

Resettlement Planning Document

Resettlement Framework
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Pakistan: Renewable Energy Development Sector Investment Program

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RESETTLEMENT FRAMEWORK

A. Introduction

1. The proposed loans will follow the multi-tranche financing facility (MFF) lending approach. The first tranche will cover three components, namely, clean energy development, feasibility studies and capacity development. The implementation period of the overall Renewable Energy Development Sector Investment Program (REDSIP) is estimated to be ten years. The Resettlement Framework will be used as the broad framework within which Resettlement Plans for subprojects with resettlement impacts will be formulated. The subprojects that will be implemented during the first tranche of the REDSIP will also closely follow the resettlement principles, entitlements of affected persons (APs), institutional framework and monitoring and evaluation of resettlement implementation.

2. **Part A: Clean Energy Development:** Part A includes the expansion of small hydro-power generating capacity by constructing 3 grid-connected power plants, each ranging from 2.6 MW to 36 MW in the Northwest Frontier Province (NWFP). This component will also include the construction of 5 small to medium hydro-power stations in Punjab Province and consulting Services for detailed design as well as implementation of Part A. **Part B: Feasibility Studies:** Part B will undertake 8 feasibility studies of raw sites in both NWFP and Punjab. **Part C: Capacity Development:** Part C will support (i) training and capacity development of Project-related agencies in operating and maintaining new hydropower stations; (ii) external monitoring of safeguards; and (iii) various other financial management and human resource development activities within EAs and IAs.

5. The subprojects under the first *tranche* are: (i) Daral Khwar Hydropower in NWFP (ii) Ranolia Khwar Hydropower and (iii) Machai Canal Hydropower in Punjab (i) Chiannawaii Hydropower (ii) Deg Fall Sheikhpura Hydropower, (iii) Pakpattan Canal Hydropower, (iv) Okara Hydropower and (v) Marala Canal Hydropower. During implementation, under Part B, additional subprojects will be appraised by executing agencies (EAs and Provincial governments, which are not EAs under the first tranche), and will be reviewed and endorsed by ADB in accordance with the established project administration procedures.

6. Land acquisition and resettlement impacts of proposed subprojects under the first tranche have been examined. Part A will require permanent acquisition of 11.78 hectares (ha) in NWFP, and temporary acquisition of 0.85 ha of 0.45 in NWFP, and 3.2 in Punjab. Part B and Part C will not require any acquisition of land or other property and therefore will not have any resettlement impacts. Land acquisition for Part A subprojects will affect 61 households, and 2 residential structures. Details of resettlement impacts of the Project are given in Table A19.1.

Table S4.1: Land Acquisition and Affected Households by Subproject

Province	Non-significant ¹ Affected households (AHHs)	Significant AHHs	Total		Affected Residential Structures	Permanent Land Acquisition (ha)	Temporary Land Acquisition (ha)	Trees
			AHHs	APs				
NWFP								
Daral Khwar	21	0	21	218	0	5.78	0.1	460
Machai	7	0	7	77	0	0	0.2	12
Ranolia	22	2	24	274	2	6	0.15	5
Total NWFP	50	2	52	569	2	11.78	0.45	477
PUNJAB								
Chianwail	3	0	3	21	0	0	0.6	3
Deg Outfall	0	0	0	0	0	0	0	0
Pakpattan	4	0	4	28	0	0	0.2	4
Okara	4	0	4	28	0	0	2.4	0
Marala	0	0	0	0	0	0	0	0
Total PUNJAB	11	0	11	77	0	0	3.2	7
Total Project	61	2	63	646	2	11.78	3.65	484

7. The Resettlement Framework (RF) was formulated to guide the preparation of RPs of subprojects, under future tranches, that may have resettlement impacts. The RF identifies the broad scope of the Investment Program and outlines the policy, procedures and institutional requirements that will be followed in preparing RPs. The EAs of the Investment Program will be the Provincial governments; and the IAs for the first *tranche* will be Sarhad Hydrel Development Organization (SHYDO) in NWFP, and the Irrigation and Power Department (IPD) in Punjab. For the subsequent *tranches* the EAs will be the provincial governments where the subprojects will be implemented. IAs are yet to be identified. The Project Management Units (PMUs) will be responsible for formulating RPs for subprojects with resettlement impacts, as outlined in RF. The draft RPs will be submitted to ADB for review and approval prior to contract award, and compensation will be paid to all APs before the commencement of civil works of any subproject.

B. Resettlement Policy Framework and Entitlements

8. The resettlement framework (RF) is based on ADB's Involuntary Resettlement Policy, Land Acquisition Act, and state-level variations to the Act. If any subproject requires land acquisition or relocation or both, EA/IA will prepare a resettlement plan according to the approved RF.

9. The core involuntary resettlement principles applicable to the REDSIP are:

- (i) Involuntary resettlement will be avoided; if it cannot be avoided, it will be minimized.
- (ii) Where involuntary resettlement is unavoidable, affected persons will be assisted to re-establish themselves and improve their quality of life.
- (iii) Lack of formal legal land title is not a bar for compensation and rehabilitation assistance.

¹ Resettlement is "significant" where 200 or more people experience major impacts. Major impacts are defined as when the affected people are physically displaced from housing and/or more than 10% of their productive assets (income generating) are lost.

- (iv) Land-for-land is an option for compensation in the case of loss of land; however, in the absence of replacement land, cash compensation for the property acquired will be paid at their replacement value in addition to any transaction costs.
- (v) Each AP is entitled to receive assistance to restore income and livelihood at pre-project standard, and all vulnerable APs are entitled to receive assistance to improve their income and livelihood.
- (vi) All APs will be fully informed and consulted on compensation, relocation, and rehabilitation programs.
- (vii) APs will fully involve in the selection of relocation sites, livelihood compensation and development options at the earliest opportunity.
- (viii) All APs will be integrated economically and socially into their host communities, if relocated. For this, participatory measures will be designed and implemented by the EA or IA.
- (ix) APs' social and cultural institutions will be protected and supported.
- (x) Common property resources and community and public services will be provided to AP communities.
- (xi) Compensation and rehabilitation programs will be carried out with equal consideration for women and men; in the case of these projects, particular attention will be placed on the rights of women, widows, orphans, and the elderly, and other vulnerable persons and groups such as indigenous peoples and ethnic minorities. Appropriate and sufficient assistance will be provided to help them improve their socioeconomic status.
- (xii) Compensation and resettlement assistance will be fully provided before approving any subproject, if it involves involuntary resettlement impacts.
- (xiii) The full compensation and resettlement costs are included in subproject costs.

10. The application of policy and laws in the sphere of involuntary resettlement are outlined below. The entitlement matrix is not exhaustive: more entitlements can be added if any resettlement impacts not listed in the matrix are identified during project implementation.

Table S4.2: Entitlement Matrix

Type of losses	Definition of APs	Entitlement	Details
1. Land			
Loss of agricultural land by individual landowners	<ul style="list-style-type: none"> • Individual landowners: Titled or locally recognized owners and having physical possession of the affected land or having recognized traditional land rights. 	<ul style="list-style-type: none"> • Provision of equivalent land within village • If land is unavailable compensation at market/ replacement value • Provision long-term jobs for those losing more than 10% of farmland affected by the project. 	<ul style="list-style-type: none"> • Cash compensation based on current market value (plus 15% Compulsory Acquisition Surcharge) • The two landowners losing more than 10% of their farmlands (ie, 20% & 25%) will be entitled to long-term jobs with the project, as a livelihood restoration strategy.
Loss of lowland forest, pasture, and riverbed land by individual landowners	<ul style="list-style-type: none"> • Individual landowners: Titled or locally recognized owners and having physical possession of the affected land or having recognized traditional land rights. 	<ul style="list-style-type: none"> • Provision of equivalent land within the same village • If land is unavailable compensation at 	<ul style="list-style-type: none"> • Cash compensation based on current market value in cooperation with the village jirga

market/ replacement value			
Temporary loss of land	<ul style="list-style-type: none"> Titled owners and all affected persons (AP) with traditional land rights and non-titled land users, tenants and sharecroppers 	<ul style="list-style-type: none"> Notice to harvest standing crops Compensation at market value Restoration 	<ul style="list-style-type: none"> Cash compensation at market value for the equivalent of three seasons (nine months of crop income)
2. Loss of Built-Up Structures			
Individual residential houses	<ul style="list-style-type: none"> Locally recognized and in physical possession owners and affected persons (AP), including non-titled land users, sharecroppers and tenants. 	<ul style="list-style-type: none"> Compensation at market value of land plot and the structure based on the local value of construction material, plus a 15% surcharge. 	<ul style="list-style-type: none"> Relocation and Disturbance Allowance at 15% of the total assessed compensation for the house along with the land plot. Two Affected Persons (Heads of Household) whose houses are affected will also be provided long-term jobs (at one job per affected house) by the project.
3. Income			
Income from standing crops and rent	<ul style="list-style-type: none"> Farming households with individually owned farmland and non titled land users, including sharecroppers and tenants. 	<ul style="list-style-type: none"> Notice to harvest standing crop Compensation at market value 	<ul style="list-style-type: none"> Compensation for sown or standing crops at market value as for mature crop
Income from trees	<ul style="list-style-type: none"> Tree owners Sub-tribes 	<ul style="list-style-type: none"> Compensation at market value 	<ul style="list-style-type: none"> Fruit bearing trees will be compensated at current market value after fruit for 10 years determined by the Horticulture Department, Forest royalty at 60% of the sale of proceeds by Forest Department.
Income from forest products and grazing land	<ul style="list-style-type: none"> All affected sub-tribes 	<ul style="list-style-type: none"> Lump sum compensation 	<ul style="list-style-type: none"> Lump sum compensation for lost income for three months based on income from the forest/ grazing land determined by the Forest Department in consultation with the jirga
3. Individual and Community Infrastructure			
Private Infrastructure – Damaged	<ul style="list-style-type: none"> Affected Household/s 	<ul style="list-style-type: none"> Sufficient protection and/or restoration 	<ul style="list-style-type: none"> Houses, farmlands, pasture resources, irrigation/power channels. Damages caused by all the construction works and operations, including uncontrolled blasting and dumping of materials.
Community Infrastructure - Damaged	<ul style="list-style-type: none"> Affected Community 	<ul style="list-style-type: none"> Sufficient protection and/or restoration 	<ul style="list-style-type: none"> Irrigation/power channels, access roads/paths, water/pasture/forest. Damages caused by all the construction works and operations, including uncontrolled blasting and dumping of materials.
5. Other impacts not yet identified			
Unforeseen losses	<ul style="list-style-type: none"> Affected individuals Vulnerable groups, including non titled land users 	<ul style="list-style-type: none"> Additional assistance Additional assistance 	<ul style="list-style-type: none"> Unforeseen impacts on individuals/vulnerable groups will be documented and mitigated based on the principles in the Resettlement Plans. For Vulnerable groups, 20% additional compensation.

C. Procedure of Formulating a Resettlement Plan

11. The EA/IA of a subproject will try to avoid or at least to minimize land acquisition or resettlement or both as much as possible. If such resettlement impacts are unavoidable in implementing a subproject, the IA will formulate a resettlement plan (RP) for the subproject by following the procedure given below:

- (i) Conduct consultations with all stakeholders to obtain inputs regarding how to avoid or at least minimize involuntary resettlement impacts, and to identify their needs and preferences. A socioeconomic survey of a sample population will also be undertaken to identify different categories of APs, based on the degree and scale of impacts of the subproject on them.
- (ii) Outline policy and legal framework applicable. If the policy and legal framework discussed in the approved RF is adequate, only a summary of the policy and legal framework is required. A reference to RF is needed.
- (iii) Undertake a census and complete an asset inventory of all affected persons/households. All APs will be notified of resettlement information in their own language.
- (iv) Develop an entitlements matrix to outline entitlements of all affected persons including non-titled persons, e.g., squatters, encroachers, using the guidance from the approved RF. If new categories of APs and types of losses are identified during project implementation, appropriate entitlements will be added to the resettlement plan and forward to ADB for review and approval. All APs should be informed of such changes.
- (v) Discuss relocation plan, rehabilitation strategy including income restoration and improvement of APs.
- (vi) Describe the institutional framework for resettlement.
- (vii) Itemize budget for all resettlement activities in the resettlement budget and financial plan.
- (viii) Outline, if applicable, environmental impacts of relocation.
- (ix) Formulate a time-bound schedule for RP implementation.
- (x) Outline procedures contain in the grievance redress mechanism
- (xi) Describe both internal and external monitoring program and the final evaluation
- (xii) Once the draft RP is ready, it will be disclosed to all APs in their own languages and should be kept at public offices such as divisional secretariat and Grama Niladharis' offices. The EA will endorse it before submitting to ADB for review and approval.
- (xiii) Once ADB approves it, it will be disclosed again to all APs if revised based on ADB's advice, and will be posted on ADB's Involuntary Resettlement Website.
- (xiv) At least the payment of compensation, and relocation, if required, will be completed before award of any construction contracts of the subproject.

D. Institutional Arrangements

12. A Project Management Unit (PMU) will be established in each IA. The PMUs will be responsible for the overall implementation of the Project. IAs will create a respective administrative unit, the Environmental and Social Development Cell (ESDC) consisting of two members: an environmental specialist and a resettlement specialist. The ESDC

will work in close cooperation with the respective field-based office on the day-to-day activities of the Short Resettlement Plan implementation.

13. The PMU through ESDC field offices, District Land Acquisition Collector (LAC/DRO) and the Resettlement Specialist will monitor the progress of the work. He will ensure the coordination between the relevant departments, the Grievance Redress Committee and the Project's affected people. In each subproject, its PMU will do the overall coordination, planning, implementation, and financing of RP. The PMU will form an 'Environment and Social Unit' which will have a full-time resettlement specialist to ensure timely and effective implementation of RPs. The Resettlement Specialist (RS) resettlement specialist and staff, and the PIU resettlement specialist and staff will provide the necessary capacity development training under the Project's Component C.

14. The PMU will maintain all databases, work closely with APs and other stakeholders. Based on regularly updated PIU data, a central database will also be maintained by ESDC. Roles and responsibilities of various agencies are in Table 3. The EA and the IAs will ensure that key institutions including local governments are involved in RP implementation. Moreover, in recognition of the complexity of resettlement in a sector project, experienced NGOs will be hired for RP implementation and for developing community-based social development programs. Local level Resettlement Committees will be formed with representatives from Ps including vulnerable APs, community-based organizations (CBOs), NGOs, and other local civil society and interest groups, local government officials, village leaders, and PMU staff.

Table S4.3: Agencies Responsible for Resettlement Implementation

	Activity	Agency Responsible
1	Hiring of implementing NGOs and Resettlement Specialists	Environmental and Social Development Cell (ESDC)
2	Screening of sub projects for resettlement impacts	Project Management Unit (PMU)/Implementing NGO/ESDC
3	Updating the Land Acquisition and Resettlement Plan	PMU/Implementing NGO/ESDC
4	Review and Approval of Land Acquisition and Resettlement Plan	RESDC
5	Submission of plans for ADB review and coordination of revisions	PMU
4	Verification survey for identification of APs	PMU/Implementing NGO/ESDC
5	Land survey for identification of plots	ESDC
	Valuation of losses	ESDC
6	Issue of identity cards	PMU/Implementing NGOs
7	Resettlement training workshops	RU/Project Consultants
8	Consultation and disclosure of Land Acquisition and Resettlement Plan to APs	PMU/Implementing NGOs/ESDC
9	Preparation of land acquisition plan	PMU/ESDC
10	Submission of land acquisition proposals to District Commissioner	PMU/ESDC
11	Compensation award and payment of compensation	District Land Acquisition Collector
12	Payment of replacement value allowance	PMU/Implementing NGO
13	Takeover the possession of acquired land/houses	PMU/ESDC
14	Hand over acquired land to contractors for construction	PMU/ESDC
15	Notify construction starting date to APs	PMU/Implementing NGO/ESDC
16	Assistance in relocation, particularly for vulnerable groups	PMU/Implementing NGO/ESDC
17	Income restoration activities, particularly for vulnerable groups	PMU/Implementing NGO/ESDC
18	Restoration of temporarily acquired land to its original state including restoration of private or common property resources	Contractors subject to monitoring by PMU/Implementing NGO/ESDC
19	Internal monitoring	PMU/Implementing NGO
20	External monitoring	Independent Monitoring Agency

E. Eligibility for Compensation and Other Resettlement Assistance

15. All APs are entitled to compensation and rehabilitation. However, eligibility to compensation and other assistance will be limited by a cut-off date to be set for each subproject on the day corresponding to the beginning of its impacts assessment. The cut-off date defines “eligibility” and “affected person.” APs arrived in the subproject areas after the cut-off date will not be eligible for compensation and other assistance.

F. Consultation, Disclosure, and Grievances

16. Each subproject’s RP will be prepared and implemented in close consultation with all project stakeholders, particularly APs, through focus group discussions, socio-economic surveys, and stakeholder consultation meetings. Each RP will be made available in local language(s) during focus group discussions and stakeholder meetings at the village/community level to ensure that inputs from all stakeholders are taken into consideration in formulating RP. Female-headed households will be consulted by female fieldworkers. A resettlement information leaflet containing information on compensation and resettlement options will be made available in local language(s) and distributed to all APs of the subproject. The PMU through its ESDC and the PMUs will conduct consultations in affected villages to explain RP in coordination with village/community leaders. Each AP will be provided information regarding specific entitlements. Disputes on entitlements are to be forwarded to PMUs for appropriate action. The summary RP will be disclosed on the ADB resettlement website, and information dissemination and consultation will continue throughout project implementation phase.

17. A Grievance Redress Committee (GRC) will be formed to ensure APs’ grievances are addressed and appropriated actions are taken to resolve them. The committee members of a GRC will include AP representatives especially representatives of vulnerable APs, local-level IA/PMU staff, local governments, respected citizens in diverse professions, NGOs, CBOs, and local civil and interest groups. The head of a locally elected body will head the GRC. The GRC will meet every 2 weeks especially during land acquisition and resettlement phase. After that, it will meet as and when grievances are referred to it to redress. The main responsibilities of the GRC are to: (i) provide help APs in resolving issues arising from land/property acquisition processes; (ii) record APs’ grievances, categorize, and prioritize them and resolve them; (iii) immediately inform the PMU of serious issues and problems; and (iv) to inform APs of the decisions of GRC and PMU. Each GRC will review grievances involving all resettlement benefits, compensation, relocation, and other assistance. Detailed investigation will be undertaken which may involve field investigation with the concerned APs. Grievances will be redressed within 2-3 weeks from the date of lodging the complaints. The GRCs will continue to function during the life of the Project including the defects liability period.

G. Monitoring and Evaluation

18. Internal monitoring of resettlement implementation will be the responsibility of PMO-RU cell through PMUs and engaged NGOs. The ESDC internal monitoring will include: (i) **administrative monitoring**: daily planning, implementation, feed back and trouble shooting, AP file maintenance, and preparation of progress reports; (ii) **socio-economic monitoring**: case studies, development of baseline information on APs’

socio-economic conditions, compensation payment, grievance resolution, relocation, payment of other entitlements etc; and (iii) **impact evaluation monitoring**: calculation of compensation payment rates, quality of resettlement sites if any, consultation programs, and restoration and improvement of income standards and livelihoods against established benchmarks Monitoring and evaluation reports documenting progress on resettlement implementation and RP completion reports will be provided by ESDC to ADB for review.

19. The EA will engage the services of an independent agency not associated with project implementation to undertake external monitoring and evaluation of resettlement implementation. The external monitoring agency will have experience in resettlement implementation and a satisfactory familiarity with lands laws and regulations and ADB's Involuntary Resettlement Policy. It will be hired in consultation with ADB within three months of the loan effectiveness. The agency will monitor and verify RP implementation to determine whether resettlement goals have been achieved, livelihood and living standards have been restored/improved, and highlights weaknesses in the implementation process with recommendations on how to overcome them.

21 The external monitoring of the Project will be done twice a year and impact evaluation during the midterm review of resettlement implementation and at the end of the subproject. Monitoring will also indicate whether AP understood their entitlements and their views on resettlement site conditions; compensation valuation methods, and disbursement; grievance redress procedures; and staff competencies. The external monitor will also evaluate the performance of the ESDC, PMU, and NGOs. The external agency will report its findings simultaneously to the EA and to ADB twice a year. Provisions will be made in each RP for engaging an external resettlement implementation monitor.

H. Implementation schedule

22. Each draft RP will be disclosed to all APs prior to sending to ADB for review and approval. Where necessary, an updated and revised RP will be prepared once the subproject design is completed and a census of all APs is carried out. All activities related to acquisition (both temporary and permanent) of property will be planned carefully in order to ensure that compensation and resettlement assistance are paid prior to displacement and commencement of civil works.

I. Resettlement Budget

24. Detailed budget estimates for involuntary resettlement will be an important component of each RP. The EA will allocate sufficient funds for the formulation of a satisfactory RP and for its implementation. The budget estimates will include i) detailed costs of land acquisition, relocation, and livelihood and income restoration and improvement, ii) source of funding, iii) arrangements for approval, and the flow of funds and contingency arrangements. In each subproject, its EA will pay land acquisition, relocation and income restoration expenses. All land acquisition, compensation, relocation and rehabilitation of income and livelihood will be integral components of project costs.