

Resettlement Planning Document

Resettlement Plan
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Proposed Multitranche Financing Facility to the Metropolitan Waterworks and Sewerage System Philippines: Angat Water Utilization and Aqueduct Improvement Project

Prepared by Metropolitan Waterworks and Sewerage System (MWSS)

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LAND ACQUISITION AND RESETTLEMENT PLAN

**ADB Angat Water Supply Utilization and Aqueduct
Improvement Project Multitranche Financing Facility**

JANUARY 2006

Metropolitan Waterworks and Sewerage System (MWSS)
Manila, Philippines

CHAPTER I LAND ACQUISITION AND RESETTLEMENT ISSUES

1.1 Project Background

1. The construction of aqueduct AQ-6 Phase 2 and the repair of the existing aqueduct AQ-5 is a project (the Project) to be financed under the ADB's Water Utilization and Aqueduct Improvement multi-tranche financing facility Project. The Project will have an impact on a right-of way (ROW) corridor 9.9 km long and 25 meters wide. The ROW will cross three Metro-Manila cities, namely: San Jose del Monte, Caloocan City and Quezon City and 11 barangays; 6 in San Jose del Monte (Baranggays Sto. Cristo, Gumaok East, Graceville, San Manuel, Tungkong Mangga and Nayong Lourdes), 3 in Caloocan City (Baranggays 179, 180 and 186) and 1 in Quezon City (Sacred Heart Subdivision, Barangay Pasong Putik). (See attached Map in Appendix 1.1)

2. Extensive efforts were put to minimize Project impacts. This entailed the narrowing of the impact area from a 60 m wide corridor inclusive of all 6 Angat aqueducts, to the current 25 m. wide corridor inclusive only of aqueducts AQ 6 and 5.

3. Impacts minimization involved also intensive tunneling which greatly reduced the number of affected families (AFs), losses in structures and facilities as well as losses in agricultural crops and trees. Thanks to this the number of the AFs was reduced from 1,800 to just **377 AFs**.

4. During construction, residential structures and establishments will be partially or completely demolished causing the disruption of socio-economic, cultural and other activities of the affected families. There is therefore the need for relocating these AFs in a relocation site that will provide them the opportunity for the restoration of economic losses to bring them back to their former socio-economic status or even better. There is also a need to rebuild disrupted social and community relationships.

5. The 25-meter pipe alignment corridor is already owned by MWSS and therefore it will not be acquired. Land acquisition, however, will be necessary in order to develop a relocation area to resettle the informal settlers currently residing in the corridor.

1.2 ADB Resettlement Related Conditionalities and Guidelines

6. The implementation of the Land Acquisition and Resettlement Plan (LARP) for this project will be based on the following procedures as required by the ADB Policy on involuntary resettlement:

- i. The preparation of a LARP acceptable to ADB and its disclosure in the ADB website and in the affected communities will be a condition for project appraisal.
- ii. LARP implementation in a manner acceptable to ADB will be a condition to civil works mobilization.
- iii. Based on the ADB benchmarks on impacts severity LARP design for this project will require the preparation of a long LARP (more than 200 individuals will be affected by relocation.)

CHAPTER II SCOPE OF LAND ACQUISITION AND RESETTLEMENT

2.1 Preparatory Activities in Determining Impacts

7. Structure mapping and tagging activities were conducted by a Team comprising of a mapper (engineer) and taggers to inventory all the affected structures within the 60-meter ROW. This was followed by a Household Census Survey and Socio Economic study (SES) to determine household profile and their socio-economic status. These activities were undertaken on the second week of April up to the last week of July, 2005.

2.1.1 Land Tenure Status

8. No AFs in all three sites within the 25-meter pipe alignment and in the relocation site have legal title. They are all informal settlers who put up structures for residential or commercial and other purposes or renters/non paying occupants of these structures comprising about 377 AFs or a total of 1,530 affected persons.

2.2 Categorization of Impacts

9. Impacts are subdivided in losses of houses/structures, crops, business income or wages and detailed below on Table 2.1. Based on the assessment, the affected families (AFs) are 377. Since all of them are informal settlers, land impacts have not been assessed as residential land rehabilitation will be given in the form of a replacement plot and agricultural land rehabilitation will be given in the form of a three (3) harvests crop compensation. The AFs affected by business losses own small business enterprises. None of them have been paying or filing their income tax returns. The affected wage earners are employees of these business enterprises working as helpers, drivers, carpenters, salespersons or clerks.

Table 2.1: Number of Affected Families and Impact Assessment

AF CATEGORIES	IMPACTS						
	AF	Houses/Structures Lost ¹			With Business Losses	With Lost Wages	With Crop Loss
		Residential	Commercial	Secondary			
Resident House/ Commercial Establishment Owner ¹	200	225	30	44	9	8	50
Non-resident House/ Commercial Establishment Owner	9	7	2	1	2	0	2
Renter/Non-paying Occupants	55	0	0	7	14	0	3
House-owner in Relocation Area	9	9	0	0	0	0	0
Private Community Service (Day Care Center)	1	0	1	0	0	0	0
Sub-Total	274	241	33	52	25	8	55
Non-resident worker	103	0	0	0	0	103	0
Total	377	241	33	52	25	111	55

Note: ¹ One AP may have more than one house/structure. As per the type of structures lost see next table. ² See detailed crop impacts below

10. The detailed types of affected houses and structures is shown in table 2.2.

Table 2.2: Detailed impacts on houses and buildings per type

PRIMARY	NO.	SECONDARY (FIXED)	NO.	SECONDARY (MOVABLE)	NO.	GRAND TOTAL
Residential	225	bodega	9	Chicken coop	15	
Commercial	33	Comfort room	5			
Residential/commercial	16	Kitchen	1			
		Pig-pen	8			
		Shed	14			
TOTAL	274		37		15	326

11. Another impact of the project is the loss of agricultural crops, trees and ornamentals that are planted by the AFs living within the 25-meter pipe alignment. A total of 55 AFs are affected by the loss of various agricultural crops and trees and displacement of ornamentals in which two orchids garden will be displaced. Table 2.3 presents the number of trees and plants including ornamental gardens that will be affected. The banana, coconuts and star apple are all in their fruiting stage and the mahogany trees are more than 5 years old.

Table 2.3. Loss of Agricultural Crops and Trees/Displacement of Ornamentals (F lower Gardens)

	TOTAL
1. Perennials (cannot be moved)	
i. no of APs affected	49
no. of bananas	1,302 plants
ii. no of APs affected	15
no. of coconut trees	49 stands
iii. no of APs affected	10
no. of star apple trees	41 trees
iv. no of APs affected	2
no. of mahogany trees	3 trees
2. Commercial Flower Gardens (can be moved or transported) (anthuriums, bromeliad, orchids)¹	
i. no of commercial garden with 250 sq. m. lot each	2

Note: ¹ the ornamental flowers (anthuriums, bromeliads, orchids, etc.) could be transferred to other places during construction.

CHAPTER III SOCIO-ECONOMIC STUDY

12. The Socio-Economic Study (SES) is conducted after the census and mapping activities. Sample respondents equivalent to 30% of the 377 AFs within the 25-meter pipe alignment was taken for this study. A total of 113 respondents were interviewed by interviewers.

13. The objective of the study is to determine the socio-economic status of the AFs. It also determined the extent of impact the project will cause on the lives of the affected families.

Profile of the Affected Families (AFs)

14. Right-of-ways have always been attractive for informal settlers for building their houses and other structures either for business, commercial and agricultural purposes. In the case of MWSS-ROW, the AFs started constructing buildings and other structures as early as in the 70s and continuing up to present (Table 3.2). Majority of the AFs (83.3%) have stayed in the 9.9 km. stretch for more than 10 years (Table 3.4).

15. Most of the structures that were put up are temporary and semi-permanent (74%) utilizing local wood or wood mixed with concrete materials. Some 21.2% are made of concrete and permanent materials (Table 3.1). Less than half (45.1%) of the residential houses are 20 square meters in area, while more than one-third, 36.3% were at most 60 square meters. The residential houses were made of second hand materials or those that are of lesser or sub-standard quality.

16. Average household size is about 5. The biggest household comprises about 10 members and the smallest, about 3 members. Most of the households came from Luzon (26.8%) and the Visayas (36.1%). Only 12.12% comprise those coming from Mindanao. (Table 3.13)

Educational Attainment

17. In terms of educational attainment, majority of the households reached high school, 59.3%; while the rest, 21.2% reached only the elementary level. Only a few attended technical and vocational courses (3.5%). (Table 3.6)

18. Most of the children of the households are in the elementary level (62%) followed by high school (28%) and college level (2%). Incidence of school drop-outs is observed as they reached high school. Most of the respondents claimed lack of finances and lack of interest among children as the reasons for dropping-out in school.

Status of Employment

19. Although a large majority of the household heads are employed (87.%), most of them have jobs that are contractual and seasonal in nature. (Table 3.7) Most are serving as carpenters, masons, mechanics, house painters, laborers, vendors, helpers, etc. There are only a few who are employed in private companies and government institutions as regular

employees. Most of the women are unemployed, lack livelihoods skills and have much potential time for more productive endeavors.

Type of Employment

20. More than one-third of the respondents (38.9%) are self-employed and doing menial jobs. Around 28.3% are privately employed in construction projects and in various commercial establishments. Others manage small sari-sari stores that are often bankrupt than operational. The owners of commercial establishments operate their business which are mostly lumber supply, videoke bars, furniture shops, among others.

Membership in SSS/GSIS/Pag-Ibig

21. Less than half of the respondents maintain membership with various institutions that provide benefits for employees/workers. Such institutions include the following: a) SSS (36.6%), b) GSIS (1.3%) and c) SSS and Pag-Ibig (8.8%). (Table 3.10)

Monthly Household Income

22. Almost half of the respondents' households (49.5%) represent those with income P7,000 and below. Considering the monthly food subsistence threshold of the NCR for 2005 at P6,582¹, those households may not be able to meet their other needs including expenses for transportation, education, health, housing and other social cost. (Table 3.11)

Total Monthly Household Expenses

23. A large majority, 73.9% spend P7,000 and below for their total household expenses. Around 22.5% spend around P15,000 for their basic needs and other daily requirements.

24. Most of their expenses cover the cost of food, water/electricity, rental, transportation, education of children and others. Most of the expenses of the households, however, go to food. (Table 3.12)

Number of Household with Regular Employment

25. Only one-third of the households have regular employment (30.1%) with 1 or 2 members of the households working. (Table 3.14)

26. In case of relocation, around 41.6% may lose their current opportunities or work specially those doing work within their neighborhood. (Table 3.17)

Utilization of Current Skills

27. Many of the households who have employable or livelihood skills claimed they are not utilizing it because of the lack of contact for potential clients, lack of capital in setting their own business and lack of access to capital assistance.

¹ Estimated food subsistence threshold based on 2000 Monthly Per Capita Food Subsistence Threshold is about P900.16 or P4,500.08 for a 5-member household computed at 10% annual inflation rate. Source: National Statistical Office, 2000 FIES Results/Poverty Statistics.

Access to Capital Assistance

28. More than half (58.4%) claimed they are not aware of any organization that provide loan assistance. Those who are aware, on the other hand, mentioned several institutions providing it. These include: a) ABS-CBN Micro-finance, b) Cooperatives, c) CRBBI, d) DSWD, e) SIKAP, f) KASAMA and g) private lenders (i.e. “Bombay – 5-6”). (Table 3.19)

29. Only 23% of those mentioning they are aware of a financing organization expressed they have availed a loan assistance. (Table 3.20)

30. Out of the respondents who claimed they have availed of capital assistance, 17% borrowed only once and 5% borrowed twice or thrice. (Table 3.21)

31. Some organizations asked for a collateral as one of the loan requirements while others require borrowers to be organized like DSWD/SEA-K and OMBI. On the other hand, some lending institutions did not require any collateral. Loan processing took at least one week to more than a month. (Table 3.22.a) Some respondents are assisted in filling-up the forms (6.1%) and others were guided in preparing the business proposal (0.9%). The respondents did not receive any assistance for marketing their products.

Net Income/Savings

32. Financial capacity of the households is usually gauged by the rate of savings or net income derived after deducting all their expenses. Only 21.5% or one-fifth of the respondents declared they have something left after deducting their expenses.

33. This means that majority of the households are living on a deficit budget. For those households with extra money left, the minimal amount ranged between P100-P500. Meanwhile, 75.7% declared they do not have savings. (Table 3.23.a)

34. Majority expressed facing financial difficulties because their income is not enough to meet their basic needs (55.7%) or operating on a deficit budget (15.1%). (Table 3.24)

Appliances and Equipment Owned

35. Despite financial difficulties, majority of the respondents owned TV sets (78%) and electric gas (79.7%). Others have VCD/DVD players (32%) and refrigerators (25%). At least 30% of the household use cell phones for communication purposes.

Investment Priorities

36. Asked about their priorities if they have an extra amount of money, 39.8% said they wanted to put their own business. Others (42.5%) claimed they want to buy a jeepney so that they could use it for business. Another 30% said they wanted to amortize their own house and lot while 5.3% expressed they wanted to save for the education of their children.

Availment of Vocational Skills Training

37. Around 70% mentioned they have availed of vocational skills trainings. These include electronics, dressmaking, painting, automotive, cosmetology, etc. (Table 3.26) The number of days of training varied from 6 months to 2 years. (Table 3.26)

There were few who said they were able to utilize the skills they learned.

Sanitation and Health Conditions

38. A large majority expressed some of their household member got sick in the past six months (85.8%). (Table 3.27) Most of them consulted one health worker, either a BHW, a midwife and a doctor. A Barangay health station is just some kilometers from the residence of the affected households, which is the nearest health facility. Transport cost in going to the health center is minimum or about P5.50 to P11.00. A Rural Health Center and a government hospital are about 1 to 2.7 kilometers from the respondents' residence.

Over all, 82% of the respondents are satisfied with the services they received from the centers, except for the lack of medicines which they badly need.

Access to Drinking Water

39. Ninety-one percent (91.3%) are not connected to a water system. Majority are the deep wells and shallow wells. Many are dependent from water vendors for drinking which is very expensive. The quality of water from shallow wells was rated as "average" and "very poor". (Table 3.29) Many use deep wells for washing, cooking and cleaning purposes.

Garbage Disposal

40. Garbage disposal is undertaken mostly in two ways: a) collected weekly (60.9%) and b) burned (19.4%). The city government garbage system operates trucks for collecting the households' waste materials.

Membership in Community Organization

41. Majority, 54%, mentioned they belong to an organization in their community. Some claimed they are actively involved in the activities of their organizations (Table 3.31) They also think organizations are important in helping members achieve socio-economic improvements such as in implementing community and livelihood programs, problem solving, picking-up livelihood opportunities, maintenance of peace and order and achieving cooperation among residents.

Roles of Men and Women

42. Most perceived role of the men in the households is earning a living or being a bread winner for their families (73.5%). On the other hand, most of the women are perceived to be responsible for taking care of their children (37.2%). Others think the women should also help their husbands in earning for a living (16.8%). (Tables 3.32-Tables 3.32.a)

43. When asked what are the roles of the men and women in their communities, about 33% said women can be informal leaders while 47.8% claimed men can also be informal leaders in their community.

44. Almost all mentioned there are minimal conflicts between the husband and wife with regard to the actualization of their roles in the households.

Assistance Received for LGU

45. Majority of the respondents (78.8%) claimed they did not receive any assistance from their LGUs. For those who received some assistance, it was in the form of: a) water services, b) hospital assistance and c) grocery items.

Type of Assistance Received from NGOs

46. A large number of respondents (98.2%) also expressed they did not receive any assistance from NGOs. Only two received medical and loan assistance from NGOs. Although it was observed that only a few NGOs operate in the areas affected.

3.3 Overall Conclusion and Findings

3.3.1 Economic Conditions of AFs

47. Generally, the financial capacity of the affected households (AFs) is quite low. This is evident by the type of occupation the majority of the household heads and productive members are currently engaged in. These are the types that are not regular but only on contractual and seasonal basis. Savings is a rare occurrence for the households as they usually spend more than what they earn.

48. Squatting for the majority, hence, is a logical thing to do for they do not have to spend for monthly amortization or for rentals. The type of structures that households use which are mostly light materials or second hand lumber and galvanized irons, etc. also show their lack of financial capacity to put up better housing structures.

3.3.2 Access to Social Services

49. Easy access to health facilities and care is the most significant assistance the AFs have from government. BHS, RHUs and government hospitals are just within short distance and they do not have to pay so much for transportation (P5.50 – P11) for one way trip. The lack of medicines is, however, one problem that AFs feel the government should address specifically for the poor.

50. Water supply is also one area where AFs need support as majority do not have individual connections but instead rely on water vendors for drinking and other purposes which is very expensive.

51. Lack of capital also prevent those AFs who intend to put up their own business to augment their income. Although some AFs are aware of some agencies providing loan assistance, only a few have accessed such programs.

52. Overall, sanitation conditions at the current residence of AFs are not that bad as many use water sealed toilets and have their own septic tanks. There are still others, however, who do not have their own toilets, hence, they just wrap and throw their refuse anywhere which may cause danger to residents' health.

3.3.3 Impact of Project on the Life of AFs

53. The project will cause disruptions on the socio-economic life of the AFs. Losses will be experienced by AFs in various forms as follows;

- houses will be destroyed as a result of the construction
- crops and trees will also be destroyed
- income opportunities and business will be disrupted as a result of transfer specifically for the self-employed and those with on-going business
- social relationships including family and community will also be affected
- education of children will be temporarily disrupted, in case of relocation

54. The tasks of rebuilding the lives of affected persons (AFs) specifically those belonging to the lower income group will be crucial. There is a need to develop appropriate mitigation measures and strategies to improve the socio-economic conditions of the AFs or to bring them back to where they were before they were relocated. Mitigation measures developed are contained in the Resettlement Policy Framework and the Land Acquisition and Resettlement Plan (LARP).

CHAPTER IV OBJECTIVES, POLICY FRAMEWORK AND ENTITLEMENTS

4.1 Resettlement Policy and Objective

55. The objective of this LARP is to ensure peaceful and effective resettlement of the AFs living within the 25-meter pipe alignment of the 60-meter ROW of MWSS that stretches about 9.9 kms. and those AFs living within the proposed site.

4.2 Legal Framework

56. Resettlement will be governed according to the policies established by the 1987 Philippine Constitution and the 1992 Urban Development and Housing Act (UDHA).

57. This instrument also conforms with the ADB Guidelines on Resettlement (1995) covering the policies that give direction and guidelines on involuntary resettlement in all phases of the project cycle from initial assessment to resettlement planning and implementation.

58. Specifically, ADB requires that all involuntary resettlement should be conceptualized and implemented as development programs with relocatees provided sufficient investment resources and opportunities to share in project benefits. Displaced persons should be:

- a. compensated for their losses at full and replacement cost prior to the actual move;
- b. assisted during actual relocation and provided assistance during transition period in the resettlement site; and
- c. provided assistance in their efforts to improve their former living standards, income earning capacity and production levels, or at least to restore their lost income. Crucial attention is given to the needs of the poorest or low income families to be relocated.

59. In case of differences between the local law and ADB policy, an effort shall be made to reconcile differences in favor of the latter.

4.3 Principles

60. The implementation of the LARP which is the responsibility of the MWSS will be guided by the ADB resettlement policy and principles which are the following;

- i. minimize negative impacts, if possible
- ii. compensation for losses sufficient enough to improve or at least restore the pre-project income and living standard of AFs
- iii. lack of formal title to land do not bar an AF for compensation or rehabilitation
- iv. compensation to be carried out with equal consideration for men and women including representation in associations, involvement in project and economic activities and participation in decision-making
- v. AFs are informed and consulted on compensation and resettlement planning

- vi. Asset compensation to be provided in principle at replacement rates for houses and others structures and market rates for land and crops
- vii. Lost assets compensation, replacement of land and rehabilitation provisions and allowances will be provided in full prior to ground leveling and demolition and
- viii. Resettlement and compensation costs will be included in sub-project budgets.

4.4 Eligibility

61. As all AFs are informal settlers who knowingly occupied land owned by MWSS, the provisions for land losses included in this LARP will be based on the principle of rehabilitation and not the principle of compensation. However, losses of houses/buildings or crops, which are in fact owned by the AFs, will be compensated at replacement rates. Finally, the AFs will be indemnized for costs related to the transfer of movable properties or persons and will be eligible to rehabilitation allowances for business or wage losses. The eligibility provisions for each type of impact are detailed below:

- Residential/commercial land: The AFs eligible to rehabilitation for residential/commercial land losses are those: (a) residing within the affected corridor be as it may buildings-owners or renters/free occupants and (b) residing within the area selected for the relocation site. AFs not-residing in affected areas will not be rehabilitated for this loss as they fully conform to the professional squatter type.
- House/structures: All owners of affected houses/structures residing and non-residing in affected areas are eligible to full compensation for all items lost both when they reside or not reside in affected areas.
- Cultivated land and trees: The owners of trees in affected areas will not be eligible to compensation for agricultural land losses since they are informal settlers. However, they will be eligible to receive compensation for the lost trees in amounts covering not only the income of several agricultural seasons (3) but also the disturbance caused by the fact of having to find new land.
- Businesses owners and wage earners: These AFs will be eligible to receive a rehabilitation allowance covering the lost income for the transitional period.
- Transfer and disturbance allowances: All AFs who will be forced to relocation of their residence are eligible to receive distinct transport allowances covering the cost of (i) transferring movable affected items, (b) the cost of relocating household members and belongings, and (c) special livelihood costs caused by the relocation.

4.5 Eligibility limitations

62. Professional squatters or slum lords who are making business out of squatting and who are not residing within the 25-meter pipe alignment and AFs who have been recipient of previous relocation assistance based on the NHA Alpha Listing will not be eligible to land rehabilitation.

63. Informal settlers or squatters who settled in the affected areas after the cut-off date, the date of the beginning of tagging and mapping activities (April 20, 2005 for San Jose

del Monte and April 26, 2005 for Caloocan City), will not be eligible to any of the compensation/rehabilitation provisions under this LARP.

4.5 Mode of Compensation and Entitlement

64. Eligible AFs will receive the following entitlements:

- **Residential/Commercial Land Loss:** Eligible AFs (owners of residential and commercial structures both in the corridor and the relocation site, and renters/rent-free occupants of these structures will be rehabilitated for this loss as follows:
 - a. OPTION 1: a P15,000 rehabilitation allowance in case of self-relocation.
 - b. OPTION 2¹: One (1) 40 sq/m plot for each AF losing one or more houses, for each AF losing one or more commercial structure, and for each renter. The AFs will have to spend about P 2,500 to apply for land registration and titling. The AF will pay a minimal rent of P 100 a month² if they fail to register after 6 months. The AF with titled plots will not be allowed to sell their lot within 5 years after relocation.
- **Loss of Structures:** Loss of fixed structures will be compensated at replacement costs free of depreciation. Movable structures (i.e. chicken coop) will not be compensated but their owners will be provided of ad hoc transportation allowances.
- **Loss of Agricultural Crops:** Loss of fruit-bearing trees will be compensated for an equivalent of 3-year harvest.
- **Loss of Business Income:** The compensation for the loss of income for enterprise owners is based on whether they have paid income taxes the year before the census. Those who did will be compensated 3 months of income based on tax declaration. Those who did not will be compensated for 3 months based on minimum wage.
- **Loss of Wages:** Wage earners who are employees of affected business enterprises are provided with rehabilitation assistance equivalent to actual wage for 2 months.
- **Lack of Economic/Employment Opportunities:** Livelihood assistance will be given to one woman for each relocated household in the form of: (a) Vocational Skills Training to be provided by LGU agencies (TESDA, TLRC, LGU, DSWD/SEA-K) at a cost of P2,500 for each household; and (b) Capital/Loan

¹ Since all AF s are informal settlers the land rehabilitation strategy focuses on the re-establishment of basic shelter and livelihood functions and not of the exact situation before the project. Based on this approach, AF who have other houses or reside outside the areas directly affected will not receive land rehabilitation since the premises of their affected properties are rented out and used for profit only. Based on the same principle, all resident AFs, will receive only 1 plot for house premises lost and 1 plot for business premises lost even if they have more than one house or business building as the additional houses and business premises are occupied by buildings rented out and are used for profit only. Conversely, to follow the basic shelter/livelihood rehabilitation principle all renters of houses or business buildings will be eligible to the same entitlements of the owners. Please note that all resident and non-resident AFs will be entitled to house compensation for all their buildings.

² Originally the rental fee was set at 400 Pesos/month. In order to facilitate the rehabilitation of the APs such a monthly fee has been reduced to 100 Pesos/Month.

assistance to be provided under AF request by DSWD/SEA-K, or other micro-finance institutions.

- Other Entitlements: Each relocated AF will receive (a) a P2,500 Transportation allowance and (b) a P 2,500 food assistance allowance; AFs with movable structures or plants will get an additional P2,500 relocation assistance and AFs who will have to move plants (plants nurseries) will get a P5,000 allowance.

65. The above entitlements are summarized in the entitlement matrix below.

Table 4.1. Entitlement Matrix of Proposed Compensation and Entitlement

Loss type	Application	Entitled Person	Entitlements
1. Land	Land in the 25-m AQ-6 corridor or the relocation area site: <ul style="list-style-type: none"> o titled land o squatted land 	<ul style="list-style-type: none"> - Owner of titled land (0) - Resident informal settlers occupying land used for: <ul style="list-style-type: none"> o residence (179) o commerce (30) o community services (1) 	Compensation at replacement cost . Relocation assistance for loss of buildings plots, 2 OPTIONS: <ul style="list-style-type: none"> o P15,000 rehabilitation in self-relocation cases; o 1 40 sq/m. plot considered on a lease agreement if AP is not willing to pay for land titling. In such a case the AP will have to pay a monthly P100 rent.
2. Rents or free use of buildings	Both with Residential and commercial purposes	<ul style="list-style-type: none"> - Renters (35 AFs) - Rent-free (20 AFs) 	o As above.
3. Structures	Residential and commercial structures	<ul style="list-style-type: none"> - Owners of: <ul style="list-style-type: none"> o residential structures (241) o commercial structures (33) o ancillary structures (52) 	Compensation at replacement cost of affected structure Movable structures will not be compensated but owners will get additional transportation allowance.
4. Crops	<ul style="list-style-type: none"> - Annuals - Perennials - Flower Nurseries 	<ul style="list-style-type: none"> - Owners (0) - Owners: (53) - Owners (2) 	<ul style="list-style-type: none"> o Compensation for 1 harvest o Compensation for 3 year harvest o Additional transportation allowance of P2,500
5. Business income	- Affected businesses	<ul style="list-style-type: none"> - Owner of business <ul style="list-style-type: none"> o With ITR (0) o Without ITR (25) 	Allowance equivalent to: 3 months income based on income tax or 3 months at local minimum wage
6. Wages	- Affected wage earner	- Wage earners (111)	Rehabilitation assistance equivalent to 2 months actual wage
7. Lack of economic opportunities	Unemployed Women/wives	- Woman x AF (234)	Rehabilitation assistance package: 1) vocational training (P2,500 x AF) 2) capital/loan assistance.
8. Other entitlements (subsidy and allowance)		- All AFs affected by relocation with AQ corridor and relocation site	<ul style="list-style-type: none"> - Food assistance (P2,500) x AF - Transportation allowance (P2,500) x AF - Transportation allowance for movable structures (P.2,500) x AF

CHAPTER V RELOCATION PLAN FOR INFORMAL SETTLERS

5.1 Strategy for the Rehabilitation of AFs

66. As explained in the previous chapter, the eligible AF (AFs residing in affected areas) affected by land impacts will be rehabilitated either through a cash assistance of P15,000 for those opting for self-relocation or a 40-square meter lot for each AF losing one or more houses, for each AF losing one or more commercial buildings and for each renter/free user of one or more building. If one AF loses both residential and commercial buildings s/he will receive 2 plots.

67. No AF opted for self-relocation. Therefore, based on the above described strategy, the number of plots to be distributed in the designated relocation area is 265, as detailed below in table 5.1

Table 5.1 Identification of plots needed in the resettlement area

AF Categories	No. of AF	Not entitled AFs (to be deducted)	TOTAL
Resident house/commercial building owner	200		200
Non-resident house/commercial building owner	9	9	0
Renter/non paying occupants	55		55
House-owner in relocation area	9		9
Private community services	1		1
Total	274	9	265

5.2 Description of the Resettlement Area

5.2.1 Location

68. The proposed resettlement site is located at Barangay Kaypian, San Jose del Monte situated at the north east of Manila. It is bounded by Barangay Sto. Cristo to the east, Guijo to the south, Poblacion to the west and Sapang Palay to the north west. (The proposed relocation site has yet to be purchased, initial letter of interest for the purchase has been forwarded to the landowner by MWSS.) The 3.2 hectare classified as agricultural land is titled owned by a private individual. The offering is P500 per square meter. There are settlers in the proposed relocation site comprising of 9 households/families acting as caretakers designated by the property owner. The site is covered by indigenous trees such as mango, tamarind and bananas, among others. (See Appendix 5.1 Relocation Site and Utility Lay-out Plan)

5.2.2 Land Area and Population of Barangay Kaypian

69. Barangay Kaypian has a total land are of 512 hectares and has an annual average growth rate of 25.48%. In year 2000 statistics, it shows a population density of 36.2 persons per hectare. Population projection showed 30,046 people should be living in this barangay by 2005.

5.2.3 Distance of Resettlement Site from AF's Current Residence

70. Kaypian is about 14 kilometers away from barangays 179, 180 and 186 of Caloocan City which are the current residence of the affected persons. It will take about 45-60 minutes to travel by jeepney from these affected barangays in Caloocan to Kaypian considering traffic and others.

71. For the barangays in SJDM such as Gumaok East, Tungkong Mangga, Sto. Cristo, Graceville and Nayong Lourdes will take only around 10-20 minutes to the proposed relocation site.

5.2.4 Distance of Resettlement Site to Center/Poblacion and Other Areas

72. The resettlement site is more or less 5 kilometers away from the city hall of San Jose del Monte and the plaza center where schools, commercial establishments and Catholic Church are located. The site is about 10 minutes jeepney ride to the city hall of San Jose del Monte and about 30-40 minutes drive to Quezon City and other nearby areas.

5.2.5 Physical Features of the Relocation Site

a. Features of earth movement needed for site preparation

73. The proposed site is within the conglomeratic hills that comprise the largest geomorphologic unit in San Jose del Monte. This is characterized by undulating to rolling and elongated low relief mountains. The conglomerate found in the ranges are from one foot to three feet in thickness, loosely consolidated with various sizes of angular to rounded fragments of older rocks particularly volcanic rocks like andesite, basalt, intercalated with tuffaceous materials.

74. The site geology indicates that cut slopes should not be stiffer than 1(v); 1(h) to prevent slope instability.

b. Roads and drainage system needed

75. Roads are designed in such a way that movement of the unit owners in and out of the relocation site will be smooth and open. Main roads are about 6 meters wide and all alleys are about 4 meters wide. The creek easement is 3 meters in width. Thickness of main road is about 6 inches with a concrete strength design of 3,000 PSI. Alleys and creek easement are both 4 inches in thickness with a concrete strength design of 2,500 PSI. Steel reinforcement to be used is 10mm in diameter with 0.4 meters spacing in both ways.

76. The drainage system will have concrete pipes with a 900 mm diameter embedded parallel to both sides of the main road while all alleys pipes have a 600 mm diameter. Discharge of the said drainage system is directly to the creek. (See Appendix 5.2 Drainage Lay-out).

c. Water Supply and Sewer System

77. Water supply will be sourced from the local water system of SJDM city. Each unit will have its own septic tank. The waste water from the septic tank will drain from the

drainage system to the creek. This will be considered as a major requirement of the construction guideline in the relocation site. (See Annex 5.3 Water Pipe Line Lay-out)

d. Electricity

78. The area is sub-divided into blocks for the installation of electrical post. Fourteen electric poles and 9-sub electric post will be installed to supply electricity at the relocation site. Street lights around 133 of them will be posted every 20 meters. (Appendix 5.4.i Electrical Post Lay-out, Appendix 5.4.ii Street Lights lay-out and Appendix 5.4.iii Electrical Supply per Block Lay-out including a) Single Line Diagram of Distribution of Power Line Lay-out, b) Load Schedule and c) Specification)

e. Community Buildings and Facilities

79. A multiple-purpose hall will be constructed in the designated open spaces for community activities such as day care, meetings, social gatherings and for cultural and spiritual enrichment of the relocatees. A 77-square meter multi-purpose center will be constructed within the relocation site.

80. For purposes of sports and recreation needs of the youth, a basketball court will also be constructed.

5.3 Administrative Arrangement for the Relocation of AFs from one municipality to another

81. The MWSS shall coordinate with the two local government units affected by AQ-6 Project in coordination with the UPAO in-charge of the resettlement program through the LGUs. The UPAO, barangay officers and the City Mayor's Office will be responsible for approving and clearing the eligible AFs under their jurisdiction.

82. Since the proposed site is within San Jose del Monte City in Bulacan, the AF relocatees of the three barangays in Caloocan City will be transferred to San Jose del Monte.

Sending/Originating LGUs.

83. The Caloocan City government which will be the sending LGU for this particular relocation project will organize local task force/action teams for relocation operation, community preparation and organization of community action teams for the relocation, assist in the actual dismantling of the structures and ensure the provision of the food subsidy, health, transportation and security and peace and order.

Receiving LGUs.

84. The San Jose del Monte City government, on the other hand, will prepare for social and political integration of new relocatees into its jurisdiction, organize local IAC for the livelihood development and implementation of social services and ensure the security and peace and order, absorption of displaced school children and health and sanitation condition at the relocation site.

85. The MWSS will buy the proposed relocation site and will be the legal owner of the resettlement site. Procedure for the land acquisition for resettlement will be undertaken in accordance with COA Guidelines and government procedures for acquisition of properties and assets.

86. Based on the subdivision plan prepared, 40-square meter lot will be awarded to eligible individual AF in the name of the household head. The MWSS, as the owner, will prepare an agreement with an organized Homeowner's Association (HOA) which will be responsible for the awarding of the lot to the qualified AFs or members. The lot will be registered in the name of the AF household head after they are able to pay the land registration and title with appropriate agencies within six months after relocation.

87. The eligible AF relocatee will be assisted by the UPAO (San Jose del Monte) in the processing of their land titles. In case the AF relocatees do not still have the capacity to pay for the land title and registration after 6 months grace period, they shall pay P100 as monthly rental for the lot to the Homeowner's Association (HOA) until such time that they will be able to pay for the land title and registration. The HOA will be assisted in developing an appropriate system for the collection of the monthly rental fee from the AF relocatee.

88. Preparations are in process for the acquisition of the proposed site by MWSS.

Preparation of the Resettlement Ite

89. MWSS will be responsible for the land acquisition and development of the resettlement area. An appropriate procedure and mechanism will be prepared by the Finance Unit of the PMO with regard to disbursement of AF household entitlement assistance.

90. The contractor of the development of the resettlement area (physical and civil works) will be chosen through an appropriate bidding procedure. The contractor who will have the most responsive proposal in terms of technical and financial aspects will be finally chosen to undertake land preparation and development.

CHAPTER VI PUBLIC CONSULTATION DISCLOSURE AND GRIEVANCE REDRESS

91. The MWSS will create an Awards and Arbitration Committee (AAC) in each LGU to determine qualified beneficiaries for resettlement, arbitrate in matters of claims and disputes, and safeguard the rights of the AFs. The AAC is composed of the MWSS as chair, concerned LGUs, NGOs and the barangay official as members and the PCUP as ex-officio member.

92. The procedures for grievances redress shall be governed by the established policies for relocation (from the determination of qualified beneficiaries living in the ROW or 25 meter pipe alignment to the implementation of the LARP to ensure that post-relocation problems are properly addressed and satisfactorily resolved). If no satisfactory resolution is achieved, the AFs and MWSS may bring the matter to court.

6.1. Process of Consultation

93. Before the finalization of the LARP, the affected AFs are informed about the project mechanisms and approaches. Consultations are conducted for each of the affected AFs in the barangays where they reside.

94. All the project stakeholders, MWSS representatives, the LGUs and Barangay Councils are invited to the consultations. The Inter-Agency Committee (IAC) which was just organized was also present during the consultation to ensure that appropriate process of information and consultation with the AFs are undertaken. Issues and concerns of the AFs were resolved during these consultations. The Inter-agency Committee (IAC) is comprised of the MWSS, PCUP, HUDCC, CHR, the LGU-UPAO and representative PO of the affected barangays.

95. Barangay consultations that were conducted are as follows:

a) San Jose del Monte (August 7, 2005)

- o Barangay Tungkong Mangga/Graceville, Pleasant Ville (9:00 A.M. – 12 P.M.)
- o Barangay Gumaok East (2:00 P.M.– 5:00 P.M.)

b) San Jose del Monte (August 13, 2005)

- o Barangay Sto. Cristo (9:00 A.M. – 12 P.M.)
- o Business establishment owners/renters (2:00 P.M.– 5:00 P.M.)

c) Caloocan City (August 14, 2005)

- o Barangay 179 (9:00 A.M. – 12 P.M.)
- o Barangay 180 and 186 (2:00 P.M.– 5:00 P.M.)

96. Project information materials were prepared by the consultants for distribution to eligible AFs. Before the consultation sessions, invitations for the LGUs, the IAC members and AFs were prepared. Sending of invitation for the AFs was undertaken by the MWSS-

Security Police, the LGUs and the UPAO of San Jose del Monte. Preparation for the venue and food arrangement were coordinated with UPAO of San Jose del Monte and the barangay officials. In the case of Caloocan City, the Consultants coordinated with the barangay officials for the preparation of consultation activities, sending of invitations to AFs, consultation venue and food arrangement.

6.2. Results of the Consultation with AFs

97. There were six (6) consultations conducted within a span of two weeks which were conducted during Saturdays and Sundays.

98. There was full attendance of the AFs invited for the consultation sessions, except for 4 commercial/establishment owners who were absent.

AF Households/Residential

99. All of the AF with residential structures, including their renters and rent-free occupants were positive and amenable to the entitlements that were presented to them. There were no negative comments and violent reactions with the eviction news for them. Some of the questions raised were relevant and have been responded well by the Consultants.

100. The issues/questions raised were the following:

- a. when is the scheduled eviction
- b. whether they can return to the area after AQ Phase 2 construction
- c. can renters avail of entitlements
- d. if there's a monthly amortization/down payment for lot
- e. can they opt for cash instead of relocation lot
- f. if there is compensation for trees and crops
- g. if they will be compensated for pigpens and chicken coops
- h. what will happen to those who will be relocated

101. Some of the households after the questions and answer portion ended expressing whether AFs outside the 25-meter pipe alignment will be accommodated if they opt to be relocated already together with those affected within the 25-meter alignment.

Commercial Establishment Structure Owners and Renters

102. Generally, the consultation with the commercial establishment structure owners and renters went smoothly. There were questions raised however, as to the type of assistance they can avail of. The entitlements discussed include the following; 1) relocation assistance/1 lot per owner at the relocation site regardless of the number of structures owned, 2) compensation for loss of business structures, 3) disturbance compensation for loss of business income (for establishment owners) and for loss of wage income for wage earners.

103. One establishment owner (Llerma Garments) who was resistant during the census asked whether her employees who are stay-ins at the back of the production site could be eligible for the relocation assistance equivalent to one lot each.

104. Since they were not censused and are just employees of the garments factory and not households affected, the consultants said they are not entitled to a relocation assistance but for their wage losses equivalent to actual wage multiplied by 2 months..

105. Overall, the AFs are quite responsive to the proposed entitlements and do not have violent reactions. While waiting for the actual relocation, the AFs were requested to prepare some documents such as: a) marriage certificate for couples, b) proof of residence in the barangays affected, c) birth certificates of children, and others. (See Appendices 6.1 – 6.6 for the Process Documentation Report for each Consultation Session)

6.3 Pre-relocation Workshop

106. A Pre-relocation Workshop was conducted on October 18, 2005 where partner agencies (PCUP, CHR, HUDCC), the UPAO of the LGUs affected, Barangay Officers and the two concessionaires, MWCI and MWSI and MWSS were present.

107. The objective of the pre-relocation workshop is to create an Awards and Arbitration Committee to initially establish the criteria for the final selection of eligible APs.

108. The workshop was fruitful as some suggestions in the provision of entitlement was provided by participants which will be considered.

109. Documentation of the Pre-relocation Workshop is presented in Appendix 6.5

6.4 Complaints and Grievances

6.4.1 Awards and Arbitration Committee

110. In case of complaints and grievances, the Awards and Arbitration Committee (ACC) will see to it that all issues and problems regarding beneficiary selection and entitlements and benefits are addressed.

6.4.2 Awards and Arbitration Mechanics

111. The AAC shall fix a period for the filing of petitions for census appeals. The period for filing shall be given the widest publicity in the area. Bulletins shall be posted in strategic and conspicuous places in the affected community or barangay. After the expiration of the period, no petition/appeal shall be entertained by the AAC, except when failure to file is based on justifiable grounds and shall be supported by affidavit of merit.

112. The petitioner/appellant shall file his/her appeal in writing. The letter of petition should be supported by valid/original documents. This shall be filed with the AAC Secretariat.

113. The AAC Secretariat shall initiate the review of documents and conduct of investigation, if warranted. It shall enlist the participation of the Barangay or People's Organization in gathering facts for the AAC deliberation.

114. The AAC, upon receipt of the results of the investigation shall deliberate on the case or petition. It may summon the petitioner for interview and clarification or for submission of additional document/evidences in support of the petition.

115. The AAC Chairman shall preside over case deliberations. A simple majority of the committee members shall constitute a quorum. The chairman shall ensure a consensus of opinions and a decision of the majority of the members shall be sufficient to adopt appropriate actions.

116. The AAC shall submit to the LGU Heads of San Jose del Monte and Caloocan City its approved resolutions for endorsement to MWSS.

117. All parties concerned shall be formally notified of the final AAC decision.

118. In case, no satisfactory resolution is achieved, the AFs and MWSS may bring the matter to court.

CHAPTER VII INSTITUTIONAL ARRANGEMENTS

119. MWSS, the project proponent, is responsible for the over all project planning and design implementation, financing of the LARP and the monitoring of the LARP implementation. Specifically, in the design planning and preparation of the LARP, the MWSS is assisted by Consultants it hired for the purpose.

Project Management Office (PMO)

120. A Project Management Office (PMO) will be responsible for project implementation and monitoring of LARP activities. The PMO will be attached to the Office of the Deputy Administrator for Operations. (See attached Organizational Structure in Appendix 6.1)

121. Some government agencies such as the Housing and Urban Development Coordinating Council (HUDCC), Presidential Commission for the Urban Poor (PCUP) and Commission on Human Rights (CHR) will be responsible for ensuring that national policies regarding the relocation and eviction of informal settlers are undertaken based on the UDHA Law.

122. Specifically, the PCUP is responsible for 1) facilitating the processing and issuance of Demolition and Eviction Compliance Certificate pursuant to EO 152 and 2) monitoring the demolition of structures during the actual relocation.

123. The CHR, on the other hand, will be responsible for ensuring that relocation is undertaken based on existing laws. It will see to it that the relocation of the affected families (AFs) is conducted in a humane manner and the rights of all the stakeholders are protected as provided in the UDHA Law. It will observe the actual dismantling and relocation activities to monitor the proponents' compliance to the legal requirements of demolition. It will also investigate complaints involving violations of human rights.

124. Local Government Units (LGUs) through its Urban Poor Affairs Office (UPAO) will be responsible for the LARP implementation. Specifically, the receiving LGU will see to it that the relocatees are integrated into the socio-economic mainstream for them to have more access to social services and LGU support. It will also be responsible for design planning of the resettlement site.

125. The receiving LGU will orchestrate the delivery of social services through its local agencies; 1) the DSWD for livelihood and vocational skills training and other assistance for relocatees, 2) the Department of Education (DepEd) for ensuring the relocatees' children are accommodated and enrolled in receiving school and facilitate the transfer of documents from sending to receiving school and 3) the local Health Department for ensuring appropriate health and emergency response during and after relocation.

126. The barangay units will also be responsible for security and peace and order situation at the relocation site through monitoring and mobilization of barangay police force.

Involvement in Relocation

127. The pre-relocation phase focuses on the plans for the resettlement while the actual relocation phase mobilizes the affected families to the relocation site. The post relocation phase implements the LARP assistance program and monitors progress and assesses impact of the assistance on the socio-economic conditions of the relocatees.

128. The specific tasks and responsibilities under each phase including the roles of the MWSS, LGUs and partner agencies are presented below:

a. Pre-relocation

TASKS/ACTIVITIES	AGENCY
<ul style="list-style-type: none"> • Conduct of census survey and verification • Conduct of structural tagging and mapping operations • Evaluation of data and preparation of master list • Conduct of socio-economic survey • Analyze and prepare socio-economic survey report • Formulation of relocation options and assistance entitlement package • Formulation of beneficiary selection policies • Organization of beneficiary and arbitration committee • Preparation and issue notice for qualifications and disqualifications • Secure relocation clearance certificate from the PCUP 	<p style="text-align: center;">MWSS HUDCC PCUP CHR LGU/UPAO</p>

b. Actual Relocation

TASKS/ACTIVITIES	AGENCY
<ul style="list-style-type: none"> • Conduct of intensive orientation as to relocation requirements as well as pricing scheme • Preparation of documents for applications • Organization of dismantling team and transport assistance • Conduct of consultation meetings with affecting families • Facilitating actual transfer to site • Facilitate provision of food for affected families and other support assistance 	<p style="text-align: center;">MWSS PCUP CHR LGU/UPAO DSWD DEPED LGU/UPAO POs</p>

c. Post-Relocation

TASKS/ACTIVITIES	AGENCY
<ul style="list-style-type: none">• Implementation of LARP assistance• Development of a grievance redress mechanism• Conduct of formal turn over of cleared areas and final documentation• Monitoring and evaluation of the impact of relocated families• Livelihood/Skills Training Assistance• Capability Building and Institutional Development	MWSS DEPED LGU/UPAO NGOs/POs Home Owners DSWD

**CHAPTER VIII
IMPLEMENTATION SCHEDULE**

129. The LARP implementation will synchronize with the civil works activities. However, no construction will begin unless the AFs will have been relocated to the resettlement site.

130. Two months lead time will be given after relocation before construction will begin.

131. The LARP implementation schedule also includes the pre-relocation activities that will be undertaken prior to actual relocation. (See Appendix 8.1 LARP Implementation Schedule)

CHAPTER IX MONITORING AND EVALUATION

132. Both internal monitoring and external monitoring evaluation will be conducted. Internal monitoring will track the progress of the delivery of RAP assistance during project implementation while external monitoring and evaluation will assess the effect and impact of RAP assistance to affected families during and after project implementation.

9.1 Internal Monitoring

133. Internal Monitoring will be undertaken by the MWSS in partnership with the LGU through the UPAO. Internal monitoring will focus on the status of delivery of entitlement and assistance, activities undertaken vis-à-vis the targets defined in the resettlement plan. It will also determine the relocatees' socio-economic conditions at the relocation site and the type of assistance needed to improve their living conditions.

134. Monitoring will be undertaken per AF to ensure better understanding of the effects of RAP assistance. Community participation and grievance resolution will also be assessed to determine the level of social interaction and degree of relationships established within the relocation site.

135. Monthly monitoring will be undertaken by MWSS and LGU-UPAO staff to assess entitlement/assistance delivery status including the conduct of other resettlement activities.

9.2 External Monitoring and Evaluation

136. An External Monitoring and Evaluation will be undertaken by an independent agency (NGO, academe or a consulting group) to be hired by MWSS to assess the implementation of the resettlement process, the operation and management of the resettlement site and the delivery and responsiveness of the entitlement/benefit package.

137. The independent group will conduct semi-annual reviews for the entire duration of the RAP implementation and an Impact Evaluation. External monitoring will be conducted to verify the results of the internal monitoring and evaluate whether objectives of the resettlement program are met. Both qualitative and quantitative methods will be used in the process. The Terms of Reference (TOR) for External Monitoring and Evaluation is shown in Appendix 9.1.

	A. Sample of Internal Monitoring Indicators
Scope	Indicators
Project Implementation	<ul style="list-style-type: none">○ Number of lots developed and used by relocatees○ Resettlement procedure carried out as planned and scheduled○ Social preparation carried out
Delivery of Compensation/ Entitlement	<ul style="list-style-type: none">○ Number of AFs provided with transport services during relocation○ Number of AFs provided with residential lots○ Number of AFs provided with livelihood skills training○ Number of AFs provided with food assistance

Scope	Indicators
	<ul style="list-style-type: none">○ Number of AFs trained and have access to loans/micro-credit○ Number of women/men engaged in productive activities○ Number of AFs provided with job referrals
Consultation and Grievance	<ul style="list-style-type: none">○ Frequency of community meetings and consultation○ Number of relocatees in the resettlement site who are assisted in their grievances

B. Sample of Impact Evaluation Indicators

Benefit Impact Monitoring	<ul style="list-style-type: none">○ Changes in housing conditions of AFs○ Changes in income and expenditures○ Changes and improvement in the general community situation○ Changes in health condition of women and children○ Changes in relationship of family and community○ Changes in quality life among relocatees
Sustainability Mechanisms Established	<ul style="list-style-type: none">○ Number of organizations established at the relocation sites (HOA, livelihood associations, cooperatives, etc.)○ Level of savings/capital saved by livelihood associations○ Linkages and Network established by associations

CHAPTER X RESETTLEMENT BUDGET AND FINANCING

10.1 Methodology to be followed to Determine Unit Compensation Rates

138. The methodology used in determining compensation rates is as follows²;

- i. **Land:** being informal settlers, all eligible AFs are rehabilitated through a self-relocation allowance or the provision of a 40 sq/m lot which is the standard plot for socialized housing units. The preparation cost of such a lot is P20,000; $\frac{3}{4}$ of which will be covered by the P15,000 otherwise used as self-relocation allowance and the remaining $\frac{1}{4}$ (P5,000) is provided by MWSS as a poverty reduction intervention.
- ii. **Structures:** Based on new materials and labor costs, the structures have been so valued: a) concrete/P1,500 sq/m; b) mixed (concrete/wood)/P700 sq/m; c) wood/P450 sq/m. and ancilliary structures at P250/sq. m.
- ii. **Trees:** Compensation for fruit bearing trees will be based on 3 years harvests as follows: a) bananas: P 300/tree (1 P100 yearly harvest x 3 years); b) coconuts: P. 1,440/tree (3 P 160 harvests x 3 years); c) star apple: P 2,475 (1 P825 yearly harvest x 3 years); d) mahogany: P 10,000 (wood value).
- iii. **Business Income:** Compensation for business without ITR declaration is based on minimum wage for 3 months (minimum wage x 3 months).
- iv. **Wage Earners:** Compensation for the wage earners' losses is actual monthly wage for 2 months (actual monthly/daily wage x 2 months).
- v. **Other Subsidy and Allowances:**
 - a. Vocational Skills Training for Women/Housewives: (number of women/housewives (trainees) x P2,500)
 - b. Food Subsidy: (number of AFs relocated x P2,500)
 - c. Transport of AFs to the relocation and Movable Structures:
 - o Number of AFs to be transported to the sites x P2,500
 - o Number of flower gardens affected x P5,000
 - o Number of movable structures (i.e. chicken pen) x P500/unit
 - o Number of movable structures made of steel frames for labor cost for dismantling and transportation x P10,000

10.2 Computation of budget for each impact category and allowance

139. The computation of the total amount per impact and allowance is presented in Table 10.1.

² See Appendices 10.1-10.3 for the detailed/compensation amount for each item and per AF.

Table 10.1 Total Amount Per Impact and Allowances

Impact	Unit Cost	No. of Units	Total Amount
i. Land	P500/sq. m.	32,000 sq. m.	P16,000,000.00
ii. Structures			
a) Primary Structure			
o wood	P450/sq. m.	3,762 sq. m.	P1,693,309.50
o mixed (concrete and wood)	P700/sq. m.	1,734.92 sq. m.	P1,214,444.00
o concrete	P1,500/sq. m.	2,217.6 sq. m.	P3,326,400.00
b) Secondary (ancillary) Structure	250/sq. m.	274.98	P68,745.00
iii. Trees			
o bananas (P100 yearly harvest x 3 years)	P300/tree	1,302 trees	P390,600.00
o coconuts (P160/harvest x 3 harvest/year x 3 years)	P1,440/tree	49 trees	P70,560.00
o star apples ((P825/harvest x 3 years)	P2,475/tree	41 trees	P101,475.00
o mahogany (P10,000/tree)	P10,000/tree	3 trees	P30,000.00
iv. Business Income (without ITR: minimum wage x 3 months at P7,500/month)	P22,500	25 AFs	P562,500.00
v. Wage Income (actual monthly income x 2 months)	(see Appendix 10.3 for actual costing)	111 AFs	P750,760.00
vi. Other Subsidy and Allowance			
o vocational skills trainings for women/housewives (P2,500/person)	P2,500	234 women/housewives	P585,000.00
o food allowance	P2,500	265 AFs	P662,500.00
o transportation			
- allowance for AFs for transfer to the relocation site	P2,500	256 AFs	P640,000.00
- transportation of flower gardens	P5,000	2 AFs	P10,000.00
- movable secondary structures			
1. chicken pen/shed	P500	18 units	P9,000.00
2. steel frames/shade (labor cost for dismantling and transportation)	P10,000	4 units	P40,000.00

10.3 Funds Flow

140. The funding for the LARP will be from MWSS. From the Finance Department of the MWSS, various cost items will be disbursed following an appropriate Financial Management Systems and Procedures.

141. The compensation and subsidy for AFs will be disbursed as follows:

- 1) The Property Management Division will recommend for the approval of payments. The approval of the payments will be done by the Finance Unit of the Project Management Office.
- 2) The preparation of checks in the name of the eligible AFs will be done by the Finance Unit of the PMO
- 3) Check signing and approval will be undertaken by the PMO Director countersigned by the MWSS Deputy Administrator.

4) Disbursement of checks in the name of the AF head will be done by the Cashier of the PMO.

142. Appropriate identification of the AF claimant will have to be ensured to avoid disbursing payment to the wrong person.

10.4 Summary Resettlement Budget

143. This Land Acquisition and Resettlement Budget will include the following items;

- a. Resettlement and Entitlement Cost
- b. Training Capability Building Cost
- c. External Monitoring Evaluation Cost
- c. Administrative Cost

LARP Budget

1. Resettlement and Entitlement	
a. Cost of Land	16,000,000.00
b. Cost of Land Development	19,200,000.00
c. Compensation for Losses in Structures ¹	6,302,898.00
d. Compensation for Losses in Agricultural Crops/Perennials ²	592,635.00
e. Compensation for Losses in Business Income (Business Owners) ³	562,500.00
f. Compensation for Losses in Wage Income for Wage Earners of Establishments ⁴	750,760.00
g. Other Subsidy and Allowance	
1. Technical and Vocational Skills Trainings	585,000.00
2. Food Allowance	662,500.00
3. Transportation Assistance	699,000.00
Sub-Total	45,355,293.00
2. Training/Capability Building/FMS/Consultancy for Relocation ⁵	45,716,041.00
g	
3. External Monitoring and Evaluation ⁶	6,285,800.00
4. Administrative Cost (PMO) ⁷	17,635,605.60
GRAND TOTAL	114,992,739.60

¹ Details in Appendix 10.1

² Details in Appendix 10.2

³ Details in Appendix 10.3

⁴ Details in Appendix 10.3

⁵ Details in Appendix 10.5

⁶ Details in Appendix 10.6

⁷ Details in Appendix 10.7