy</li> <li>• Measures proposed to bridge the gap between ADBs and borrower's policies</li> <li>• Eligibility policy and entitlement matrix for all categories of loss, including compensation rates at replacement costs.</li> </ul>
<b>Gender Impact and Mitigative Measures</b>	<ul style="list-style-type: none"> <li>• Identify socio-economic condition, needs, and priorities of women</li> <li>• Include measures to ensure that process of land acquisition and resettlement does not disadvantage women and that land/house titles should be in the name of both spouses</li> </ul>
<b>Information Dissemination, Consultation, Participatory Approaches and Disclosure Requirements</b>	<ul style="list-style-type: none"> <li>• Identification of project stakeholders.</li> <li>• Disclosure of project information</li> <li>• Consultations for determining principles</li> <li>• Mechanisms for stakeholder participation in planning, management, monitoring, and evaluation</li> <li>• Disclosure of RP to people affected</li> <li>• Local institutions or organizations to support people affected. Potential role of non-government organizations (NGOs), women's groups and community-based organizations (CBOs).</li> </ul>
<b>Grievance Redress Mechanisms</b>	<ul style="list-style-type: none"> <li>• Mechanisms for resolution of conflicts and appeals procedures</li> </ul>
<b>Compensation, relocation, and income restoration</b>	<ul style="list-style-type: none"> <li>• Arrangements for valuing and disbursing compensation.</li> <li>• Arrangements for housing relocation, including transfer, re-establishment and integration with host populations</li> <li>• Income restoration measures</li> <li>• Environmental risks identification and arrangements for environmental management and monitoring.</li> </ul>
<b>Institutional framework</b>	<ul style="list-style-type: none"> <li>• Main tasks and responsibilities in planning, managing and monitoring land acquisition and resettlement.</li> <li>• Ensure that (i) women's groups are involved in resettlement planning, management and operations, job creation and income generation; and (ii) female staff should be hired by the resettlement agency to work with and assist women in all aspects of resettlement activities.</li> </ul>
<b>Resettlement budget and financing</b>	<ul style="list-style-type: none"> <li>• Land acquisition and resettlement costs and funding sources including arrangements for timely disbursement to APs.</li> </ul>
<b>Implementation schedule</b>	<ul style="list-style-type: none"> <li>• Time bound actions for projected activities to ensure that people affected are compensated and assisted before award of civil works contracts.</li> </ul>
<b>Monitoring and evaluation</b>	<ul style="list-style-type: none"> <li>• Arrangements for M&amp;E.</li> <li>• Impact on women monitored and evaluated separately</li> </ul>
<b>Arrangements for Reviewing RP at detailed technical/engineering design if this is not yet complete</b>	
<b>Formal Agreement by the EA</b>	
<b>Covenant in RRP and Loan Agreements</b>	
<b>Disclosure of full RP on ADB Website upon project approval</b>	

## ANNEX 4

### OUTLINE OF A RESETTLEMENT PLAN

#### Executive Summary

An executive summary is a succinct report on the key aspects of the resettlement plan. It should cover the salient points in the resettlement plan

#### I. Project Description

- General description of the project, discussion of project components that result in land acquisition or involuntary resettlement or both, and identification of the project area.
- Describe the alternatives considered to avoid or minimize resettlement. Include a table with quantified data and provide a rationale for the final decision. and why remaining effects are unavoidable
- State the main objectives of the Resettlement Plan (RP).
- For clarity, please also indicate whether the project is based on feasibility study and state the arrangements for updating the RP at after detailed technical/engineering design and detailed measurement survey and submission ADB for review and approval.

#### II. Scope of Land Acquisition and Resettlement

- Discuss the Potential Impacts of the Project. Include maps of the areas or zone of impact of such components or activities
- Describe scope of land acquisition (use maps), and why it is necessary for the main investment project
- Summarize the key effects in terms of assets acquired and affected persons, include a table.
- Provide details of any common property resources
- Describe the consultation process with agencies responsible for land acquisition and resettlement.
- Briefly discuss the legal framework for land acquisition including an overview of the laws, regulations and guidelines that apply to land acquisition and resettlement. Include procedural requirements, timelines.

*Core tables to be prepared for this section:*

- *Summary of Land Acquisition Requirements and Involuntary Resettlement Impacts of all Project Components*
- *Summary of Affected Persons by Category and Severity of Impacts*

*Affected Persons - Total Number of Households and Total Population*

*Type of Impacts - Loss of Land, Structure, Businesses, Crops and Trees, Community Property Resources, and other categories of losses*

*Severity of Impacts – Permanent or Temporary; Full(100%) or Partial(10% and below, 50% and below)] loss of Structures/Land including number of people requiring relocation;*

*Summary of Affected Lands by Tenure Status and Land Use Type (Agricultural, Commercial, Residential, Communal Forest, etc)*

- *Summary of Affected Structures Land Tenure Status and by Structure Type, Materials, Size*

### III. Socioeconomic Information/Profile

The socio-economic survey while providing data should be accompanied by a careful analysis/impact assessment disaggregated by gender, vulnerability and other social groups.

- Define, identify and enumerate the people to be affected
- Describe the likely impact of land and asset acquisition on the people affected, taking into account social, cultural and economic parameters; prepare disaggregated tables
- Discuss project impacts on the poor, indigenous/ethnic minorities, and other vulnerable groups.
- Identify gender and resettlement impacts. Identify the socio-economic situation, impacts, needs, and priorities of women. (Reference: Gender and Resettlement Checklist, 2003. Available from [http://www.adb.org/Documents/Manuals/Gender\\_Checklists/Resettlement/default.asp](http://www.adb.org/Documents/Manuals/Gender_Checklists/Resettlement/default.asp))

*Core tables to be prepared for this section:*

- *Socio-economic Profile of the Affected Persons Disaggregated by Gender,*
- *Vulnerability and risk analysis*

### IV. Information Dissemination, Consultation, Participatory Approaches and Disclosure Requirements

- Identify project stakeholders, specifically primary stakeholders
- Describe the mechanisms for consultation to be conducted during the different stages of the project cycle.
- Describe the activities undertaken to disseminate information
- Summarize the results of consultations with affected persons (including host communities) and discuss how concerns raised and recommendations made were addressed in the RP.
- Confirm disclosure of draft resettlement plan to affected people and include arrangements to disclose any subsequent plans.

*Core table to be prepared for this section:*

- *Public Consultation and Disclosure Plan*
- *Summary of Concerns Raised and Recommendations made during Consultations Disaggregated by Stakeholder Groups*

### V. Grievance Redress Mechanisms

- Mechanisms for resolution of conflicts and appeals procedures
- Description of the grievance redress framework (informal and formal channels) that will be put in place by the project proponent setting out the time frame and mechanisms for resolution of complaints about resettlement.

## VI. Policy and Legal Framework

- Describe the national and local laws and policies that apply to the project and prepare a gap analysis indicating how the gaps will be addressed.
- Principles, legal and policy commitments from executing agency for different categories of project impacts. Principles and methodologies used for determining valuation and compensation rates at replacement costs for assets, incomes and livelihoods. Compensation and assistance eligibility criteria and how and when compensation will be paid.
- Describe the land acquisition process and prepare a schedule for meeting key procedural requirements.

Core tables/flowcharts to be prepared for this section:

- *Legislative Gap Analysis - Comparison of ADB's Involuntary Resettlement Policy and DMC Legal Frameworks and Proposed Measures to Bridge the Gap*
- *Flowchart of the Land Acquisition Process with outputs and timelines*

## VII. Entitlements

- Define entitlement and eligibility of affected persons. Ensure all resettlement assistance, including, transaction costs are included.
- Assistance to vulnerable groups and other special groups should be included

Core tables to be prepared for this section:

- *Entitlement matrix*

## VIII. Relocation of Housing and Settlements

- Description of options for relocation of housing and other structures, including replacement housing, replacement cash compensation, and/or self-selection. Ensure gender concerns and support to vulnerable groups are identified and integrated when preparing replacement housing programs.
- Description of the alternative relocation sites considered, community consultations conducted and justification for selected sites including details on location, environment assessment of site, and development needs.
- Timetables for site preparation and transfer. Measures to assist with transfer and establishment at new sites.
- Legal arrangements to regularize tenure and transferring titles to resettlers including, provision of joint titles as well as plot allocation to adult children as relevant.
- Transition housing should be avoided
- Measures to assist with transfer and establishment at new sites.
- Ensure location specific considerations to protect livelihood access to public services etc.
- Plans to provide civic infrastructure
- Integration with host populations

## IX. Income Restoration and Rehabilitation

- Identify livelihood risks, prepare disaggregated tables based on a demographic data and livelihood sources
- Description of income restoration programs—include multiple options to restore all types of livelihoods. A few examples include:
  - project benefit-sharing
  - revenue sharing arrangements
  - joint-stock for equity contributions such as land
  - discuss sustainability and safety nets.
- Social safety net through social insurance / project special funds
- Special measures to support vulnerable groups
- Gender considerations
- Training programs should be supported by skills analysis and needs assessment

Core table to be prepared for this section:

- *Livelihood restoration plans with itemized budgets and multiple options*
- *List of Training Programs and APs preferences*
- *Employment Opportunities*

## X. Resettlement Budget and Financing Plan

- Itemized budget for all resettlement activities, including, budget for resettlement unit, staff training, MSE, and preparation of RPs during loan implementation.
- Describe the flow of funds. The annual resettlement budget should show the budget-schedule expenditure for key items.
- Include a justification for all assumptions made in calculating compensation rates and other cost estimates (taking into account both physical and cost contingencies), plus replacement value.
- Include information about the source of funding for the RP budget.

Core table to be prepared for this section:

- *Detailed Cost Estimate and Budget for all Resettlement Activities*
- *Flowchart, Flow of Funds showing source of financing and timing particularly in the context of legal requirements.*

## XI. Implementation Schedule

- Include a detailed, time bound, implementation schedule for all key resettlement and rehabilitation activities. (The schedule should be synchronized with the project's schedule of civil works construction).
- Resettlement Supervision Milestones included and updated regularly (See Attachment).

Core table to be prepared for this section:

- *Implementation schedule covering all aspects of resettlement activities synchronized with civil works awards construction*
- *Land Acquisition Process and Timeline–Gantt Chart*

## **XII. Institutional Framework for Resettlement**

- Main tasks and responsibilities of the groups responsible for resettlement preparation, implementation and monitoring should be described, including, skills and number of staff.
- Assessment of the institutional capacity of such agencies. Arrangements to build, including technical assistance, if required. Availability of logistics, finance, staff and other necessary hardware.
- Role of NGOs, if involved, and organizations of affected persons in resettlement planning and management. Involvement of women's groups in resettlement planning, management and operations, job creation and income generation. Arrangements to hire female staff by the resettlement agency to work with and assist women in all aspects of resettlement activities, including planning and implementation of income restoration programs.

*Core table to be prepared for this section:*

- *Matrix of Roles and Responsibilities of Government Agencies and Other Organizations involved in Resettlement Planning and Implementation*

## **XIII. Monitoring and Evaluation**

- **Internal Monitoring and Evaluation:** Arrangements to (i) monitor resettlement implementation, Describe institutional arrangements, logistics, staff, skills, timelines and budget allocated.
- **External Monitoring and Evaluation:** Arrangements to hire an external monitor. Ensure participation of affected people in internal and external monitoring and evaluation. Describe competencies, reporting arrangements and timelines.

**Resettlement Supervision Milestones (As of Date/Month/Year)**

<b>No.</b>	<b>Resettlement Tasks</b>	<b>Target</b>	<b>Responsible Agency</b>	<b>Completion Deadline</b>	<b>Status and Additional Deadlines</b>
<b>1.</b>	<b>Disclosure</b>				
1.1	Information booklet	# of copies			
1.2	Resettlement plan distribution to resettlement offices/villages/APs	# of copies			
1.3	RP placed on ADB website				
<b>2.</b>	<b>Detailed Measurement Survey (DMS)</b>				
2.1	Updated RP based on DMS Distribution to resettlement offices/villages/APs	# of copies			
2.2	Updated RP based on DMS				
<b>3.</b>	<b>Detailed Rehabilitation Plans</b>				
3.1	Initial village rehabilitation plans (if applicable)	# of villages			
3.2	Refined village rehabilitation plans (if applicable)	# of villages			
3.3	Farmland adjustment agreements (if applicable)				
3.4	Assistance for Vulnerable Groups	# of APs			
3.5	Technical training plan for AP	# of APs			
<b>4.</b>	<b>Resettlement Plan and Budget</b>	# of APs			
4.1	Complete redline survey (map)				
4.2	Approval of RP & budget				
4.3	Approval of compensation rates				
4.4	Staking survey				
<b>5.</b>	<b>Compensation Agreements</b>				
5.1	Village agreements	# of villages			
5.2	Enterprise agreements	# of businesses			
5.3	Household agreements	# of APs			
<b>6.</b>	<b>Implementation Capacity</b>				
6.1	district resettlement staff	# of staff			
6.2	Designate village representatives	# of staff			
6.3	Training of staff	# of staff			
6.3	Setting up grievance redress committees	# of staff			
<b>7.</b>	<b>Monitoring and Evaluation</b>				
7.1	Baseline survey	Sample			
7.2	Set-up internal supervision	As per RP			
7.3	Contract external monitor	As per RP			
7.4	Internal monitoring reports	Quarterly			
7.5	External monitoring reports	Semi-annual			
7.6	Evaluation reports (tracer surveys)	Annual			
7.7	Resettlement Completion Report				
<b>8.</b>	<b>Documentation of Consultation</b>	As per RP			
<b>9.</b>	<b>Documentation of Grievances</b>	As required			
<b>10.</b>	<b>Flow of Funds/ Compensation</b>				
10.1	Executing or Implementing Agency				

No.	Resettlement Tasks	Target	Responsible Agency	Completion Deadline	Status and Additional Deadlines
10.2	Project Management Office – Resettlement Unit or NGO Resettlement implementer				
10.3	To affected households	# of APs			
<b>11.</b>	<b>Commence Resettlement</b>				
11.1	Land acquisition	# of hectares			
11.2	House removal	# of APs			

## ANNEX 5 TERMS OF REFERENCE

### A. Consultants

#### **Project Management Consultant (PMC) — Resettlement Expert (RE)<sup>10</sup> (72 person months)**

National consultant hired to serve in intermittent basis. Specific tasks include:

- Coordinate, supervise, monitor, and oversee resettlement activities for entire Project, including support to PMO, WSSDO, WUSC, DSC-RS, and NGO staff.
- Provide necessary training to staff of WSSDO, WUSCs, and NGOs staff in resettlement planning and implementation process.
- Provide necessary guidance in the resettlement classification of subprojects
- Review and improve all RPs to ensure quality of work and ensure compliance with Government and ADB policies, and the resettlement framework (RF) agreed upon by the Government and ADB for all STWSSSP II subprojects.
- Ensure the implementation of RPs as per ADB and Government policies.
- Coordinate monitoring of RP implementation including reporting. Provide the detailed terms of reference for the external monitoring agency and facilitate engagement.
- Ensure compensation and rehabilitation packages are adequate and reflect AP needs.
- Submit RPs to MPPW and ADB for review and approval
- Conduct internal monitoring
- Review monthly progress reports from WSSDO, and take corrective actions where necessary
- Submit quarterly monitoring report to MPPW and ADB
- Maintain a record of all transactions in their resettlement database, followed by entitlement records signed by AP and survey based monitoring of resettlement / land acquisition progress on a monthly basis for DWSS record
- Ensure the implementation of RPs are consistent with Government and ADB policies, and the resettlement framework (RF) agreed upon by the Government and ADB for RUSDIP for all subprojects.

#### **Design Supervision Consultant (DSC) — Resettlement Specialist (RS) (12 person months)**

National consultant with the following specific tasks:

- Coordinate with PMC-RE in preparing RP
- Screen impacts and categorize project using ADB categorization form (Annex 6)
- Update existing short RPs (Khandabari and Duhabi) for sample sub-projects during detailed design stage
- Prepare short RP according to GoN and ADB requirements during feasibility study and update during detailed design stage.
- Work closely with WUSC, selected NGOs, and WSSDO in RP preparation and in identifying APs based on the detailed designs.
- Conduct census survey and replacement cost survey of all APs (titled and non-titled) and participate in public meetings and AP consultation. Formulate entitlement package, including compensation and rehabilitation, based on AP needs using RF.

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<sup>10</sup> The RE will also include social development responsibilities. The TOR herein highlights resettlement responsibilities only.

- Determine the boundaries of the service areas, and map (cadastral survey) all affected land plots.
- Submit RPs to PMO and WSSDO for review and approval.
- Translate RP into local language
- Coordinate and provide assistance to WUSC and NGO in the implementation of RPs

## **B. Non-Governmental Organization (NGO)**

Local NGOs to assist WUSC implement the RP and to monitor implementation process.

Specific tasks include:

### **1. Scope of Work**

1. The objectives of the NGO for the Resettlement Planning are as follows:

- (i) To assist WUSC implement the Resettlement Plan;
- (ii) Identify through survey, Project beneficiaries and distribute identification cards to Project beneficiaries and the Affected Persons, and educate them regarding their entitlements and obligations under the Resettlement Plan;
- (iii) Ensure that Affected Persons obtain their full entitlements under the Resettlement Plan;
- (iv) Where options are available, the WUSC/NGO shall provide advice to Affected Persons on the relative benefits of each option and link the Affected Persons to the respective income restoration programs;
- (v) Assist the Affected Persons in the redressal of grievances through the system implemented as part of the Resettlement Plan; and
- (vi) Monitor and evaluate the implementation of the RP on the Affected Persons.
- (vii) Ensure APs receive all entitlements as specified in RPs.
- (viii) Assist APs in settling any grievances

### **2. Tasks**

2. NGO will be responsible for assisting the APs during the resettlement and rehabilitation process and shall ensure that all of the provisions of ADB's IR Policy and the RP with regard to the well being of the APs are implemented appropriately and effectively. The NGO will:

- (i) Develop rapport between the APs and the project authorities. This will be achieved through regular meeting with both the WUSC representatives and the APs. Meetings with the WUSC will be held at least fortnightly and meetings with APs will be held at least monthly. All meetings and decisions taken are to be documented.
- (ii) Assist WUSC to undertake public information campaign in Nepali, at the commencement of the project to inform the affected communities of:
  - (a) The need for land acquisition;
  - (b) The IR Policy, Resettlement Framework and entitlement packages; and
  - (c) The likely consequences of the project on the communities/persons economic livelihood.
- (iii) Identify and verify project beneficiaries through survey and distribute identity cards to beneficiaries only.
- (iv) Assist APs in getting the compensation for their land and properties acquired for the project.

- (v) Ensure benefits due to the APs under the RP are provided to the APs. The NGO will determine the entitlements of each AP and compare it to the offer being made by the project. If there is a discrepancy, between the two, the NGO will be responsible for assisting the AP in coming to some agreement with the WUSC and, if necessary, pursuing the matter through the grievance redressal mechanism.
- (vi) Assist APs identify suitable land for relocation, wherever necessary.
- (vii) If compensation through mutual agreement, NGO to verify satisfaction of plot owner with compensation amount. If not satisfied, then owner can raise with GRC with assistance of NGO.
- (viii) Assist project authorities in making arrangements for the smooth relocation of the APs. This will involve close consultation with the APs to ensure that the arrangements are acceptable to them.
- (ix) Ensure proper utilization by the APs of various grants available under the resettlement package. NGO will be responsible for advising the APs on how best to use any cash that may be provided under the RP.
- (x) Assist APs in getting benefits from various government development programs. There are a number of government training programs for livelihood improvement that can be used by APs. The WUSC/NGO s will investigate the availability of places in these programs and shall inform the APs of the opportunities that exist and their relative merits. The WUSC/NGO will co-ordinate the training programs for sustainable livelihood and assist in developing the required skills for livelihood rehabilitation. The WUSC/NGO shall coordinate with other government departments and other NGOs working in the area to ensure that all the options available to the AP are known and can be communicated to them.
- (xi) Assist APs in the redressal of their grievances. NGO shall make APs aware of the grievance mechanism set out in the RP and shall assist APs who have grievances to pursue a suitable remedy.
- (xii) Develop micro-level plans for resettlement and rehabilitation in consultation with the APs and the WUSC where relevant. A plan shall be prepared and agreed for each AP and will include:
  - (a) List of options open to and the choices made by the AP. WUSC/NGO will explain to the APs the options available for their resettlement and assist them in making their choices;
  - (b) List of benefits due to the AP;
  - (c) Arrangements for shifting;
  - (d) Involvement of AP in existing Government Development Programs;
  - (e) Update information available on APs and collect information on APs coming in the project due to any changes. NGO to submit annual monitoring reports to WSSDO who will be monitoring the implementation of the RP and will require data from NGO to monitor input, output and impact indicators; and
  - (f) Any other responsibility as may be assigned for the welfare of the affected Households.

#### **D. Methodology**

3. Besides contacting APs on an individual basis to update the baseline information, group meetings will be conducted by the WUSC/NGOs on a regular basis. The frequency of such meetings will depend on the requirements of the APs but should occur at least once a month, to allow the APs to remain up to date on project developments. WUSC/NGO will encourage participation of individual APs in such meetings by discussing their problems regarding LA, resettlement and other aspects relating to their socio-economic lives. Such participation will make it easier to find a solution acceptable to all involved.

#### **E. Reporting**

4. NGO shall submit an inception report-detailing plan of action, manpower deployment, time schedule, and detailed methodology within 30 days of the commencement of the assignment. NGO should also assist WSSDO prepare their monthly monitoring reports on the activities carried out and proposed activities for the coming month. NGO/WUSC should provide the following information to WSSDO to include in monthly monitoring reports:

- (i) Updated data on APs and data on additional APs coming due to changes will be submitted within two months of the commencement of the assignment;
- (ii) Data on APs for monitoring of impact indicators will be submitted to the DWSS as required;
- (iii) Micro level plans for each AP on the project will be submitted to the DWSS for information within 3 months of the commencement of the services. Where changes occur during the project requiring changes to the micro level plans, the NGO/WUSC will update the relevant plans and resubmit them to the WSSDO; and
- (iv) On completion of the assignment the NGO shall submit a final report summarizing the actions taken during the sub-project implementation, the methodology and manpower used to carry out the work, and a summary of assistance given to each AP under the sub-project.

#### **F. Time Schedule**

5. The estimated time allocated for RP implementation from the WUSC/NGO will vary depending on the scale of the impacts, however 12 months would cover the RP implementation period. This may be rescheduled based on the exact nature of the activity, with greater inputs in the initial nine months and reduced inputs in the subsequent three months of NGO involvement.

#### **G. Key Personnel**

6. NGO staff should have combined professional experience in the areas of socio-economic surveys, resettlement and rehabilitation, participation, community development and training for economic rehabilitation activities. The staffing requirements may be reviewed based on field requirement. NGO can seek training and guidance from WSSDO and PMO who can engage consultants for this purpose (i.e., PMC-Resettlement Expert).

## ANNEX 6 INVOLUNTARY RESETTLEMENT SCREENING/ CATEGORIZATION

### A. Introduction

1. Each infrastructure subproject proposed to be funded under the Project is assigned an involuntary resettlement category depending on the **significance** of the probable involuntary resettlement impacts.

### B. Information on Subproject

- a. Name of Subproject : \_\_\_\_\_
- b. Location: \_\_\_\_\_
- c. Technical Description: \_\_\_\_\_

### C. Screening Questions for Resettlement Categorization

2. Initial screening for involuntary resettlement is to be conducted following detailed design.

Involuntary Resettlement Effects	Yes	No	Remarks
Does the subproject include upgrading or rehabilitation of existing physical facilities?			
Will it require permanent land acquisition?			
Are there any non-titled people who live or earn their livelihood at the site or within the COI / Right of Way / public land?			
Will there be loss of housing?			
Will there be loss of agricultural plots?			
Will there be losses of crops, trees, and fixed assets?			
Will there be loss of businesses or enterprises?			
Will there be loss of incomes and livelihoods?			
Will people lose access to facilities, services, or natural resources?			
Will any social or economic activities be affected by land use-related changes?			

### D. Involuntary Resettlement Category

3. After reviewing the answers above, the Resettlement Committee and resettlement consultants agree subject to confirmation, that the project is a:

Category B, Not Significant\* IR impact, a short Resettlement Plan is required and will be submitted to ADB by \_\_\_\_\_ (provide date).

\* Not Significant - Less than 200 people will experience major impacts which are defined as being physically displaced from housing or losing 10% or more of their productive assets (income generating).

Category C, No IR impact, no resettlement report is required.

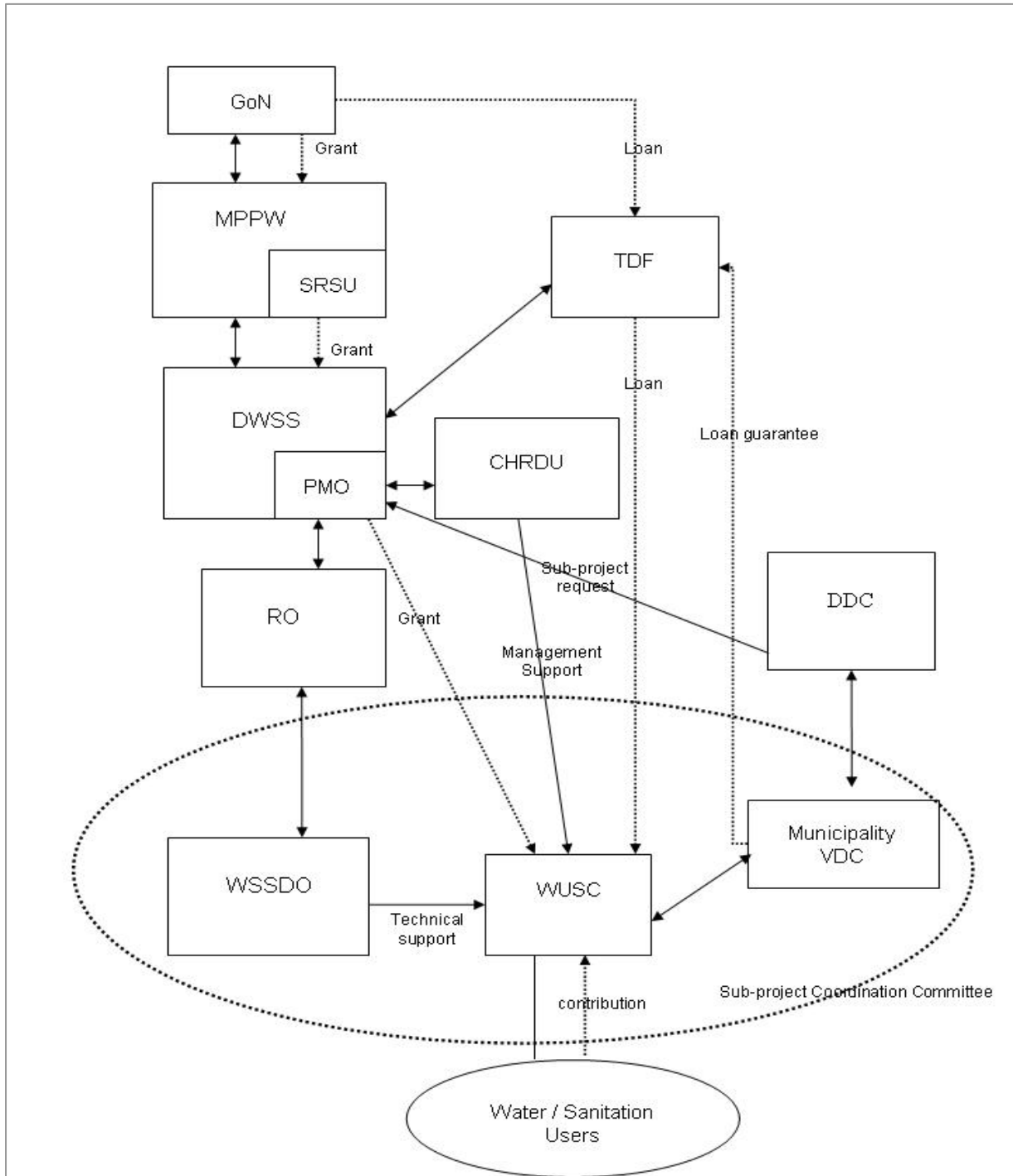
If Category B: Please provide information on Affected Persons	
<b>1. Any estimate of the likely number of households that will be affected by the Project?</b> <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> N/A. If yes, approximately how many? _____	
2. Are any of them poor, female-heads of households, or vulnerable to poverty risks? <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> N/A. If yes, please briefly describe their situation.	
3. Are any APs from indigenous or ethnic minority groups?	

No  Yes  N/A. If yes, please briefly describe their situation:

Prepared By:	Verified by:
Signature:	Signature:
Name:	Name:
Position:	Position:
Date:	Date:

**Additional Notes: (sketch map or pictures)**

## ANNEX 7 Organizational Chart



CHRDU = Central Human Resources Development Unit, DDC = District Development Committee, DWSS = Department of Water Supply and Sewerage, GoN = Government of Nepal, MPPW = Ministry of Physical Planning and Works, RO = Regional Office, SRSU = Sector Reform Support Unit, TDF = Town Development Fund, WSSDO = Water Supply and Sanitation Divisional Office, WUSC = Water Users and Sanitation Committee, VDC = Village Development Committee.