

Resettlement Planning Document

Draft Short Resettlement Plan for Component C (Dagana)
Document Stage: Draft for Consultation
Project Number:
JUNE 2006

Bhutan: Urban Infrastructure Development Project

Prepared by the Department of Urban Development and Engineering Services

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A. Scope of Land Acquisition and Resettlement

1. The Project will improve urban infrastructure, planning, and management; enhance urban livelihoods; and increase capacity for administering urban infrastructure supply and maintenance works through four components. Component A for Thimphu includes: (i) city-level works (water supply, upgrading of the existing wastewater treatment plant, and solid waste management), and (ii) roads and drainage, and water supply and sewerage connection in four areas of southern Thimphu extended areas. Component B for Phuentsholing includes: (i) roads and drainage, (ii) footpaths and pedestrian bridge, and (iii) social infrastructure (fire hydrant and street lights). Component C for Dagana includes: (i) water supply and sanitation, and (ii) road and drainage. Component D which is for institutional development includes: (i) technical support on unaccounted for water and water calibration, (ii) operational efficiency, (iii) public awareness support, and (iv) financial management. The main benefits of the Project will be (i) improved urban environment, public health, and living standards in Thimphu, Phuentsholing, and Dagana; (ii) effectively managed, reliable, and sustainable urban services; and (iii) improved economic and social conditions from investments in roads and drainage, water supply and sanitation, solid waste management, and other urban amenities.

2. This short resettlement plan (RP) has been prepared for Component C: urban infrastructure for Dagana. The Component will involve the permanent acquisition of 1.1 hectares (ha) of land in Dagana for water and wastewater treatment. Land acquisition will affect 2 households. Impacts are not anticipated to be significant as land to be acquired is vacant and not used for productive purposes. Resettlement impacts will further be minimized through careful siting and alignment during detailed design. A summary of resettlement impacts is in Table 1.

Table 1: Summary of Resettlement Impacts

Impact	Dagana
Permanent Land Acquisition (ha)	1.1
Temporary Land Acquisition (ha)	-
Affected Persons (APs)	10
Titled APs	10
Non-titled APs	-
Female-headed AP	-
Vulnerable APs	-
Affected Structures	-
Affected Common Property Resources	-

B. Policy Framework and Entitlements

3. The policy framework and entitlements for the Project are based on national law (i) The *Land Act, 1979* (LA amended in 1991), (ii) the *Land Compensation Rate, 1996*¹, and (iii) ADB's *Policy on Involuntary Resettlement, 1995*. Based on these, the following core involuntary resettlement principles applicable are:

- (i) Involuntary resettlement will be avoided; if it cannot be avoided, it will be minimized.

¹ Updates provisions of the Land Act on compensation for urban and rural land as well as for cash crop trees when land is acquired for public purposes.

- (ii) Where involuntary resettlement is unavoidable, affected persons (APs) will be assisted to re-establish themselves.
- (iii) Lack of formal legal land title is not a bar for compensation and resettlement assistance.
- (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 replacement value² in addition to any transaction costs.
- (v) Each AP whose income or livelihood is affected is entitled to receive assistance to restore income and livelihood at pre-project standards, and all vulnerable APs are entitled to receive additional assistance.
- (vi) All APs will be fully informed and consulted on compensation, entitlements, and resettlement assistance.
- (vii) APs will be fully involved in the selection of replacement land and development options at the earliest opportunity.
- (viii) AP's social and cultural institutions will be protected and supported.
- (ix) Compensation and assistance will be carried out with equal consideration for women and men; and 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.
- (x) Compensation and resettlement assistance will be fully provided before approving any subcomponent, if it involves involuntary resettlement impacts.
- (xi) The full compensation and resettlement costs are included in project costs.

The entitlement matrix for the Component, based on the above policies are given in Table 2.

C. Consultation, Information Dissemination, Disclosure, and Grievance Redress

4. The RP was prepared in consultation with stakeholders. Discussions and meetings were held involving stakeholders, particularly affected households and beneficiaries; and socio-economic information was gathered to determine the potential impacts of land acquisition. Information has been and continues to be disseminated to APs through various media. Local language versions of the summary RP have been distributed by the IA and explained to APs. The RP will also be disclosed in the executing agency's (EA's) website. The RP will be disclosed in ADB's website, and information dissemination and consultation will continue throughout project implementation. The RP will be updated based on detailed design. ADB review and approval of the updated RP is required prior to award of civil works contracts; and compensation/assistance of APs is required prior to commencement of civil works. The approved updated RP will be disclosed in ADB's and the EA's website.

² Replacement cost is the cost of replacement of lost assets and income. In case of land, it is the cost of buying replacement land near the affected land with equal productive potential plus the cost of preparing the land to levels similar to those of the affected land and cost of any registration and transfer taxes. If alternate land is not available in the vicinity of the affected land, replacement cost is the cost of buying land with similar attributes and productive/residential potential plus the cost of preparing the land to levels similar to those of the affected land and cost of any registration and transfer taxes. In selecting alternate lands affected people will be informed and consulted.

Table 2: Entitlement Matrix

	Type of Loss/ Application	Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
Resettlement Impacts from Land Acquisition					
1	Loss of land/vacant plot	Owner(s) with legal title	<ol style="list-style-type: none"> 1. Replacement/market value of land (including compensation for non-viable residual portions). 2. Provision of all fees, taxes, and other charges (registration, etc.) incurred for replacement land. 3. Additional compensation for vulnerable households (Item 2). 4. Provision of six months notice. 	<ul style="list-style-type: none"> ▪ Vulnerable households will be identified during the census conducted as a part of the RP. 	<ul style="list-style-type: none"> ▪ Land Acquisition and Resettlement Committee will determine replacement value ▪ IA will verify all charges, and identify vulnerable households.
2	Additional assistance to vulnerable APs/all impacts	Vulnerable APs ³	<ol style="list-style-type: none"> 1. In case of loss of private land, land-for-land will be provided as an option to APs 	<ul style="list-style-type: none"> ▪ Vulnerable households will be identified during the census. ▪ If land-for-land is chosen by the AP, replacement land will be based on the acceptance of the AP, and replacement land will be transferred prior to takeover of acquired land. ▪ If land-for-land is offered, joint ownership in the name of husband and wife will be provided while respecting legal ownership. 	IA will identify vulnerable households, allocate replacement land, confirm rental assistance, and confirm lost income.
3	Any other loss not identified	-	<ol style="list-style-type: none"> 1. Unanticipated involuntary impacts will be documented and mitigated based on the principles provided in ADB's Involuntary Resettlement Policy. 		IA

³ Vulnerable APs include single parent female-headed households, disable-headed households, indigenous persons-headed households, and Below Poverty Line households.

5. Grievances of affected persons (APs) will first be brought to the attention of the Project Implementation Unit (PIU). Grievances not redressed by the PIU will be brought to the Land Acquisition and Resettlement Committee (LARC) acting as a grievance redress committee (GRC). The Committee will be composed of a local government representative, the head of the PIU, an AP representative and a resident of the community. The Committee will meet when a grievance is not resolved by the PIU. They will be given notice of the meeting, meet to determine the merit of the grievance, and resolve the grievance within a month of receiving the notice for the meeting. Further grievances will be referred by APs to appropriate courts of law.

D. Compensation

6. Loss of loss of land will be at replacement cost. The LARC will determine replacement values. Vulnerable households affected by land acquisition will be provided additional assistance in the form of land-for-land replacement options.

E. Institutional Framework, Resettlement Costs, and Implementation Schedule

7. The Department of Urban Development and Engineering Services (DUDES) of the Ministry of Works and Human Settlement (MOWHS) is the EA responsible for implementing the Project. A Project Management Unit will be established under DUDES, to support the Project. A Project Implementation Unit (PIU) will be established in the Dagana Dzongkhag Administration (DDA). The PIU will manage the day-to-day operations and implement the RP. A Social Development Specialist at the PMU (for Phuentsoling and Dagana) will coordinate land acquisition and resettlement activities through the PIU with support from the Project Management Consultant's Resettlement Specialist. RP implementation, excluding monitoring which will be undertaken throughout the project period, is expected to be completed within 12 months. The responsible agencies, resettlement costs, and implementation schedules are provided in Tables 3, 4, and 5, respectively.

Table 3: Institutional Roles and Responsibilities

Activities	Agency Responsible
Subproject Initiation Stage	
i. Finalization of sites/alignments for subcomponents	PIU/SDS
ii. Disclosure of proposed land acquisition and subcomponent details by issuing Public Notices.	
iii. Staff selection, appointment and training	
iv. Meetings at community/ household level with APs	
v. Formation of LARC	PMU
vi. Formal negotiation with other departments for land	
RP Updating Stage	
i. Conducting Census of all APs	PIU/SDS
ii. Conducting FGDs/ meetings / workshops during SIA surveys	
iii. Categorization of APs for finalizing entitlements	PIU/PMU/SDS
iv. Formulating compensation and rehabilitation measures and implementation plans	PIU/SDS
iv. Conducting discussions/ meetings/ workshops with all APs and other stakeholders for this	
v. Review EM and finalizing entitlements and rehabilitation packages	PIU/SDS/RS
vi. Approval of EM	PMU
vii. Disclosure of final entitlements and rehabilitation packages	PIU
viii. Approval of RP	RS/PMU/ADB
ix. Taking possession of land for subcomponents and protection from further encroachment	IAS/EA
RP Implementation Stage	
i. Implementation of proposed assistance measures	PIU/SDS
ii. Serving formal notice to APs	
iii. Engaging City/Town Committees	Thrompon

iv. Consultations with APs during rehabilitation activities	PIU
v. Grievances redressal	PIU/GRC
vi. Internal monitoring	PIU/SDS
Post Implementation	
iv. External Monitoring and evaluation	External Agency

Table 4: Resettlement Costs

	Nu
Permanent land acquisition	150,000
Assistance to Vulnerable Households	10,000
Consultation and information dissemination	100,000
Monitoring and evaluation	22,000
Subtotal	284,000
Administrative and related costs	44,600
Total	326,600

Table 5: Implementation Schedule

Activity	Month													
	Jan 2007	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan 2008	Feb
i. Completion of survey for finalizing number of APs														
ii. Establishment of PIU														
iii. Updating of RP and implementation plans, formation of LARC														
iv. Submission of updated RP to ADB and disclosure of updated RP														
v. Information sharing, consultations, and disclosure														
vi. Dialogue with Government departments for transfer of sites (intermittent)														
vii. Preparation of plan for land acquisition in Dagana														
viii. Issue notice to APs														
ix. Resettlement assistance (including transfer of replacement land)														
x. Takeover of acquired land														
xi. Internal monitoring														
xii. External monitoring														
xiii. Handover of land to Contractors														
xiv. Start of civil works														

F. Monitoring and Evaluation

8. Monitoring will cover physical and financial components and provides a feedback to keep RP implementation on schedule. RP implementation will be closely monitored to provide the PMU with an effective basis for assessing resettlement progress and identifying potential difficulties and problems. The PIU will carry out internal monitoring. Job charts will be given by the SDS. The job charts will indicate the targets to be achieved during the month. Monthly progress report shall be prepared by the PIU and submitted to PMU, reporting actual achievements against the targets fixed in their respective job charts and

reasons for shortfalls, if any. The PMU will have the responsibility for management and maintenance of AP database, documenting results of AP census, asset verification information, and socio-economic survey data, which will be used as the baseline for assessing impacts of RP implementation. The PMU will appoint an independent agency to undertake external monitoring. The independent agency will monitor the Project on a half-yearly basis and submit its reports directly to the PMU. The PMU will submit all reports to ADB for review.