Resettlement Plan

Nepal: Third Small Towns Water Supply and Sanitation Sector Project (Mahendranagar Water Supply Subproject)

CURRENCY EQUIVALENCES
(as of 9 February 2014)

Currency Unit = NPR
NPR 1.00 = $0.00996
$1.00 = 97.886

ABBREVIATIONS

ADB – Asian Development Bank
AP – Affected Persons
BS – Bikram Sambat (Nepali Calendar)
BPL – Below Poverty Line
CBS – Central Bureau Of Statistics
CBO – Community Based Organization
CDC – Compensation Determination Committee
CDO – Chief District Officer
CPR – Common Property Resource
DDC – District Development Committee
DOR – Department Of Roads
DP – Displaced Person(S)
DSC – Design and Supervision Consultants
DWSS – Department of Water Supply And Sewerage
EA – Executing Agency
EMP – Environmental Management Plan
GON – Government of Nepal
GESI – Gender Equity and Social Inclusion
GRC – Grievance Redress Committee
GRM – Grievance Redress Mechanism
HA – Hectares
HH – Households
IA – Implementing Agency
IP – Indigenous Peoples
IR – Involuntary Resettlement
LA – Land Acquisition
LAA – Land Acquisition Act
lps – Litres Per Second
MUD – Ministry of Urban Development
MPPW – Ministry of Physical Planning And Works
NA – Not Available
NGO – Non-Government Organization
NLSS – Nepal Living Standards Survey
NPC – National Planning Commission
NPR – Nepalese Rupee
NWSC – Nepal Water Supply Corporation
PD – Project Director
PH – Physically Handicapped
PMC – Project Management Consultant
PMO – Project Management Office
PPTA – Project Preparatory Technical Assistance
RF – Resettlement Framework
RP – Resettlement Plan
R&R – Resettlement And Rehabilitation
RS – Resettlement Specialist
SSO – Social Safeguards Officer
SDSA – Social Development And Safeguards Assistant
SPS – Safeguard Policy Statement
SSE – Social Safeguard Expert
STWSSSP – Small Towns Water Supply And Sanitation Sector Project
TA – Technical Assistance
TDF – Town Development Fund
TOR – Terms of Reference
WHH – Women Headed Households
WSSDO – Water Supply and Sanitation Division Office
WUSC – Water Users and Sanitation Committee
VDC – Village Development Committee

WEIGHTS AND MEASURES

- cum – cubic meter
- Km – kilometer
- m² – square meter
- Mm – millimeter
- m³ – micrograms per cubic meter

GLOSSARY OF NEPALI TERMS

ropani - Size of land parcel; 1 ropani = 16 anna (0.0509 ha)-508.72 sq. m
anna - Size of land parcel; 1 anna = 16 anna (0.0509 ha)
paisa - Size of land parcel; 1 paisa = 31.80 sq.m
dam - Size of land parcel; 1 dam = 1.99 sq.m
bigha - size of land parcel; 1 bigha = 20 katha (0.678 ha)
crore - 10 million (= 100 lakh)
dhur - size of land parcel; 1 dhur = 0.0017 ha
katha - size of land parcel; 1 katha = 0.0339 ha
kucchi - temporary structure e.g. a rural hut made of wood, bamboo or stone with mud mortar and a thatched roof
lakh, lac - 100,000
pakki - structure (house/building) with permanent roofing made of RCC/RBC
semi-pakki - house or building made of stone with mud mortar and clay, timber, slate or corrugated iron roofing
GLOSSARY OF TERMS

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

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

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

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

Displaced Persons (DPs) means those who are physically displaced (relocation, loss of residential land, or loss of shelter) and / or economically displaced (economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of involuntary acquisition of land.

Economic Displacement means those who loss land, assets, access to assets, income sources, or means of livelihoods as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use.

Compensation Determination Committee (CDC) means the committee established under the chair of Chief District Officer as per Land Acquisition Act 2034 (1977) for the determination of amount of compensation.

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

Severely Displaced Person means those DPs who lose 10 percent or more of their total productive assets or physically displaced from their household.

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

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

Relocation means the physical relocation of DPs from their pre-project place of residence.
Rehabilitation means the measures provided under the resettlement plan other than payment of the compensation of acquired property.

Vulnerable Groups: Social categories whose livelihoods may be particularly vulnerable to disturbances created by the project. This means any people who might suffer disproportionately or face the risk of being marginalized from the effects of resettlement including: female-headed households without economic support, marginalized ethnic groups (Dalits, Freed Kamaiya), Muslims/religious minorities, elderly, disabled, indigenous people (marginalized and endangered IPs), Poor (living below poverty line—NPR 19,262 person/year (source: Nepal Living Standards Survey 2010/2011)) i.e. an inflation-adjusted figure of NPR 23,307 per person per annum in 2014, landless or households losing 100% of total landholdings (particularly those totally dependent on agriculture for livelihood), as well as remote villages.

NOTES(S)
In this report “$” refers to US dollars.
“NPR” refers to Nepali Rupee.

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EXECUTIVE SUMMARY

1. **Background.** The Small Towns Water Supply and Sanitation Sector Project (STWSSSP) is a key initiative of Government of Nepal aiming at improved water supply and sanitation services in small towns and emerging urban areas of Nepal. The third STWSSSP builds upon lessons learnt from implementation of the first and second STWSSP and aims to extend improved water supplies and sanitation to around 20 small towns / subprojects. Ten of these subprojects are newly identified, while others are held over from the previous projects, yet others can be identified later. Remedial or extension works in towns previously covered by the first two projects are also candidate subprojects. The third STWSSSP aims to strengthen the overall effectiveness of project delivery with a particular focus on technical and financial aspects, at both national and local levels. Its envisaged outputs include: (i) improved water supply and sanitation infrastructure; (ii) improved institutional capacity and project implementation platform; and (iii) improved financing mechanism for future investments. The Project will also strengthen Government of Nepal’s efforts to meet its millennium development goals. The project is to be implemented in 5 years from 2014 to 2019.

2. The third STWSSSP uses a sector lending modality. Charali, Chandrauta and Mahendranagar towns are selected as sample towns for the preparation of safeguards documents for project processing purposes. The next five proposed towns are Illam, Janakpur, Nirmal Pokhari, Salyan and Tikhapur, which will be followed by four towns, namely, Rukum, Mirchaiya, Sakhuwa and Bidur. A total of 20 towns are proposed to be covered under the project.

3. **Resettlement Plan.** This Resettlement Plan (RP) is prepared for water supply and sanitation subproject components proposed for Mahendranagar town under third STWSSSP. This RP is prepared based on ADB’s Safeguard Policy Statement 2009, and Government of Nepal laws. ADB and MUD/DWSS will review and clear the updated RP after detailed design, prior to commencement of works.

4. **Subproject Description.** Subproject components proposed for water supply in Mahendranagar comprise 2 deep tubewells/borewells, 1 water treatment plant (WTP), 1 ground clear water reservoir (400 cum), 1 overhead tank (OHT, 450 cum), 1 chlorination unit, 1 office building, 2 operator/guard house, 0.945 Km transmission line, about 110.67 Km distribution line, about 5,437 house connections. Under sanitation, 1,757 private toilets under Output Based Aid (OBA) and a septage disposal site of approximately 400 m² is proposed.

5. **Scope of Land Acquisition and Resettlement.** The scope of land acquisition and resettlement is identified based on field visits to the project area sites and alignments. No private land acquisition is anticipated for proposed projects at Mahendranagar for the construction of the new water supply system. About 6 katha 4 dhur (app.0.20 ha.) agricultural land belonging to Devisthan Temple, Aitabare, Mahendranagar VDC ward no 1 has been identified for the proposed WTP, OHT, reservoir, borewell 1, chlorination unit, office building and 2 guard houses. The user community of the temple uses only the temple building; the land belonging to the temple (in a corner of which the temple is situated) has been given to a tenant for cultivation of crops, and is not used by the user community. Restriction of potential future use of the land by the temple user community is possible. In addition, loss of income to members of a non-titled, female headed household that presently cultivates the Devisthan temple land (two crops a year) to supplement its income, is anticipated. Government (VDC) land near the WTP site (Devisthan temple land) has been identified for borehole 2 and required transmission pipeline from borehole 2 to WTP complex. Private toilets will be constructed on
individual properties where space is available and are not anticipated to have any involuntary resettlement implications. The septage disposal site is proposed at Ramdhuni community forest (government land) in Mahendranagar.

6. **Categorisation.** The subproject is classified as Category B in accordance with ADB’s Safeguard Policy Statement (SPS). ADB’s SPS covers both temporary and permanent impacts to both titled and non-titled persons, and includes both physical and economic displacement.

7. **Consultation and Disclosure.** Goals and objectives of the project have been disclosed to stakeholders through two public consultations and focus group discussions during February 2014.

8. **Institutional Setup.** MUD/DWSS will be the EA for the project; a PMO will be established in DWSS, Kathmandu. Two regional PMOs for Eastern and Western zone will be set up at DWSS regional offices. The participating WUSCs will be the IAs. A social safeguards officer will be appointed in PMO; the RPMOs will have social development officers. The PMO SSO will be supported by the social safeguards expert of PMC. The respective RPMOs will be supported by a design, supervision and management consultant (DSMC) each; social safeguards specialists (1 in each DSMC) and social mobilisers (5 in each DSMC) will support implementation of GESI, RPs/social safeguards, grievance registration, redress and follow-up actions, identification of poor and vulnerable households for subsidized water supply connections and OBA for sanitation.

9. **Resettlement Budget and Financing Plan.** The resettlement cost for the subproject in Mahendranagari is estimated at NPR 19,82,600 including contingency which will be met from WUSC and counterpart (government) funds.
I. PROJECT DESCRIPTION

A. Introduction

1. The Small Towns Water Supply and Sanitation Sector Project (STWSSSP) is a key initiative of Government of Nepal aiming at improved water supply and sanitation services in small towns and emerging urban areas of Nepal. The third STWSSSP builds upon lessons learnt from implementation of the first and second STWSSP and aims to extend improved water supplies and sanitation to around 20 small towns / subprojects. Ten of these subprojects are newly identified, while others are held over from the previous projects, yet others can be identified later. Remedial or extension works in towns previously covered by the first two projects are also candidate subprojects. The third STWSSSP aims to strengthen the overall effectiveness of project delivery with a particular focus on technical and financial aspects, at both national and local levels. Its envisaged outputs include: (i) improved water supply and sanitation infrastructure; (ii) improved institutional capacity and project implementation platform; and (iii) improved financing mechanism for future investments. The Project will also strengthen Government of Nepal’s efforts to meet its millennium development goals. The project is to be implemented in 5 years from 2014 to 2019.

2. The third STWSSSP uses a sector lending modality. Three sample towns, Charali, Chandrauta and Mahendranagar are proposed to be taken up first. The next five proposed towns are Illam, Janakpur, Nirmal Pokhari, Salyan and Tikhapur, which will be followed by four towns, namely, Rukum, Mirchaiya, Sakhwuwa and Bidur. A total of 20 towns are proposed to be covered under the project. This Resettlement Plan (RP) is prepared for all subproject components proposed for the sample town of Mahendranagar of third STWSSSP. The regional setting of Mahendranagar is depicted in Figure 1.

3. ADB requires the consideration of social safeguard issues in all aspects of the Bank’s operations, and the requirements for environmental assessment are described in ADB’s Safeguard Policy Statement (SPS, 2009). This resettlement plan (RP) has been prepared in accordance with ADB SPS’s requirements for IR category B projects.’

B. Proposed Subproject Components

4. Subproject components proposed for water supply in Mahendranagar comprise 2 deep tubewells/borewells, 1 water treatment plant (WTP), 1 ground clear water reservoir (400 cum), 1 overhead tank (OHT, 450 cum), 1 chlorination unit, 1 office building, 2 operator/guard house, 0.945 Km transmission line, about 110.67 Km distribution line, about 5,437 house connections. Under sanitation, 1,757 private toilets under Output Based Aid (OBA) and a septage disposal site of approximately 400 m² is proposed.

5. Measures to avoid and minimize private land acquisition and involuntary resettlement impacts include (a) identification of government land at Ramdhuni forest for the septage disposal facility; (b) obtaining consent for use of land donated by government to the Devi temple (presently, a CPR) for the major portion of land required for proposed civil works for water supply; and (c) government/VDC land for land required for borewell 2 and transmission main from borewell 2 to WTP complex. Traffic management during construction of pipelines, valve chambers and fire hydrants, and barriers to access posed during construction shall be mitigated as per available guidelines and best practice. Timely information will be provided to the public about potential negative impacts and mitigation measures including grievance redress procedures and time taken for the same, etc. prior to start of project implementation.
C. Objectives of Resettlement Plan

6. This Resettlement Plan (RP) is prepared for investments proposed in Mahendranagar as part of the third STWSSSP. It addresses the IR impacts of the proposed project and is consistent with the Resettlement Framework and ADB’s SPS 2009.

7. This RP has been prepared in accordance with ADB SPS requirements for IR Category B projects and to meet the following objectives:

(i) to describe the identified scope and extent of land acquisition and involuntary resettlement impacts as a result of identified project components, and address them through appropriate recommendations and mitigation measures in the RP;
(ii) to present the socio-economic profile of the population in the project area, identify social impacts, including impacts on the poor and vulnerable, and the needs and priorities of different sections of the population, including women, poor and vulnerable;
(iii) to describe the likely economic impacts and identified livelihood risks of the proposed project components;
(iv) to describe the process undertaken during project design to engage stakeholders and the planned information disclosure measures and the process for carrying out consultation with affected people and facilitating their participation during project implementation;
(v) to establish a framework for grievance redressal for affected persons (APs) that is appropriate to the local context, in consultation with stakeholders;
(vi) to describe the applicable national and local legal framework for the project, and define the IR policy principles applicable to the project;
(vii) to define entitlements of affected persons, and assistance and benefits available under the project;
(viii) to present a budget for resettlement and define institutional arrangements, implementation responsibilities and implementation schedule for resettlement implementation; and
(ix) to describe the monitoring mechanism that will be used to monitor resettlement plan implementation.
Figure 1: Location Map of Mahendranagar
II. SCOPE OF LAND ACQUISITION AND RESETTLEMENT

8. The scope of land acquisition and resettlement is identified based on field visits to the project area sites and alignments. Proposed interventions and their potential IR impacts are presented sub-project component-wise, in Appendix 1.

A. Water Supply

9. The proposed new water supply system in Mahendranagar is depicted in Figure 2. Investments under this subproject include construction of 2 deep tubewells/borewells, 1 water treatment plant (WTP), 1 ground clear water reservoir (400 cum), 1 overhead tank (OHT, 450 cum), 1 chlorination unit, 1 office building, 2 operator/guard house, 0.945 Km transmission line, about 110.67 Km distribution line, and about 5,437 house connections. About 6 kathha 4 dhur (app. 0.20 ha.) land belonging to Devi sthan Temple, Aitabare, Mahendranagar VDC ward no 1 has been identified for the proposed WTP, OHT and borewell 1, reservoir, chlorination unit and proposed buildings (Figure 2). Prominent community members/users of the CPR have passed a resolution to allow the WUSC to use the land for community welfare. The user community of the temple uses only the temple building; the land belonging to the temple (in a corner of which the temple is situated) has been given to a tenant for cultivation of crops, and is not used by the user community. Restriction of potential future use of the land by the temple user community is possible. Field visit and consultations at the site confirmed potential loss of income to members of a non-titled, female-headed household cultivating the Devisthan temple land for two crops a year, to supplement its income. Government (VDC) land near the WTP site (Devisthan temple land) has been identified for borehole 2 and required transmission pipeline from borehole 2 to WTP complex.

10. Vacant government (VDC) land near the Devisthan temple land is identified for borehole 2 and transmission main from the borehole 2 to the WTP complex; hence IR impacts are not anticipated. WUSC members and VDC representatives were of the opinion that the land could be easily transferred to WUSC.

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1 The Devisthan temple land proposed for WTP is presently being cultivated by Mrs. Yaiya Maya Subedi, a female and widow household head. The household is a squatter on the land adjacent to the temple, that settled in the area after being displaced due to flooding of river Kosi. Major source of household income is foreign remittances by male members of household (Mrs. Subedi’s sons).
Figure 2: Satellite image depicting location of proposed water supply facilities in Mahendranagar
11. About 0.945 Km of transmission pipeline is proposed to be laid from borewell 2 to the WTP/OHT complex. About 110.67 km of pipes will be laid for the distribution network. Pipe diameters will range from 50 mm to 250 mm. Distribution lines are proposed on both sides of the highway and local roads and one section is proposed along an abandoned railway track. Although proposed pipe diameters are small, full closure of road sections is not likely; width of excavation required for pipe laying work and construction of valve chambers along the alignment is estimated to be about 1.5m. Every 300-500 m length of pipe is likely to require 7 days for completion; contractors will be directed to excavate no more than 500m of road stretch at a time. No temporary income losses are anticipated.

12. Potential temporary impacts of pipe laying activity include impacts on access, disruption of traffic, etc. Where businesses are unable to or are not required to shift, access will be ensured by the contractor. The construction period will be minimized.

13. Procurement of electrical and mechanical equipment such as generator, transformer and pumps will have no IR impacts. (Appendix 1 provides details of potential IR impacts of proposed water supply subprojects).

14. For the identified WTP site and project coverage area (distribution lines), no adverse impacts on indigenous peoples (IP/janjatis/Advisis living within proposed project coverage area) other than impacts on access, which will impact all sections of the population, are anticipated. In the identification of the remaining site, care will be taken to ensure that no IPs will be affected by land acquisition and/or physical or economic displacement. IP households in the project coverage area will be identified and included in project benefits, with appropriate subsidies for poor households among them.

B. Sanitation

15. No IR impacts of proposed private toilets are anticipated. The septage disposal facility is proposed at Ramdhuni community forest area (government land). No IR impacts are anticipated.

16. Estimated resettlement impacts of identified sites/alignments for proposed interventions in Mahendranagar, based on field visits and walk-through/drive-through surveys are presented in Table 1 below:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Details</th>
<th>No. of affected persons/affected land area</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>IA</td>
<td>Water supply (WTP/OHT/Borehole buildings, chlorination unit, reservoir)</td>
<td>1, Land belongs to Devi's Temple</td>
<td>Members of a non-titled household cultivating temple land will face loss of about 5% HH income</td>
</tr>
<tr>
<td>1</td>
<td>Affected persons</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

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2 DWSS regional office will have to facilitate permission to WUSC, and/or follow due process required by the Ministry of Physical Planning and Transport for use of proposed alignment section along abandoned railway track.

3 Identification of eligible poor/vulnerable/IP households for subsidy shall be undertaken using participatory appraisal techniques by the community, facilitated by the project implementation support unit and design supervision consultants' team of community mobilisers. Joint verification of identified households shall be undertaken by the WUSC and DWSSDO representative.
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Details</th>
<th>No. of affected persons /affected land area</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Affected FHH members</td>
<td>5 (same as above)</td>
<td>Same as above</td>
</tr>
<tr>
<td>3</td>
<td>Affected common property resource (temple land)</td>
<td>6 katha 4 dhur (0.20 ha)</td>
<td>Consent given by temple users. Only temple building presently used by community, not the land. Potential future restriction of use to be mitigated.</td>
</tr>
<tr>
<td>4</td>
<td>Affected structures</td>
<td>None</td>
<td>No damage to existing temple structure anticipated.</td>
</tr>
<tr>
<td>5</td>
<td>Affected trees</td>
<td>None</td>
<td>Tree cutting to be avoided through careful placement of facilities in the complex</td>
</tr>
<tr>
<td>I B</td>
<td>Water supply (borehole 2 and transmission main)</td>
<td>None</td>
<td>Land for borehole 2 and strip required for transmission main belongs to VDC</td>
</tr>
<tr>
<td>II</td>
<td>Sanitation: septage disposal site</td>
<td>None</td>
<td>400 sq. m of government land in Ramdhuni community forest</td>
</tr>
</tbody>
</table>

17. Through implementation of the Environmental Management Plan (EMP), contractors are required to maintain access to shops to avoid and limit the disturbance to the extent possible, and mitigation measures incorporated into their contracts and monitored by the design supervision consultants. Temporary economic impacts to businesses along the pipe routes will be avoided and/or mitigated through careful planning of the timing of implementation of works on major roads (e.g. if traffic on the national highway is less at night, night works will be proposed for the same), good traffic management planning and implementation, and maintaining access to shops during the construction period as outlined in the EMP.

18. The following mitigation measures are proposed to compensate for the permanent loss of income and avoid and/or reduce the impacts to businesses and residents during linear works: (i) provision of compensation, training and employment opportunity to the vulnerable people; (ii) provision of advance notice to community, (iii) conducting awareness campaigns, (iv) maintaining access by providing planks and leaving spaces to avoid disturbance to residents and businesses, (v) managing traffic flows as per the traffic management plan prepared by the contractor in coordination with local authorities and communities, (vi) limiting the amount of time of open trenches, (vii) placing telephone hotlines in signs on visible areas, (viii) making the community fully aware of the grievance redress mechanism, (ix) providing contact information of the PISU, DWSSDO and PMO offices, and (x) providing assistance to vendors and hawkers in shifting to alternative nearby locations.

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4 The Design, Supervision and Management Consultant (DSMC) will be responsible for construction supervision.
5 Traffic management plans will be developed by the Contractor (approved by the DSMC) for congested road segments in the town core during the implementation period.
6 To ensure disturbance is minimized to the extent possible, contractors will be required to expedite works in business areas, provide pedestrian planks across trenches, manage traffic flows, etc.
III. SOCIOECONOMIC INFORMATION AND PROFILE

A. Profile of Affected Persons

19. During the field visits, one encroacher and her family (female headed household) were found to be affected due to selection of the Devisthan temple land for the OHT, WTP complex. The household is a victim of Kosi floods and possesses no land; they are squatters and have constructed a house on land occupied by them, adjacent to the temple land. The major occupation of the household is remittances from their family working in foreign countries. All the three male members of the family have gone to foreign countries in search of employment. The household head Mrs. Subedi informed that she has been cultivating the land of the temple adjoining her house and earns Rs 5,000 from two crops a year. None of the family members living there have employment outside the home. Six out of eight family members are literate, having education up to class 10. Table 2 summarizes the socio economic profile of the affected household: It is evident that the family is a low-income household, just above the official poverty line. Discussions with family members of the affected household indicated their willingness to participate in the project. The affected family will get benefits from a regular job to be offered by the WUSC for one member of the household in Mahendranagar to ensure that the family will not become worse off from losing their access to the affected temple land. Further discussions helped identify that skill levels of household members are limited to bill collection on behalf of WUSC and guarding the WTP complex/property.

Table 2: Socio-economic profile of Affected Persons

<table>
<thead>
<tr>
<th>Affected Household Name</th>
<th>Affected type</th>
<th>HH size/gender</th>
<th>Age group</th>
<th>Occupation/income source</th>
<th>Annual income (NPR)</th>
<th>Affected income (NPR per annum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yangya Maya (encroacher)</td>
<td>Loss of income from agriculture</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>X</td>
</tr>
</tbody>
</table>

Source: Survey of AP, February 2014
Note: Three male members of the family (Mrs. Subedi’s sons) are employed abroad and send remittances.

20. Reconnaissance surveys of all roads in proposed project coverage area revealed that survey of businesses would not be required in Mahendranagar. None of the shops/businesses would suffer income loss, negating the need for business survey/preparation of their socio-economic profile.

IV. INFORMATION DISCLOSURE, CONSULTATION, AND PARTICIPATION

A. Public Consultation

21. As part of the PPTA, consultations were undertaken with key stakeholders in line with ADB’s requirements pertaining to environment and social considerations. Tools used for consultation were stakeholder meetings, interviews, Focus Group Discussions (FGD). During project preparation, 3 FGDs were held with 31 participants (WUSC members, local politicians, beneficiaries, poor people, affected persons, including men and women) at or around project sites in Mahendranagar to understand their key concerns related to the project. The involvement
of poor in the drinking water scheme was also discussed. Key concerns recorded were: who would manage common facilities and how, connection charges, tariffs, affordability and availability of employment opportunities for project affected persons. Almost all participants were in favour of the project as presently, water from tube wells is not good quality and they understood that all residents of Mahendranagar would benefit from the project and therefore expressed willingness to bear the cost by themselves.

22. Field visits were made to all proposed pipeline alignments and the potential impacts and mitigation measures were discussed. These consultations helped identify the felt needs/concerns of the communities related to the project and priorities of relevant stakeholders. Appendix 7, Due Diligence Report, provides the summary of public consultations held.

23. Reconnaissance surveys were conducted all along proposed pipeline alignments to identify the need for surveys and inventories and none were found. Consultations were held with local people, affected persons in the vicinity of WTP/OHT/borewell complex, WUSC members, etc., with whom the project’s social safeguards policy and potential issues were discussed. These consultations helped identify the felt needs/concerns of the communities related to the project and priorities of relevant stakeholders.

B. Information Disclosure

24. To provide for more transparency in planning and for further active involvement of displaced persons and other stakeholders, project information will be disseminated through disclosure of the translated versions of the resettlement planning documents in Nepali as well as English. The information will also be made available at public places including the offices of WUSC, PMO, RPMO and VDC offices. Project signboards shall be put up at strategic locations in the project area. Appendix 2 provides a draft leaflet for project information disclosure. A copy of the Resettlement Plan will be disclosed on the ADB, MUD/DWSS and project related websites and will also be available from the PMO and RPMO on request.

C. Continued Consultation and Participation

25. The PMO, WUSC and RPMO will extend and expand the consultation and disclosure process post detailed design and during the construction period. The project management pool of consultants and design, supervision and management consultants (DSMC) will be recruited, which will also conduct training and public awareness campaign during project implementation. A consultation and participation plan is prepared for the project; ongoing consultation activities will be coordinated by the PMO assisted by PMC, RPMO and WUSC assisted by design, supervision and management consultants (DSMC) to ensure that the communities in project areas are fully aware of project activities at all stages of construction. Community groups will be consulted and made aware of the civil works and project activities prior to construction.

V. GRIEVANCE REDRESS MECHANISM

A. Purpose of the Grievance Redress Mechanism

26. A project-specific grievance redress mechanism (GRM) will be established to receive, evaluate, and facilitate the resolution of APs’ concerns, complaints, and grievances related to social and environmental issues of the project. The GRM will aim to provide a time-bound and transparent mechanism to voice and resolve social and environmental concerns linked to the project.
27. A common GRM will be in place for social, environmental, or any other grievances related to the project. The GRM will provide an accessible forum for receiving and facilitating resolution of affected persons’ grievances related to the project. Appendix 8 has the sample grievance registration form. Every grievance shall be registered and careful documentation of process with regard to each grievance undertaken, as explained below. The environmental and social safeguards expert of DSMC will support the RPMO SDO and Regional, and to address grievances and indicating appropriate persons whose responsibilities for timely grievance redress on environmental and social safeguards issues. The Social Development Officer at the Regional Project Management Office (RPMO) will be the focal person for facilitating the grievance redress at VDC/Municipality level.

28. A town-level public awareness campaign will be conducted to ensure that awareness on the project and its grievance redress procedures is generated. The social safeguards expert of the project management consultant (PMC) and DSMC’s safeguards specialists will support the WUSC and DSMC community mobilisers with information/collateral/awareness material etc. to conduct the town-wide awareness campaign. The campaign will ensure that the poor, vulnerable and others are made aware of grievance redress procedures and project’s entitlements.

29. A Grievance Redress Committee (GRC) will be formed at VDC/Municipality level, comprising District Chief WSS as Chairperson and Member of Secretary of concerned WUSC as the GRC secretary. The GRC members will comprise of (1) RPMO social development officer, (2) representatives of affected persons, (3) DSMC’s safeguards specialist (social/environment as relevant), (4) a representative of reputable CBO/SHG/organisation working in the project area\(^7\), and (5) contractor’s representative. The secretary of the GRC, who will be responsible for convening timely meetings and maintaining minutes of meetings. The concerned social safeguards expert of DSMC will support the RPMO SDO and Regional Director DWSS to ensure that grievances, including those of the poor and vulnerable are addressed. All GRCs shall have at least two women committee members. Representatives of APs, civil society and eminent citizens are to be invited as observers in GRC meetings.

30. The functions of the local GRC are as follows: (i) provide support to affected persons on problems arising from environmental or social disruption; asset acquisition (if necessary); and eligibility for entitlements, compensation and assistance; (ii) record grievances of affected persons, categorize and prioritize them and provide solutions within 15 days of receipt of complaint by WUSC; and (iii) ensure feedback to the aggrieved parties about developments regarding their grievances and decisions of the GRC. The grievance redress mechanism and procedure is depicted in Figure 1.

31. The GRM for the project is outlined below, with each step having time-bound schedules and responsible persons to address grievances and indicating appropriate persons whose advice is to be sought at each stage, as required:

(i) **First Level of GRM** (WUSC-level): The first level and most accessible and immediate venue for quick resolution of grievances will be the contractors, DSMC field engineers and PIU supervision personnel, who will immediately inform the WUSC. Any person with a grievance related to the project works can contact the Project to file a complaint. The WUSC will document the

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\(^7\) If the complaints are related with IP/dalits/other vulnerable groups, specific NGO/CBO that actively involved in development of these communities should be involved.
complaint within 24 hours of receipt of complaint in the field, and WUSC will immediately address and resolve the issue at field-level with the contractor, supervision personnel of PIU and DSMC field engineers within 5 days of receipt of a complaint/grievance. The assigned DSMC social mobilizer will be responsible to fully document: (i) name of the person, (ii) date of complaint received, (iii) nature of complaint, (iv) location, and (v) how the complaint was resolved. If the complaint remains unresolved at the local level within 5 days, the WUSC will forward the complaint issue to the VDC/Municipality level GRM.

(ii) Second Level of GRM (VDC/Municipality level): The complainant will be notified by the WUSC that the grievance is forwarded to the VDC/Municipality-level GRM. The Grievance Redress Committee (GRC) will be called for a meeting. The GRC meeting will be called and chaired by the District chief of WSS. The GRC will recommend corrective measures at the field level and assign clear responsibilities for implementing its decision within 10 days of receipt of complaint by WUSC. If the grievance remains unresolved within 10 days of receipt of complaint by WUSC, the matter will be referred to the third level. The RPMO SDO will be responsible for processing and placing all papers before the GRC, recording decisions, issuing minutes of the meetings and taking follow-up action to see that formal orders are issued and the decisions carried out.

(iii) Third Level of GRM (PMO Level): Any unresolved or major issues at Municipality/VDC level will be referred to the PMO for final solution. The PMO’s Project Director and WUSC Union representative will have special meeting to find solution. Decision has to be made within 15 days of receipt of complaint by WUSC. The Project Director will sign off on all grievances received by the PMO. The environmental and social safeguards officers (ESO & SSO) will be involved with support from the PMC Social/Environment Safeguards Experts. The Project Director will sign off on all grievances received by the PMO. The PMO Safeguard Officer will be responsible to convey the final decision to the complainant.

32. All paperwork (details of grievances) needs to be completed by the WUSC member secretary and circulated to the WUSC Chairperson and members. At VDC/Municipality level, the RPMO SDO will be responsible for circulation of grievances to the Regional Director, DWSS and other GRC members, prior to the scheduled meetings. The RPMO SDO will be responsible for follow-through of all escalated grievances. All decisions taken by the GRC and PSC will be communicated to the APs by the PIU social development and safeguards officer.

33. Despite the project GRM, an aggrieved person shall have access to the country’s legal system at any stage, and accessing the country’s legal system can run parallel to accessing the GRM and is not dependent on the negative outcome of the GRM.

34. In the event that the established GRM is not in a position to resolve the issue, the affected person also can use the ADB Accountability Mechanism (AM) through directly contacting (in writing) the Complaint Receiving Officer (CRO) at ADB headquarters or the ADB Nepal Resident Mission. The complaint can be submitted in any of the official languages of ADB’s DMCs. The ADB Accountability Mechanism information will be included in the PID to be distributed to the affected communities, as part of the project GRM.
35. **Record keeping and disclosure.** Records at the town-level will be kept by the concerned WUSC Member Secretary, of all grievances received, including contact details of complainant, date the complaint was received, nature of grievance, agreed corrective actions and the date of the incident and final outcome. The number of grievances recorded and resolved and the outcomes will be displayed/disclosed in the PMO office, WUSC/municipal/VDC office, and on the web, as well as reported in the safeguards monitoring reports submitted to ADB on a semi-annual basis. For any grievance escalated to RPMO/VDC/Municipality level, the RPMO SDO will be responsible for record-keeping, calling of GRC meetings and timely sharing of information with WUSC. For grievances escalated to PMO and above, the PMO safeguard officers will be responsible for maintenance of records, sending copies to RPMO and WUSC for timely sharing of information with the person filing complaint.

36. **Periodic review and documentation of lessons learned.** The PMO social safeguard officer will periodically review the functioning of the GRM at WUSC level and VDC/municipality level and record information on the effectiveness of the mechanism, especially on the project’s ability to prevent and address grievances. Indicators pertaining to grievance redress (no. of grievances received, no. redressed/resolved to be reported by Member Secretary, WUSC to RPMO SDO, and by RPMO SDO to PMO ESO in monthly progress reports.

37. **Costs.** All costs involved in resolving the complaints (meetings, consultations, communication and reporting/information dissemination) at local (field/ward/town) level will be borne by the concerned focal organisations at each level: WUSC at town level; RPMO at regional level and PMO at central level. Cost estimates for grievance redress are included in resettlement cost estimates.
VI. POLICY AND LEGAL FRAMEWORK

38. **ADB Safeguards Policy Statement (2009).** The three important elements of the ADB’s Safeguards Policy Statement (SPS) are (i) compensation to replace lost assets, livelihood, and income; (ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services; and (iii) assistance for rehabilitation to achieve at least the same standard of living with the project as without it. In addition, the absence of legal title to land should not be a bar to compensation. ADB SPS requires compensation prior to actual income loss. In cases where the contractors know which streets will be closed and for how long, compensation is to be paid out to the affected businesses prior to construction.

39. **Government of Nepal Laws and Policies.** This draft resettlement plan is prepared based on applicable legal and policy frameworks of the government, namely the Land Acquisition Act (LAA), 1977 and its subsequent amendment in 1993 and ADB’s Safeguards Policy Statement (SPS), 2009. The Resettlement Framework for the third STWSSSP specifies that in case of discrepancy between the policies of ADB and the government, ADB policy will prevail.

40. **LAA does not cover non-titleholders,** such as encroachers, informal settler/squatters, occupiers, and informal tenants and leaseholders without documents. LAA also does not provide for replacement cost of the property acquired, and has no provision for resettlement assistance for restoration of livelihoods of displaced persons, except for legal compensation for land and structures. Gaps between national law and ADB’s SPS were identified, and bridging measures included in the entitlement matrix for the project. ADB’s SPS applies to all ADB-financed and/or ADB-administered sovereign projects and their components, regardless of the source of financing, including investment projects funded by a loan, a grant, or other means. The draft resettlement plan and Entitlement Matrix therein represents a uniform document agreed upon by both the Government of Nepal (GoN) and ADB to ensure compliance with their respective rules and policies. Appendix 4 provides a comparison of GoN and ADB SPS policy principles and provides a gap analysis.

VII. ENTITLEMENTS, ASSISTANCE AND BENEFITS

A. Types of Losses and Affected Person (AP) Category

41. The types of losses—permanent or temporary, total or partial due to the project include (i) potential loss of crops; (ii) loss of agriculture-based livelihood; (iii) potential restriction of use of CPR (temple land) in future.

42. According to SPS 2009 of ADB in the context of involuntary resettlement Affected Persons (APs) are those who are physically relocated, or lose residential land, or shelter and/or economically displaced (with loss of structures, assets, access to assets, income sources, or means of livelihood). The absence of formal and legal title to the land should not prevent the affected person to receive compensation and resettlement assistance from the project.

43. The following categories of APs are likely to be impacted due to the implementation of the project:

(i) APs who are party to sharecrop arrangements and may be affected by crop loss;

(ii) APs who are likely to face permanent loss of agriculture-based livelihood;
(iii) Vulnerable APs – APs included in any of the above categories who are defined as low-income people or physically or socially challenged and without title to land, female-headed households, vulnerable IP (janjati/adivasi), or ethnic/religious minority.

(iv) User community losing access to common property resources

B. Principles, Legal, and Policy Commitments

44. The RP has the following specific principles based on the government provisions and ADB policy:

(i) The land acquisition and resettlement impacts on persons displaced by the project would be avoided or minimized as much as possible through alternate design/engineering options.

(ii) Where the negative impacts are unavoidable, the persons displaced by the project and vulnerable groups will be identified and assisted in improving or regaining their standard of living.

(iii) Information related to the preparation and implementation of RP will be disclosed to all stakeholders, and people’s participation will be ensured in planning and implementation. The RP will be disclosed to the DPs in local language.

(iv) The displaced persons who do not own land or other properties, but have economic interests or lose their livelihoods, will be assisted as per the broad principles described in the entitlement matrix of this document.

(v) Before starting civil works, compensation and resettlement and rehabilitation (R&R) assistance will be paid in full in accordance with the provisions described in this document.

(vi) An entitlement matrix for different categories of people displaced by the project has been prepared. People moving into the project area after the cut-off date will not be entitled to any assistance.

(vii) For non-titleholders such as informal settlers/squatters and encroachers, the date of completion of survey during detailed design will be the cut-off date, which will be declared by the EA.

(viii) Appropriate grievance redress mechanisms will be established to ensure speedy resolution of disputes.

(ix) All activities related to resettlement planning, implementation, and monitoring will ensure the involvement of women and other vulnerable groups.

(x) Consultations with the APs will continue during the implementation of resettlement and rehabilitation works.

(xi) There should be a clause in the contract agreement that the construction contractor will compensate any loss or damage in connection with collection and transportation of borrow materials.

45. In accordance with the entitlement matrix suggested for the project, all displaced households and persons will be entitled to a combination of compensation packages and resettlement assistance, depending on the nature of ownership rights on lost assets, scope of the impacts including socioeconomic vulnerability of the displaced persons, and measures to support livelihood restoration if livelihood impacts are envisaged. The displaced persons will be entitled to (i) compensation for loss of land at the replacement cost; (ii) compensation for loss of structures (residential/commercial) and other immovable assets at their replacement cost (without counting the depreciation value); (iii) compensation for loss of business/wage income; (iv) assistance for shifting of structure; (v) rebuilding and/or restoration of community
resources/facilities; (vi) livelihood/ transitional cash assistance for 6 months for all physically displaced persons at official minimum wage of the appropriate AP’s occupation for each head of the affected family.
<table>
<thead>
<tr>
<th>Type of Loss</th>
<th>Specification</th>
<th>Eligibility</th>
<th>Entitlements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME RESTORATION</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Crops                                           | Affected crops                                                                | Cultivator                                                                  | • Cash compensation at current market rate proportionate to size of lost plot for 1 year’s future harvests, based on crop/fish stocks type and highest average yield over past 3 years  
• Residual harvest can be taken away without any deduction  
• Parties to sharecrop arrangement              |                                                                              |                                                                              |
| Permanent loss of agriculture-based livelihood  | Full loss of viable agricultural land without availability of alternative land | Owner, lessee, sharecrop tenant, non-titled land user | • Provision of retraining, job placement  
• Included in the project livelihood restoration and rehabilitation program  
• Financial grants and/or microcredit access for livelihood investment as well as organizational/logistical support to establish an alternative income generation activity @ Rs.35,000/HH |                                                                              |                                                                              |
| **COMMON RESOURCES, PUBLIC SERVICES AND FACILITIES** |                                                                               |                                                                              |                                                                                                                                                                                                           |
| Loss of common resources, public services and facilities | footbridges, roads, footpaths, culverts, places of worship, educational institutions, common water points/connections, public/community toilets, community spaces, playgrounds etc. | Service provider | • Full restoration at original site or reestablishment at relocation site of lost common resources, public services and facilities, including replacement of related land and relocation of structures according to provisions under Sections 1 and 2 of this entitlement matrix; and one time grant fund for the CPR committee and management  
• Construction of additional community facilities and restoration of existing facilities in the original site/remaining part of site. |                                                                              |                                                                              |
| **SPECIAL PROVISIONS**                          |                                                                               |                                                                              |                                                                                                                                                                                                           |
| Vulnerable Aps                                  | Loss of land, structure, and/or employment (in all project locations)         | All vulnerable APs                                                          | • Assistance in identification and purchase or rental of new plot/structure through microcredit scheme  
• Assistance with administrative process of land transfer, property title, cadastral mapping, and preparation of compensation agreements  
• Provision of livelihood training, job placement  
• Included in the project livelihood restoration and rehabilitation program  
• Financial grants and/or microcredit access for livelihood investment as well as organizational/logistical support to establish an alternative income generation activity  
• Subsistence allowance of minimum of 12 months of official minimum wage  
• Preferential selection for project-related employment |                                                                              |                                                                              |
| Other impacts                                   | Unanticipated impacts and negotiated changes to entitlements                  | All APs                                                                     | • To be determined in accordance with the IR safeguards requirements of the ADB SPS and project resettlement framework  
• Project RP to be updated and disclosed on ADB website  
• Standards of the entitlement matrix of the RP not to be lowered |                                                                              |                                                                              |
VIII. COMPENSATION MECHANISM

46. The project will ensure that the properties (structure and non-structure assets) to be displaced for the project will be compensated at their full replacement cost. The principle for determining valuation and compensation for assets, incomes, and livelihoods is replacing the loss of affected assets and restoring the loss of income and workdays experienced by the displaced households. Livelihood rehabilitation assistance will target poor and vulnerable households.

47. This RP ensures compensation at replacement cost for all the displaced people /affected people (AP) of the project. Non-titleholders who are not covered by LAA will receive compensation from the project directly. Resettlement assistance as indicated in this RP will be provided by the project with support from the RPMO and DSMC. The DSMC social mobilisers will assist the affected person in opening an account in the case the affected person does not have one.

A. Replacement Value for Immovable Property

48. The valuation measures to be taken by the WUSCs are as follows:

(i) **Seasonal Crops.** If notice for harvest of standing seasonal crops cannot be given then valuation of lost standing crop at market value will be made. Besides, valuation of for loss of standing crop for one addition year will be made and compensation for that will be paid for both permanent and temporary loss of agricultural crops. Department of Agriculture at district level will determine the valuation of crops.

B. Valuation of Other Assets

49. Compensation for the assets attached with land such as (wells, irrigation units, etc.) will be based on Replacement Cost, estimated through detailed market surveys. Displaced Persons will be given right to take all movable assets attached with land, such as irrigation pump sets, etc.

50. Apart from compensation for land, trees, crops, structures and other assets, assistance for loss of income and livelihood, will also be paid to the DPs as per Entitlement Matrix. All compensation and resettlement assistances will be paid to the entitled DPs prior to commencement of civil works. If any loan taken on such land/properties remains unadjusted the balance amount of loan will be deducted from the total compensation.

C. Income Restoration

51. The objective of income restoration activities is to ensure that no DP shall become worse off compared to pre-project status due to project. Accordingly, the Entitlement Matrix has the following provisions:

(i) In the context of losses faced by the affected FHH, specific assistance proposed includes crop compensation, livelihood training and job placement in project-related job for 1 member of household.
52. Those eligible for medium-term income restoration activities which include skill development training based on need include instances where no replacement land is available to continue livelihood activity (including sharecroppers, tenant farmers), those losing main source of livelihood, and vulnerable people.

53. Where necessary, training may include capacity building, enterprise training, and facilitating economic activities and training for self-employment. Training would be given by an identified training institute/agency/local resource persons for skill development and candidates assisted with finding jobs or setting up businesses. Training will be imparted to any willing and able member of the household.

54. During the construction stage the APs, especially vulnerable APs and women, will be given preference over others for employment in project-related activities commensurate with their skills. In order to make the APs employable in project-related work, the DSMC will identify the required skills for construction and O&M activities and provide the required training to the APs. The contract document for the project shall include a provision for employment under the social requirements. Accordingly, the list of AP names, especially the severely affected APs and vulnerable groups will be identified by the community who will be facilitated by DSMC social mobilisers, verified by the social safeguard expert in PM pool and DSMC social safeguard specialist, for consideration in the project.

55. Ensuring there is no income or access loss during sub-project construction is the responsibility of contractors. Consistent with the Environmental Management Plan, contractors will ensure access is maintained by making sure that space is left for access between mounds of soil, walkways and metal sheets provided to maintain access across trenches for people and vehicles where required, increased workforce is available to finish work in areas with impacts on access, timing of works is such that it reduces disruption during business hours and periods of peak business activities e.g. festivals, phased construction schedule is followed and work undertaken on one segment at a time and one side of a road at a time. Compensation and assistance to APs must be provided prior to start of civil works.

IX. RESETTLEMENT BUDGET AND FINANCING PLAN

A. Resettlement Costs

56. The resettlement cost estimate (Table 4) includes surveys for RP updation, loss of income from the land used, special assistance to the vulnerable household, registration fees and yearly taxes on land identified/required for the project, consultation, communication and grievance redress costs. These costs will be borne by WUSCs and counterpart funds, as indicated item-wise in the table below.

57. Personnel costs, cost of training safeguards personnel of PMO, RPMO, DSMC field staff and field staff and supervisors of Contractor, and contingencies to cover damages to government/private property will be under separate project cost.

<table>
<thead>
<tr>
<th>S.No</th>
<th>Quantity</th>
<th>Unit</th>
<th>Cost/Unit</th>
<th>NPR</th>
<th>Remarks</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>RP updation</td>
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<td></td>
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<td>Counterpart funds</td>
</tr>
<tr>
<td></td>
<td>Surveys (DMS, Census)</td>
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</tr>
<tr>
<td>S.No</td>
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<td>Quantity</td>
<td>Unit</td>
<td>Cost/Unit</td>
<td>NPR</td>
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<td>------</td>
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<td>------</td>
</tr>
<tr>
<td>2</td>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Compensation for loss of crops*</td>
<td>1</td>
<td></td>
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<td>Livelihood training and assistance for job placement#</td>
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<tr>
<td></td>
<td>Subsistence allowance for vulnerable (widow/female headed and BPL)</td>
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<td>12 months minimum daily wage equivalent</td>
<td>3000</td>
<td>36,000</td>
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<td>Additional community facilities and restoration of existing facilities @</td>
<td>144</td>
<td>Sft</td>
<td>1000</td>
<td>13,83,000</td>
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<tr>
<td></td>
<td>Improvements to existing temple</td>
<td>130</td>
<td>Ft</td>
<td>300</td>
<td>3000</td>
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<tr>
<td></td>
<td>Boundary wall and gate</td>
<td>400</td>
<td>sft</td>
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<td></td>
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<tr>
<td></td>
<td>Community hall including 2 toilets</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Consultation, communication and grievance redress</td>
<td></td>
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<tr>
<td></td>
<td><strong>sub-total</strong></td>
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<tr>
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<td>Total</td>
<td></td>
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<td>19,82,600</td>
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</tbody>
</table>

Note:
* Compensation for loss of crops on the Devisthan Temple land.
** The affected household head is a widow, female head of household
# Family member of the affected FHH is interested in project related employment and undergoing training in finance and accounts. Such training and job placement is the preferred option of the affected household.
@ Based on discussions with project engineers on prevalent market rates

X. IMPLEMENTATION ARRANGEMENTS

58. Executing and Implementing Agencies. At the national level, the Ministry of Urban Development (MUD) will be the Executing Agency (EA) with responsibility for subproject execution delegated to Department of Water Supply and Sewerage (DWSS). A PMO will be established in DWSS.

59. WSS will have overall responsibility for resettlement activity under the Project, which includes ensuring compensation paid to all APs prior to the award of civil contracts. Actual responsibilities for safeguards will lie in the Project Management Office (PMO) within DWSS to manage and ensure RP preparation and implementation.

60. Project Management Office. The PMO will be staffed with a social safeguards officer (SSO) who will receive support from social safeguards expert (SSE) on the project management pool of consultants as well as the social safeguards specialist (SSS) of the DSMC. Key tasks and responsibilities of the PMO SSO on Involuntary Resettlement safeguards are as follows: (i) Confirm and review final RPs and that new RPs are prepared in accordance with the RF; (ii) Provide oversight on social safeguards aspects (avoidance and mitigation of impacts) of subprojects and ensure RPs are implemented on time by WUSC, Regional Project Management Offices (RPMO) and contractors; (iii) Establish a system to monitor social safeguards and gender aspects of the project including monitoring the indicators set out in the monitoring plan of RP; (iv) Facilitate and confirm overall compliance with project policy related to entitlements and compensation, as relevant; (v) Establish and implement the project GRM; monitor the activities...
of regional-level GRCs; (vi) Ensure that WUSCs pay all due compensation and assistance/allowances as per the RP prior to the award of civil contracts. (vii) Review, monitor and evaluate the effectiveness with which the RPs are implemented, and recommend necessary corrective actions to be taken as necessary; (viii) Consolidate monthly social safeguards monitoring reports from RPMOs and submit semi-annual monitoring reports to ADB; (ix) Ensure consultations with the affected people and timely disclosure of final RPs in locations and form accessible to the public; and (x) Address any grievances brought about through the Grievance Redress Mechanism in a timely manner.

61. **Regional Project Management Office (2):** Two Regional Offices of DWSS (East and West) will be the regional Project offices, which will carry out procurement and contract management with support from PMO. The RPMOs will depute required supervision personnel in the towns, who will be supported by design, supervision and management consultants (DSMC) field engineers. The Social Development Officers (SDO, 2) in the respective RPMOs will: (a) be responsible for extending support and assistance in RP updating, preparation and implementation; (b) act as the focal point for the Grievance Redress Committee, responsible for calling GRC meetings, prior provision of information on issues to be discussed at GRC meetings to all GRC members and invitees, record of GRC meetings, follow-ups for decisions, record of escalated grievances to PMO and information dissemination to WUSC and complainants/APs; (c) monitoring of resettlement activity at town/WUSC level, (d) monitoring of GESI implementation; (e) monitoring of implementation of the project framework for inclusion of the poor and vulnerable, and (f) guidance to the WUSCs and DSMC social mobilisers in awareness generation and information dissemination regarding the project and resettlement activity. The RPMO SDO will be assisted by the WUSC member secretary in activities pertaining to grievance redress, and by the DSMC social mobilisers in all other resettlement, gender, poverty-targeting and inclusion activities and awareness generation.

62. The participating WUSCs will be supported by DSMC social safeguards specialist and DSMC social mobilisers. At the local level, WUSCs will work closely with the design and supervision consultants during design/RP preparation or updating stage, in identifying APs and alternative sites and reviewing the ownership status of such sites. WUSC will be responsible for procurement of suitable land for project-related works. When plot owners decide to negotiate directly with WUSC, WUSC will come to mutual agreement for land compensation and deliver all payments and assistance/allowances to APs (titled, non-titled, and vulnerable) as per the RP prior to award of civil works contract. WUSC will be responsible for RP implementation at local level. In the case of land donation or negotiated purchase, WUSC will be responsible for appointment of third party, as per RF. WUSC will take corrective actions when necessary to ensure avoidance/minimization of IR impacts. WUSC will implement the local level project awareness campaign with the assistance of DSMC. It will disclose the project GRM to the affected communities; and address any grievances brought about through the project’s Grievance Redress Mechanism in a timely manner.

63. WUSCs will involve Village Development Committees (VDCs) and municipalities, the urban local bodies, in the dissemination of RF and RPs to the public and seek any necessary support from them during RP implementation.

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8 The WUSC will engage an independent third party (a party from the locality, with no direct interest in the negotiation process, who could be senior official of the local self-government, a leader of the community, NGO/CBO) in consultation with PIU. The independent third party will keep a record of meetings, prepare minutes of meetings and be prepared to submit those if required. The minutes of the meetings will be recorded to maintain transparency and will be sent with a note on negotiated land price to PMO. The independent third party should ensure that balanced information is provided to both parties on the value of the affected land.
64. **Project management pool of consultants.** The project management pool of advisory consultants will have a social safeguards expert (SSE). The SSE will assist the PMO to implement and manage safeguards requirements and policy compliance of the project. The SSE will implement the capacity building program for PMO, PIUs, project staff and contractors involved in project implementation on (a) ADB SPS (2009) and approved RF, (b) National law on involuntary resettlement (LAA, 1982) and other relevant regulations (c) core labor standards, (d) the roles of PMU, PIU and contractors on the project’s GRM, public relations and ongoing consultations. The TOR of the SSE is provided in Appendix 9.

65. **Design, supervision and management consultants (DSMC).** The two DSMCs will have one Social Safeguards Specialist each at the RPMOs. The TOR of the DSMC SSS is provided in Appendix 9. The DSMC SSS will be supported by a team of social mobilisers; TOR for social mobilisers is also provided in Appendix 9.

66. **Civil works contracts and contractors.** The contractor will be required to designate a resettlement supervisor to (i) ensure compliance with RP and RF during civil works, to (ii) carry out all mitigation and monitoring measures such as rebuilding of damaged structures/private property outlined in their contract, (iii) to register all grievances received by the contractor’s field personnel and notify the DSMC social mobiliser about the same; (iii) resolve minor grievances and complaints received from people in consultation with the WUSC or DSMC social mobiliser.

67. The government will ensure that bidding and contract documents include specific provisions requiring contractors to comply with all: (i) applicable labor laws and core labor standards on (a) prohibition of child labor as defined in national legislation for construction and maintenance activities, on (b) equal pay for equal work of equal value regardless of gender, ethnicity or caste, and on (c) elimination of forced labor; and (ii) the requirement to disseminate information on sexually transmitted diseases including HIV/AIDS to employees and local communities surrounding the project sites.

### Table 5: Institutional Roles and Responsibilities for Safeguards Implementation

<table>
<thead>
<tr>
<th>Activities</th>
<th>Agency Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review / update RP based on detailed design, field inspections, AP census, DMS and consultation with affected persons immediately before start of construction</td>
<td>DSMC SSS</td>
</tr>
<tr>
<td>Review of updated RP and send to ADB for approval prior to construction</td>
<td>PMO SSO, PM SSE</td>
</tr>
<tr>
<td>Clearance and disclosure of updated safeguard documents on website, notice boards and affected people</td>
<td>MUD/DWSS, PMO, RPMO, VDCs, WUSCs, ADB</td>
</tr>
<tr>
<td>Identification of roads for full or partial closure, existing utilities, road conditions, based on detailed design</td>
<td>RPMO, DSMC, Contractor</td>
</tr>
<tr>
<td>Transect walks through identified road stretches for full or partial closure, to identify potential impacts</td>
<td>DSMC SSS, social mobilisers; WUSC, Contractor</td>
</tr>
<tr>
<td>Design/implementation of Detailed Measurement Survey (DMS) at locations/road stretches where potential impacts identified; Identification of poor and vulnerable APs</td>
<td>DSMC SSS, social mobilisers, community representatives, WUSC,</td>
</tr>
<tr>
<td>Conducting focus group discussions/meetings/consultations/workshops during DMS survey</td>
<td>DSMC SSS, social mobilisers, WUSC</td>
</tr>
<tr>
<td>Computation of entitlements</td>
<td>DSMC SSS, PMO SSO, PM SSE</td>
</tr>
<tr>
<td>Categorization of APs for finalizing entitlements</td>
<td>DSMC SSS and social mobilisers, PMC, PMO SSO, PM SSE</td>
</tr>
<tr>
<td>Finalizing entitlements and rehabilitation packages for all APs</td>
<td>DSMC SSS; SSE, PMO SSO</td>
</tr>
<tr>
<td>Disclosure of proposed project, social/environmental impacts, proposed entitlements / mitigation measures in local language</td>
<td>DSMC SSS, WUSC, PMO SSO, PM SSE</td>
</tr>
<tr>
<td>Disclosure of grievance redress mechanism/process</td>
<td>DSMC SSS, WUSC, PMO SSO, PM SSE</td>
</tr>
<tr>
<td>Activities</td>
<td>Agency Responsible</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Disclosure of final entitlements and rehabilitation packages</td>
<td>DSMC SSS, WUSC, PMO SSO, PM SSE</td>
</tr>
<tr>
<td>Delivery of entitlements/award of cheques</td>
<td>PMO SSO, RPMO SDO, WUSC, DSMC social mobilisers</td>
</tr>
<tr>
<td>Implementation of mitigation and rehabilitation measures</td>
<td>DSMC SSS and social mobilisers, Contractor</td>
</tr>
<tr>
<td>Consultations with APs during rehabilitation activities</td>
<td>DSMC SSS, social mobilisers, Contractor, RPMO</td>
</tr>
<tr>
<td>Grievance redressal</td>
<td>PMO SSO, RPMO SDO, Grievance Redressal Committee, SSE, DSMC SSS and social mobilisers, Contractor</td>
</tr>
<tr>
<td>Internal monitoring</td>
<td>RPMO SDO, DSMC SSS, PMO SSO, PM SSE</td>
</tr>
</tbody>
</table>

*Detailed Measurement Survey to be carried out to record and quantify resettlement impacts and entitled persons with precision. Appendix 5 provides a sample template for inventory of losses during DMS surveys.*

A. **Capacity Building**

68. The safeguards personnel of project consultants (SSE of project management pool, DSMC SSS, PMO SSO), contractor’s safeguards personnel and other key project related staff of PMO and RPMOs, will be oriented and trained by ADB on ADB safeguards policy and the approved project RF; RP preparation and updation process; monitoring, reporting and disclosure requirements, roles of different stakeholders in safeguards implementation and GRM, envisaged consultation and participation process, reporting and monitoring requirements, core labour standards for contractors, typical implementation issues, and lessons learnt in safeguards implementation in the first and second small towns water supply and sanitation projects. The key focus area of the training program will be ADB resettlement policy and principles and the training will focus on the differences between the provisions of the ADB policy and GoN laws, as the awareness of these differences and the need to follow the provisions of the ADB policy are critical for successful implementation of RPs.

69. The SSE of the project management pool of consultants, assisted by DSMC SSS will be responsible for development of a training program based on a capacity assessment of target participants (DSMC community mobilisers, contractor(s), WUSC members), and for implementation of the training program to build capabilities on resettlement policy, planning, mitigation measures and safeguards. These will be jointly conducted by the SSE and the DSMC SSS. Basic principles of resettlement planning, avoidance of IR impacts and minimisation measures with an emphasis on protection of the poor and vulnerable, access to project information and benefits by APs, grievance redress process and its importance, and monitoring shall be covered in the training.

70. Typical modules will be (i) sensitisation to social safeguards, gender and vulnerability issues, (ii) resettlement planning and typical issues in implementation, (iii) introduction to social safeguards policy, including ADB policy, GRM, entitlements, compensation and social safeguards monitoring requirements and mitigation measures; (iv) monitoring and reporting on RP implementation, including monitoring methods and tools (v) core labour standards, including equal pay for equal work etc. The suggested outline of the training program is presented in Table 6.
### Table 6: Indicative Capacity Building and Training Program

<table>
<thead>
<tr>
<th>Description</th>
<th>Contents</th>
<th>Schedule</th>
<th>Participants</th>
<th>Tentative Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program 1</strong>&lt;br&gt;Orientaion Workshop</td>
<td><strong>Module 1 – Orientation</strong>&lt;br&gt;ADB Safeguard Policy Statement&lt;br&gt;Government of Nepal policy&lt;br&gt;<strong>Module 2 – Social/Environmental Assessment and Resettlement Planning/IEE Process</strong>&lt;br&gt;ADB policy and process, identification of impacts and mitigation measures, RP/IEE preparation, implementation, and monitoring requirements. Incorporation of safeguards and gender into project design and contracts</td>
<td>1 day</td>
<td>MUD/DWSS officials involved in project implementation and monitoring, including GESI Unit of MUD, PMO, RPMO</td>
<td>Prior to start of implementation (within 1 month of appointment of Social Safeguards Expert of project management pool)</td>
</tr>
<tr>
<td><strong>Program 2</strong>&lt;br&gt;Workshop for Contractors and Supervisory staff</td>
<td>IR/environmental issues during construction Implementation of RP/IEE and GESI Monitoring of RP/IEE and GESI implementation Reporting Requirements</td>
<td>1 day</td>
<td>RPMO DSC social mobilisers Contractors</td>
<td>Prior to start of implementation</td>
</tr>
<tr>
<td><strong>Program 3</strong>&lt;br&gt;Experiences and Best Practices Sharing</td>
<td>Experiences on RP/IPDP/IEE and GESI implementation – Issues and Challenges - Best Practices followed</td>
<td>1 day on a regular period to be determined by PMO, RPMO and SSE PM</td>
<td>PMO RPMO Project management pool of consultants DSMC Contractors Department of Environment, Department of Forests, Social Welfare Council, NEDFIN, MUD/DWSS/GESI Unit representatives</td>
<td>Semi-annual; throughout project cycle.</td>
</tr>
</tbody>
</table>

Note: The above sessions will cover both environmental and social safeguards. Costs to be included in PMO costs.

### XI. IMPLEMENTATION SCHEDULE

71. The subproject components identified in Mahendranagar are to be implemented over a period of 2.5 years. The detailed design stage commenced in 2013; the design is expected to be completed and tendered out in June 2014. The construction period is expected to commence in Q4 2014 and will cover 24 months. The RP implementation schedule is shown in Figure 4.
<table>
<thead>
<tr>
<th>Activity</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establish PISU including SDSA at town level</td>
<td>May, Jun</td>
<td>Jan-Dec, Nov-Dec</td>
<td>Jan-Dec, Nov-Dec</td>
</tr>
<tr>
<td>Mobilise DSC safeguards personnel and community organisers at town level</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure PMC with safeguards personnel in place</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RP updation and finalisation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conduct Surveys as required for RP updation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Identification of Vulnerable APs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Update draft RP to reflect DMS survey</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consultations and disclosure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Review and approval (PMO, ADB)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training of PMO/PISU safeguards personnel &amp; DSC/PISU community mobilisers</td>
<td>May, Jun, Sep-Oct</td>
<td>Jan-Dec, Nov-Dec</td>
<td>Jan-Dec, Nov-Dec</td>
</tr>
<tr>
<td>Issuance of ID cards to affected persons</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issuance of notice to APs, as required</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensation prior to start of construction and assistance as required, including vulnerable APs*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Start of civil works</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal monitoring, including surveys of APs on entitlements, satisfaction surveys</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair/reconstruction of affected facilities, structures, utilities if any</td>
<td></td>
<td></td>
<td>Immediately, in co-ordination with other departments, as required</td>
</tr>
</tbody>
</table>

*Subject to additional conditions and requirements
72. RP implementation will be closely monitored to provide the PMO with an effective basis for assessing resettlement progress and identifying potential difficulties and problems. Monitoring will be undertaken by the SSE from project management pool of consultants and PMO SSO. Monitoring will involve administrative monitoring to ensure that implementation is on schedule and problems are dealt with on a timely basis; socio-economic monitoring during and after any resettlement impact utilizing baseline information established through the detailed measurement/census survey of APs proposed during RP updation, and overall monitoring. Monthly progress reports reporting status of RP implementation will be prepared by DSMC, and consolidated by the PMO SSO with the assistance of SSE. The EA will submit semi-annual monitoring reports to ADB for review and post all safeguard monitoring reports on ADB and MUD/DWSS website. A sample monitoring template is given in Appendix 6.
# APPENDIX 1: PROPOSED SUB-PROJECT COMPONENTS IN MAHENDRANAGAR, SUNSARI DISTRICT AND THEIR INVOLUNTARY RESETTLEMENT IMPACTS STATUS

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Components</th>
<th>Capacity</th>
<th>Unit (No.)</th>
<th>Length</th>
<th>IR Impacts</th>
<th>IP Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Storage tank (OHT)</td>
<td>RCC OHT 450 cum</td>
<td>1</td>
<td>6 katha 4 dhur (approx. 0.20 ha) land belonging to Devi temple (CPR) identified. Temple users have provided a minutes of meeting with 33 prominent people from community/temple users agreeing to provide land for water supply works. Potential future restriction of use of land assessed; to be compensated with improvements to temple and community facilities. Presently being cultivated (2 crops) by non-titleholders (WHH) living on adjacent property (Mrs. Yajna Maya Suvedi). Annual income loss of Rs. 5000 from affected land reported. Consultations held with affected family members (5 APs); 1 person from the HH proposed to be trained and employed in WUSC for O&amp;M. Crop compensation if applicable will be provided.</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Treatment unit</td>
<td>Chlorinate unit, iron removal plant -40 lps</td>
<td>1</td>
<td>Proposed in the same site as OHT, IR impacts same as above.</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Ground Clearwater reservoir</td>
<td>400 cum</td>
<td>1</td>
<td>Proposed in the same land as OHT. IR impacts same as above.</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Borehole 1</td>
<td>12/8&quot;</td>
<td>1</td>
<td>Proposed in the same land as OHT. IR impacts same as above.</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Office building</td>
<td>12/8&quot;</td>
<td>1</td>
<td>Proposed in the same land as OHT. IR impacts same as above.</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Operator / Guard house</td>
<td>12/8&quot;</td>
<td>2</td>
<td>Proposed in the same land as OHT. IR impacts same as above.</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Borehole 2</td>
<td>12/8&quot;</td>
<td>10</td>
<td>Vacant government (VDC) land close to WTP complex identified VDC to grant permission to WUSC for land and transmission main RoW.</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Valve chamber</td>
<td>12/8&quot;</td>
<td>10</td>
<td>Valve chambers likely to be constructed within excavated pipeline RoW, proposed along existing government roads.</td>
<td>No additional impacts on IPs other than temporary access disruptions.</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Washout chamber</td>
<td>12/8&quot;</td>
<td>4</td>
<td>Impacts indicated under distribution network</td>
<td>No additional impacts on IPs</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Transmission mains pipe</td>
<td>0.945 km</td>
<td>1</td>
<td>The transmission mains pipe will fetch raw water from borewell 2 to the WTP. Will pass through government land and Devisthan/WTP land. No IR impacts anticipated.</td>
<td>None anticipated as adjacent vacant government land selected</td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>Description</td>
<td>Quantity</td>
<td>Details</td>
<td>Additional Impacts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----</td>
<td>--------------------------------------</td>
<td>----------</td>
<td>---------------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Distribution (HDPE &amp; D1)</td>
<td></td>
<td>Pipelines proposed along roads owned by Department of Roads. Temporary impacts on traffic during construction anticipated in some places. Contractor to provide appropriate signages to minimize traffic disruptions. One pipe alignment proposed along existing abandoned railway line, which is under the Ministry of Physical Planning and Transport. RPMO will have to facilitate permission to WUSC, and/or, follow due process required by the Ministry of Physical Planning and Transport for use of proposed alignment section along abandoned railway track. Contractor will have to ensure access to shops and residences as per EMP provisions.</td>
<td>No additional impacts on IPs other than temporary access disruptions identified as IR impacts for all people in coverage area.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Household connections</td>
<td>5437</td>
<td>During construction period, access to residences and shops may be temporarily affected. Contractor will have to ensure access as per EMP provisions.</td>
<td>No additional impacts on IPs other than temporary access disruptions identified as IR impacts for all people in coverage area.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Private toilets</td>
<td>1757</td>
<td>No IR impacts assessed; toilets will be provided to people who have space available</td>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Septage disposal</td>
<td>400 sq. m</td>
<td>Proposed at Ramdhuni Community Forest (government land) on unused land</td>
<td>None</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX 2: DRAFT PROJECT INFORMATION DISCLOSURE LEAFLET

A. Background

1. The Small Towns Water Supply and Sanitation Sector Project (STWSSSP) is a key initiative of Government of Nepal aiming at improved water supply and sanitation services in small towns and emerging urban areas of Nepal. The third STWSSSP builds upon lessons learnt from implementation of the first and second STWSSP and aims to extend improved water supplies and sanitation to around 15 small towns / subprojects. Ten of these subprojects are newly identified, while others are held over from the previous projects. Remedial or extension works in towns previously covered by the first two projects are also candidate subprojects. The third STWSSSP aims to strengthen the overall effectiveness of project delivery with a particular focus on technical and financial aspects, at both national and local levels. Its envisaged outputs include: (i) improved water supply and sanitation infrastructure; (ii) improved institutional capacity and project implementation platform; and (iii) improved financing mechanism for future investments. The Project will also strengthen Government of Nepal’s efforts to meet its millennium development goals. The project is to be implemented in 3 years from 2014 to 2016.

2. The third STWSSSP uses a sector lending modality. The sample towns proposed to be covered first are Charalali, Chandravati and Mahendranagar. A total of up to 20 towns will be covered under the third STWSSSP.

B. Subproject description

3. Subproject components proposed for water supply in Mahendranagar comprise 2 deep tubewells/borewells, 1 water treatment plant (WTP), 1 ground clear water reservoir (400 cum), 1 overhead tank (OHT, 450 cum), 1 chlorination unit, 1 office building, 2 operator/guard house, 0.945 Km transmission line, about 110.67 Km distribution line, about 5437 house connections. Under sanitation, 1757 private toilets under Output Based Aid (OBA) and a septage disposal site of approximately 400 m² is proposed.

C. Resettlement Plan: Policy and Principles

4. A Resettlement Plan (RP) has been prepared for Mahendranagar, based on ADB’s Safeguard Policy Statement 2009, and applicable Government of Nepal laws

D. Involuntary Resettlement impact

5. No major IR impacts are envisaged under the proposed project components of third STWSSSP in Mahendranagar for which sites/alignments are finalised. Major amount of land required for the project is being provided by the Devisthan Temple (CPR), avoiding the need for land acquisition. However, there is potential restriction of use for the temple users in future. Vacant government (VDC) land is identified for borehole 2and transmission main; IR impacts are not anticipated for the site. One non titled holder living in the adjacent property Mrs. Yangya Maya Subedi (female headed and BPL household) will lose annual income from cultivating 2 crops a year on the temple land. Temporary impacts of distribution network laying are limited to potential access disruptions for shops and residences. The proposed septage disposal site is located away from habitation/religious places, on government land, hence no IR impacts are anticipated. Need for relocation is not identified in Mahendranagar
D. Entitlement

6. The project provides for compensation for the loss of income from affected land at replacement value. All displaced households and persons will be entitled to a combination of compensation packages and resettlement assistance, depending on the nature of ownership rights on lost assets, scope of the impacts including socioeconomic vulnerability of the displaced persons, and measures to support livelihood restoration if livelihood impacts are envisaged. The displaced persons will be entitled to (i) compensation for loss of income at the replacement value; (ii) special assistance for vulnerable household cash assistance for 12 months at official minimum wage. Affected persons including titled and non-titled will be eligible for compensation as defined in the Entitlement Matrix for the project. A budgetary provision of NPR 19,82,600 for RP implementation is made.

F. Institutional Arrangement

7. MUD/DWSS will be the EA/IA for the project; a PMO will be established in DWSS, Kathmandu. Two regional PMOs for Eastern and Western zone will be set up at DWSS regional offices. The participating WUSCs will be the IAs. A social safeguards officer will be appointed in PMO; the RPMOs will have social development officers. The PMO SSO will be supported by the social safeguards expert of PMC. The respective RPMOs will be supported by a design, supervision and management consultant (DSMC) each; social safeguards specialists (1 in each DSMC) and social mobilisers (5 in each DSMC) will support implementation of GESI, RPs/social safeguards, grievance registration, redress and follow-up actions, identification of poor and vulnerable households for subsidized water supply connections and OBA for sanitation.

G. Grievance Redress Mechanism (GRM)

8. To resolve all project related grievances and complaints a common social and environmental grievance redress mechanism will be in place. Common and simple grievances will be sorted out at project site level by the Contractor’s Resettlement Supervisor, supervision and safeguards staff of DSMC within 5 days, with the involvement of the WUSC as required. Any unresolved grievances will be forwarded to the town-level Grievance Redress Committee GRC which will have affected persons and civil society/eminent citizens as members. Complaints and grievances which are not addressed by Grievance Redress committee (GRC) at VDC/municipality level within 10 days will be sent to the PMO for resolution within 15 days. Despite the project GRM, an aggrieved person shall have access to the country’s legal system at any stage.

9. Those remaining unresolved will be sent to the Project Coordination Committee (PCC) for resolution within 30 days. Despite the project GRM, an aggrieved person shall have access to the country’s legal system at any stage.

H. Contact details

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Name</th>
<th>Position</th>
<th>Address and phone numbers</th>
</tr>
</thead>
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<tr>
<td>Contractor</td>
<td>Safeguard supervisor</td>
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<tr>
<td>DSMC</td>
<td>Social mobilisers</td>
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<td></td>
<td>Social Safeguard Specialist</td>
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<tr>
<td>PMO</td>
<td>Social Safeguard Officer</td>
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<tr>
<td>RPMO</td>
<td>Social Development Officer</td>
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<tr>
<td>PMC</td>
<td>Social Safeguard Specialist</td>
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</table>
APPENDIX 3: SAMPLE GRIEVANCE REDRESS FORM
(To be available in Nepali and English)

The ____________________________ Project welcomes complaints, suggestions, queries and comments regarding project implementation. We encourage persons with grievance to provide their name and contact information to enable us to get in touch with you for clarification and feedback. Should you choose to include your personal details but want that information to remain confidential, please inform us by writing/typing *(CONFIDENTIAL)* above your name. Thank you.

<table>
<thead>
<tr>
<th>Date</th>
<th>Place of registration</th>
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Contact Information/Personal Details

<table>
<thead>
<tr>
<th>Name</th>
<th>Gender</th>
<th>* Male</th>
<th>* Female</th>
<th>Age</th>
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Home Address

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<th>Place</th>
<th>Phone no.</th>
<th>E-mail</th>
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Complaint/Suggestion/Comment/Question Please provide the details (who, what, where and how) of your grievance below:

If included as attachment/note/letter, please tick here:

How do you want us to reach you for feedback or update on your comment/grievance?

FOR OFFICIAL USE ONLY

Registered by: (Name of Official registering grievance)

Mode of communication:
Note/Letter
E-mail
Verbal/Telephonic

Reviewed by: (Names/Positions of Official(s) reviewing grievance)

Action Taken:

Whether Action Taken Disclosed: Yes  No

Means of Disclosure:
### APPENDIX 4: COMPARISON BETWEEN GOVERNMENT OF NEPAL LAWS AND ADB SAFEGUARDS POLICY STATEMENT, 2009

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<tr>
<td>1</td>
<td>Involuntary resettlement should be avoided wherever possible.</td>
<td>Not defined in the LAA and LRA.</td>
<td>The approach of avoiding involuntary resettlement has already been taken care of while preparing this project. This will be further practiced during design and implementation.</td>
</tr>
<tr>
<td>2</td>
<td>Minimize involuntary resettlement by exploring project and design alternatives</td>
<td>Not defined in the LAA and LRA</td>
<td>The resettlement framework / RP clearly defines the procedures on how to minimize the involuntary resettlement through proper alternate engineering design and adequate consultation with stakeholders.</td>
</tr>
<tr>
<td>3</td>
<td>Conducting census of displaced persons and resettlement planning</td>
<td>The LAA spells out that physical inventory of assets and properties found on the land belonging to legal titleholders is prepared. No cut-off date is specifically mentioned in the LAA; the affected persons need to apply for compensation for buildings, trees, crops etc. within 15 days of being served notice for acquisition, if not satisfied with compensation offered or if he/she wants compensation for assets in addition to land.</td>
<td>The LAA does not define the census survey. It only reflects the inventory of losses (IOL) for titleholders, which is more in physical terms. The ADB policy spells out a detailed census through household surveys of displaced persons in order to assess the vulnerability and other entitlements. Resettlement planning documents for the third STWSSSP have been prepared based on the data collected through conducting a census, a socioeconomic survey for the displaced persons, and an inventory of losses.</td>
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<tr>
<td>4</td>
<td>Carry out meaningful consultation with displaced persons and ensure their participation in planning, implementation, and monitoring of resettlement program.</td>
<td>Section 1 (6) of the LAA provides that whenever any property is needed or is likely to be needed for any public purpose or in the public interest, a notice is to be given at specified offices and house door/compound wall in the prescribed form and manner, stating that the property is proposed for acquisition.</td>
<td>The LAA does not directly meet ADB’s requirements. This section of the ordinance establishes an indirect form of public consultation. However, it does not provide for public meetings and project disclosure, so stakeholders are not informed about the purpose of land acquisition, its proposed use, or compensation, entitlements, or special assistance measures. The resettlement planning documents for the third STWSSSP has been prepared following a consultation process which involves all stakeholders (affected persons, government department/line agencies, local community including indigenous peoples and women etc.), and the consultation will be a continuous process at all stages of the project development such as project formulation, feasibility study, design, implementation, and post-implementation, including the monitoring phase.</td>
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<td>5</td>
<td>Establish grievance redress mechanism.</td>
<td>Section 11 of LAA allows the landowner to file complaints / raise objections in writing within a time frame of 7 days plus time taken for travel from the date of publication of notice. Complaints are to be filed with the Ministry of Home Affairs, GoN through the local officer in charge of land acquisition.</td>
<td>The resettlement planning documents include an appropriate grievance redress mechanism to resolve complaints at project level. This includes formation of a grievance redress committee at town level, and publication of the notice of hearings and the scope of proceedings.</td>
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<td>6</td>
<td>Improve or at least restore</td>
<td>The LAA does not address the issues related to</td>
<td>The resettlement plans for this project keep the provision for a</td>
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<td>income loss, livelihood, or loss of non-titleholders. It only deals with the compensation for loss of land, structures, buildings, crops and trees, etc. for the legal titleholders and for tenants with registered deeds.</td>
<td>census survey that will have the data on the loss of income and livelihood, and the same will be compensated as per the entitlement matrix for both physically and economically affected persons.</td>
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<td>7</td>
<td>Land-based resettlement strategy</td>
<td>The LAA Section 14 provides for land for land compensation (if available), if the landowner loses his total land. In case of religious trust/Guthi lands acquired, Section 42 of the Land Reform Act states that Guthi land required for development work must be replaced with another land (rather than compensated in cash).</td>
<td>Though this option may be a difficult proposition, given the lack of government land and the difficulties associated with the acquisition of private lands, the resettlement plans propose land-for-land compensation as its priority, if feasible. Attempt will be made to find alternate land for the loss of land, in case it is available and if it is feasible, looking at the concurrence of host community and land value.</td>
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<td>8</td>
<td>All compensation should be based on the principle of replacement cost.</td>
<td>The LAA does not specify how compensation is to be determined. Section 13 states that the amount of compensation may be determined separately for persons whose land is wholly acquired and persons whose land is partially acquired. Section 20 of the LAA states that in case the land to be acquired under this Act is a tenancy holding: fifty percent of the amount of compensation payable for such land shall be obtained by the tenant with legal rights. In case a house constructed by the tenant with the consent of the landowner is also acquired, the tenant is eligible for the entire amount of compensation paid for such house.</td>
<td>The LAA differs from ADB policy in the valuation of land and prices of affected assets, where ADB prescribes the use of current market rates/replacement cost in the project area. The ordinance does not ensure replacement value or restoration of pre-project incomes of the affected persons. The resettlement planning documents for the third STWSSP address all these issues, and spell out a mechanism to fix the replacement cost by having a valuation committee which will be responsible for deciding the replacement costs.</td>
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<td>9</td>
<td>Provide relocation assistance to displaced persons.</td>
<td>No mention of relocation assistance to affected persons in LAA, although Section 16 (b) states The losses suffered by the concerned person as a result of his having been required to shift the residence or the place of his/her business by reason of acquisition of the land should be taken into account for computation of compensation.</td>
<td>The resettlement plan(s) provide for the eligibility and entitlement for relocation of the affected persons, in the form of relocation assistance which includes shifting allowances, right to salvage materials, and additional transitional assistance for the loss of business and employment.</td>
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<td>10</td>
<td>Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.</td>
<td>The LAA does not have this provision.</td>
<td>The LAA only takes into consideration the legal titleholders and ignores the non-titleholders. The resettlement planning documents of the third STWSSP ensure compensation and assistance to all affected persons, whether physically displaced or economically displaced, irrespective of their legal status. The end of the census survey will be considered the cut-off date, and affected persons listed before the cut-off date will be eligible for assistance.</td>
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<td>11</td>
<td>Disclose the resettlement plan, including documentation of the consultation in an accessible place and a form and language understandable to affected persons and other stakeholders.</td>
<td>The ordinance only ensures the initial notification for the acquisition of a particular property.</td>
<td>The LAA does not comply with ADB’s SPS-2009 as there is no mention of disclosure of resettlement plan. The SPS ensures that the resettlement plan, along with the necessary eligibility and entitlement, will be disclosed to the affected persons in the local language (Bengali) in the relevant project locations and concerned government offices, and the same resettlement plan will also be disclosed on the executing agency’s website and on the website of ADB.</td>
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<td>12</td>
<td>Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project’s costs and benefits.</td>
<td>The LAA has a provision to include all the costs related to land acquisition and compensation of legal property and assets for legal titleholders. However, it does not take into account the cost related to other assistance and involuntary resettlement.</td>
<td>The LAA partially meets the requirement of ADB, as it only deals with the cost pertaining to land acquisition. The resettlement plan provides eligibility to both titleholders and non-titleholders with compensation and various kinds of assistances as part of the resettlement packages, and the entire cost will be part of the project cost.</td>
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<td>13</td>
<td>Pay compensation and provide other resettlement entitlements before physical or economic displacement.</td>
<td>The LAA has the provision that at least 50% or a reasonable amount of compensation will be paid prior to possession of the acquired land.</td>
<td>It is specified in the resettlement planning documents of the third STWSSSP that all compensation and other entitlements are to be paid prior to physical and economic displacement and prior to contract award.</td>
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<td>14</td>
<td>Monitor and assess resettlement outcomes, and their impacts on the standards of living of displaced persons.</td>
<td>This is not defined in the LAA.</td>
<td>The LAA does not comply with ADB safeguards policies. The resettlement planning documents of the third STWSSSP has a detailed provision for a monitoring system within the executing agency. The executing agency will be responsible for proper monitoring of resettlement plan implementation, and the monitoring will be verified by an external expert.</td>
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APPENDIX 5: SAMPLE FORM FOR INVENTORY OF LOSS SURVEYS

1. Questionnaire No: ......................................
2. Date: ......................................................
3. Name of the Subproject: ..................................
4. Name of the Place(s)/Village / settlement(s): ..
5. VDC/Municipality ........................................
6. District: ....................................................
7. Region: ....................................................... 
8. Parcel No/Plot No: ...........................................
9. Type of loss: 
   1. Structure Only  
   2. Land only  
   3. Land & structure  
   4. Orchard/Tree  
   5. Other assets (please specify)
10. Ownership of the Land
    1. Private  
    2. Government  
    3. Religious  
    4. Community  
    5. Others
11. Type and Use of Land
    1. Paddy  
    2. Millet/Maize  
    3. High Land  
    4. Plantation  
    5. No current  
    6. Barren  
    7. Residential  
    8. Commercial  
    9. No use
12. Irrigation Facilities of Land
    1. Irrigated  
    2. Un irrigated
13. Area to be Acquired / Affected Land (Ropani/Bigha) ..............
14. Total Area of the Land/ Plot (In case a portion of the land/ plot to be acquired/affected) (Ropani/Bigha) .....................
15. Total Land Holding (affected + unaffected) in Ropani
    1. Irrigated: ...........................................  
    2. Un-irrigated: ...........................................
    3. Other: ......................................................  
    4. Total: ......................................................
16. Status of Ownership
    1. Titleholder  
    2. Customary Right  
    3. Trust/Guthi land  
    4. Encroacher  
    5. Squatter  
    6. Other (specify): ....................................... 
    Type of Private Ownership
    1. Individual/Single  
    2. Joint/Shareholders  
    3. Other (specify): ....................................... 
17. Name of the Owner/Occupier(s): ..................................................
18. Father’s Name: ...............................................................................
19. Rate of the Land (Rs./Per Acre)
    1. Market Rate: ...........................................  
    2. Government Rate: ......................................
20. Any of the following people associated with the Land
    A. Agricultural Laborer
       1. Yes 2. No
       Total Numbers (If Yes):.................................
       Names (If Yes):
       (i) .........................................................
       (ii) .........................................................
    B. Tenant/Lessee
       1. Yes 2. No
       Total Numbers (If Yes):.................................
Names (If Yes):
(i)…………………………………………
(ii) …………..……………………………..
C. Sharecropper  
1. Yes  
2. No
Total Numbers (If Yes):…………………………………….
Names (If Yes):
(i)…………………………………………
(ii) …………..……………………………..
Agricultural Squatters  
1. Yes  
2. No
Total Numbers (If Yes):…………………………………….
Names (If Yes):
(i)…………………………………………
(ii) …………..……………………………..
(iii) …………..……………………………..

21. Number of trees within the affected area


22. Details of Trees

<table>
<thead>
<tr>
<th>SI No</th>
<th>Name of Trees</th>
<th>Type of Trees (1. Fruit Bearing, 2 Non-Fruit Bearing, 3. Timber 4. Fodder)</th>
<th>Age of the Trees</th>
<th>Number of Trees</th>
<th>Market price (Rupees)</th>
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</table>
23. Which crop do you cultivate in the affected land (start with ascending order as major crop)?

<table>
<thead>
<tr>
<th>Type of Crops</th>
<th>Total Affected Area under Crop (Ropani/Bigha)</th>
<th>Total Yielding per Crop (Kg) in the affected area</th>
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24. How many seasons in a year you cultivate in the affected land

1. One season  
2. Two seasons  
3. Three Seasons

Any structure in the Affected Land
1. Yes........   2. No.........

25. Area of the affected structure (in Square Meter)

26. Measurement of Affected Structure

a) Length .....................

b) Width ........................

c) Height ......................

d) Number of Storey.............

27. Area of the boundary wall only (in Meter): a) Length ....................... b) Height ..................

28. Area of the Total structure (in Square Meter)

29. Measurement of Total Structure

a) Length .....................

b) Width ........................

c) Height ......................

30. Scale of Impact on structure

a) 25%    b) 50%    c) 75%    d) 100%

Type of Construction of the Structure

<table>
<thead>
<tr>
<th>SI N°</th>
<th>Particulars</th>
<th>Type of Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Roof</td>
<td>(1). Simple (thatch/sack/bamboo/slats, (2) Earth/clay/sand, (3) Wood, (4) Brick, (5) Concrete, (6) Corrugated iron sheet, (7) Tile, and (8) Other, specify</td>
</tr>
</tbody>
</table>
31. Age of the Structure (in years): .................................

32. Market Value of the Structure (in Rs.): ..............................

33. Use of the Structure (select appropriate code from below)
   A. Residential Category
      1. House  2. Hut  3. Other (specify)..............................
   B. Commercial Category
   C. Mixed Category
      18. Residential-cum-Commercial Structure
   D. Community Type
      23. Other (specify)..............................................
   E. Religious Structure
      29. Sacred Grove  30. Other (specify)...........................
   F. Government Structure
      34. College  35. Bus Stop  36. Other (specify).............
   G. Other Structure
      37. Boundary Wall  38. Foundation  39. Cattle Shed
      40. Other (specify)..............................................

34. Status of the ownership of Structure
   1. Legal Titleholder  2. Customary Right  3. License from Local Authority
4. Encroacher  
5. Squatter

35. Any of the following people associated with the Structure?

<table>
<thead>
<tr>
<th>People associated</th>
<th>Yes/ No</th>
<th>If, yes please give the number and names.</th>
<th>Lease / rent paid, if yes monthly rent</th>
<th>Employee, if yes. Monthly salary/daily wage rate (NRs.)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenants</td>
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<tr>
<td>Employee in residential structure</td>
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<tr>
<td>Employee in business structure</td>
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36. Social Category

1. General  
2. Ethnic Minority  
3. IP/Janajati  
4. Others;

37. Number of family members  
   Male……….  Female……….  Total…………..

38. Number of family members with following criteria

1. Unmarried Son > 35 years………..  
2. Unmarried Daughter/Sister > 35 years………..

3. Divorced/Widow………..  
4. Physically/Mentally Challenged Person …………

5. Minor Orphan………..

39. Vulnerability Status of the Household:

A. Is it a woman headed household with dependent?  
   1. Yes  2. No

B. Is it headed by physically/mentally challenged person?  
   1. Yes  2. No
C. Is it a household Below Poverty Line (BPL) 1. Yes 2. No
D. Is it landless? 1. Yes 2. No
E. Is it Elderly people without income source? 1. Yes 2. No

40. Main Occupation of the Head of the Household (Main Source of Income)

1. Agriculture; 2. Commercial /business; 3. Service Holder; 4. Others (Specify)………..

41. Total Annual income of the family from all sources Rs…………………..

42. Annual income (total turnover) per unit (ropani/bigha) from affected land in Rs.____________________

43. Annual income (total turnover) from affected commercial structure, if applicable in Rs.________

44. Annual cost of operation of the total landholding/business/commercial enterprise in Rs._________________________(please include labour cost and operating cost including fertilizer, pesticide, water, electricity, any other cost.)

45. If displaced, do you have additional land to shift? 1. Yes 2. No

46. If yes, how far from the present location (km).……………………..

47. Resettlement/ Relocation Option

1. Self Relocation 2. Project Assisted Relocation

48. Compensation Option for Land loser

1. Land for land loss 2. Cash for Land loss

49. Compensation Options for Structure loser

1. Structure for structure loss 2. Cash for Structure loss

50. Income Restoration Assistance (fill codes in preferred order)

1. Shifting Allowance; 2. Employment Opportunities in Construction work; 3. Assistance/loan from other ongoing development scheme; 4. Training for Vocational activities; 5. Assistance to re-establish lost/affected business, 6. Others (specify ……………………………..)

51. Details of the Affected Persons (Family/Households)

<table>
<thead>
<tr>
<th>Sl. Nº</th>
<th>Name of the Family Member</th>
<th>Relation to Head of the Household #</th>
<th>Age (years)</th>
<th>Sex ##</th>
<th>Occupation *</th>
<th>Marital Status**</th>
<th>Education***</th>
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</tbody>
</table>

**Code:**

1. Self  
2. Father  
3. Mother  
4. Husband  
5. Wife  
6. Son  
7. Son in law  
8. Daughter in law  
9. Grandfather  
10. Grandmother  
11. Daughter  
12. Brother  
13. Sister  
14. Grandson  
15. Granddaughter  
16. Uncle  
17. Aunty  
18. Cousins

###

1. Male  
2. Female

*  
1. Service  
2. Business  
3. Agriculture  
4. Study  
5. Housewife  
6. Labour  
7. Unemployed  
8. Professional  
9. Pensioner  
10. Government Employee  
11. Private Employee  
12. Fisheries  
13. Infant  
14. Other

**  
1. Married  
2. Unmarried  
3. Widow  
4. Widower  
5. Others

***  
1. Illiterate  
2. Literate  
3. Up to primary  
4. Secondary  
5. Graduate  
6. Post Graduate

**(NOTE FOR ENUMERATOR: All affected persons to be surveyed. If details of tenants / employees are obtained from the owners, such persons will also have to be located and surveyed using applicable fields in the above questionnaire)**
APPENDIX 6: SAMPLE MONITORING TEMPLATE

1. A semi-annual monitoring report shall be prepared on Resettlement Plan implementation and submitted to ADB by the PMO. It will include: (1) the list of APs, with compensation, if any due to each and details of compensation paid with signed receipts annexed to the report, socio-economic status and satisfaction levels of APs with the RP implementation process, compensation and mitigation measures; (2) the list of vulnerable APs and additional compensation / special protection measures planned/implemented for them; socio-economic status and satisfaction levels of vulnerable APs with the RP implementation process, compensation and mitigation measures; (3) list of affected common facilities affected, plan to restore access and/or actions taken to restore access to the same or facilities of equal quality elsewhere; (4) list of roads for closure and actions planned / taken to minimize disturbance; (5) details of consultations held with APs (with number of participants by gender, issues raised, conclusion / agreement reached, actions required/taken; (6) details of grievances registered, redressed, outstanding complaints, minutes of GRM meetings held; (7) details of information disclosure and awareness generation activities, levels of awareness among target population and behavior change, if any; and (8) any other relevant information showing RP implementation progress. The following checklist may be used for overall monitoring of RP implementation.

<table>
<thead>
<tr>
<th>S. N.</th>
<th>Resettlement Plan Activities</th>
<th>Completed Y/N</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Pre-Construction Activities and Resettlement Plan Activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Approval of final Resettlement Plan by ADB prior to contract award</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Disclosure of final Resettlement Plan on ADB and EA websites</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Circulation of summary RP in two local languages to all stakeholders</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>A. Resettlement Plan Implementation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Grievance Redress Committee and telephone hotlines established</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Entitlements and grievance redress procedure disclosed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Finalization of list of APs, vulnerable APs and compensation/assistance/allowances due</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Finalization of list of affected common facilities and roads for closure; mitigation measures proposed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Affected persons received entitlements as per amounts and program specified in RP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Payment of compensation, allowances and assistance (No. of APs)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Additional assistance for vulnerable households given (No. of vulnerable APs)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Livelihood arrangements provided to vulnerable APs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Reinstallation of affected common facilities</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 10 | **Grievances**
| 11 | No. of grievances registered
| 12 | No. of grievances redressed
| 13 | Outstanding complaints
| 14 | Disclosure of grievance redress statistics |
| **C. Monitoring** |
| 1 | Survey on socio-economic status of APs (including vulnerable APs) completed and compared with baseline survey results |
| 2 | Survey on satisfaction levels of APs with RP implementation completed |
| **D. Labor** |
| 1 | Implementation of all statutory provisions on labor like health, safety, welfare, sanitation, and working conditions by Contractors |
| 2 | Equal pay for equal work for men and women |

NOTE: Where applicable, the information provided in the table should be supported by detailed explanatory report, receipts and other details.
APPENDIX 7: DUE DILIGENCE REPORT AND SUMMARY OF CONSULTATIONS FOR
MAHENDRANAGAR WATER SUPPLY SUBPROJECT

B. Scope of this report

1. This land acquisition and resettlement due diligence report is prepared for the proposed Mahendranagar water supply and sanitation subproject, one of the 4 batch 1 subprojects under the third Small Towns Water Supply and Sanitation Sector Project (STWSSSP). The proposed coverage area of the water supply subproject includes wards 1 to 4 and 7 to 9 in Mahendranagar. Total households and population in the selected wards is 4775 and 26964 respectively.

2. A due diligence process was conducted to examine the land acquisition and resettlement issues in detail, in line with ADB SPS 2009. This report describes the findings and provides copies of available legal documents, resolutions, minutes of meetings and photographs.

3. Upon project implementation, the Social Safeguards Officer at PMO will be required to undertake a review of this due diligence, prepare a confirmation letter or report documenting any modifications for the subproject and submit to ADB; and receive a 'no objection’ confirmation from ADB prior to start of construction in the subproject.

C. Subproject description

4. Subproject components proposed for water supply in Mahendranagar comprise 2 deep tubewells/borewells, 1 water treatment plant (WTP), 1 ground clear water reservoir (400 cum), 1 overhead tank (OHT, 450 cum), 1 chlorination unit, 1 office building, 2 operator/guard house, 0.945 Km transmission line, about 110.67 Km distribution line, about 5437 house connections. Under sanitation, 1757 private toilets under Output Based Aid (OBA) and a septage disposal site of approximately 400 m² is proposed.

D. Outline of field work

5. In February 2014, field inspection of proposed subproject facility locations and pipeline alignments that had been identified was undertaken. These included field visit to the identified sites and alignments; and stakeholder consultations. Information on land ownership was gathered and copies of no objection certificates from owners of proposed sites were obtained during field work.
### Appendix Table 7.1: Summary of consultations

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>No. of Participants</th>
<th>Type of Participants</th>
<th>Topics Discussed</th>
<th>Issues Raised</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Feb 2014</td>
<td>Mahendranagar VDC-1, VDC Office</td>
<td>15 M-9,F-6</td>
<td>WUCs Members, Local people</td>
<td>Need and existing provision of Drinking Water</td>
<td>Local people &amp; community participation in project implementation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Positive and negative impact of the construction of the Water Supply System</td>
<td>Better/improved service</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Local community response towards the project</td>
<td>Early mobilization of NGOs for Awareness Raising Activities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Access of water to the poor and vulnerable people</td>
<td>Collection of 5 % upfront cash</td>
</tr>
<tr>
<td>13 Feb 2014</td>
<td>Mahendranagar-4, Hunuman Jhoda</td>
<td>12 M-5,F-7</td>
<td>Local Residents of Low income Area (Mushar-Terai Dalit)</td>
<td>Need of drinking water and existing provision</td>
<td>Low income household contribution/ participation in project implementation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Local Household Contribution (House Connection Charge)</td>
<td>Awareness programs for the community about hygiene</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Positive and negative impact of the Water Supply System construction</td>
<td>Access to Improved Water Supply service</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Community response willingness to pay and affordability of tariff</td>
<td>Subsidy for low income houses, women headed house, disability and elderly</td>
</tr>
<tr>
<td>12 Feb 2014</td>
<td>WTP site</td>
<td>4 M-1, F-3</td>
<td>Affected persons, local people</td>
<td>Potential positive and negative impacts of the project ADB safeguards policy and entitlements</td>
<td>Livelihood restoration Reconstruction of temple</td>
</tr>
</tbody>
</table>

#### E. Land availability and resettlement impacts

6. About 6 kathha 4 dhur (app.0.20 ha.) land belonging to Devisthan Temple, Aitabare, Mahendranagar VDC ward no 1 has been identified for the proposed WTP, OHT and borehole 1 (Figure 2). The Devisthan Samiti has passed a resolution to allow the WUSC to use the land for water supply, considered a community welfare activity. Field visit and consultations at the site confirmed potential loss of income to members of a non-tiled, below poverty line, female headed household cultivating the Devisthan temple land for two crops a year, to supplement their income.9

7. Vacant government (VDC) land near the Devisthan temple land has been identified for borehole 2 and transmission main, hence no IR impacts are anticipated. WUSC members were of the opinion that the land could be easily transferred by government in its name.

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9 The Devisthan temple land proposed for WTP is presently being cultivated by Mrs. Yajya Maya Subedi, a female and widow household head. The household is a squatter on the land adjacent to the temple, that settled in the area after being displaced due to flooding of river Kosi.
8. About 0.6 Km of transmission pipeline of 150 mm dia are proposed to be laid from borewell 2 to the WTP/OHT complex; the pipeline is anticipated to pass through government land and Devisthan temple land. About 80 km of pipes will be laid for the distribution network. Pipe diameters will range from 50 mm to 250 mm. Distribution lines are proposed on both sides of the highway and local roads. One of the distribution lines is proposed along an abandoned railway track. Although proposed pipe diameters are small, full closure of road sections is not likely; width of excavation required for pipe laying work and construction of valve chambers along the alignment is estimated to be about 1-1.5m. Every 300-500 m length of pipe is likely to require 7 days for completion; contractors will be directed to excavate no more than 500m of road stretch at a time. No temporary income losses are anticipated.

9. Potential temporary impacts of pipe laying activity include impacts on access, disruption of traffic, etc. Where businesses are unable to or are not required to shift, access will be ensured by the contractor. The construction period will be minimized.

10. Procurement of electrical and mechanical equipment such as generator, transformer and pumps will have no IR impacts. Construction of generator/operator house, store RCC OHT, treatment unit, borehole 1 are proposed within the WTP/OHT/borewell complex and are not anticipated to have any IR impacts. (Appendix 1).

11. For the identified WTP complex and borewell 2 site and project coverage area (distribution lines), no adverse impacts on indigenous peoples (IP/janjatis/​adivasis living within proposed project coverage area) other than impacts on access, which will impact all sections of the population, are anticipated. In the identification of the remaining site, care will be taken to ensure that no IPs will be affected by land acquisition and / or physical or economic displacement. IP households in the project coverage area will be identified and included in project benefits, with appropriate subsidies for poor households among them.11

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10 WSSDO will have to facilitate permission to WUSC, and/or, follow due process required by the Ministry of Physical Planning and Transport for use of proposed alignment section along abandoned railway track.

11 Identification of eligible poor/vulnerable/IP households for subsidy shall be undertaken using participatory appraisal techniques by the community, facilitated by the project implementation support unit and design supervision consultants’ team of community mobilisers. Joint verification of identified households shall be undertaken by the WUSC and DWSSDO representative.
Appendix Table 7.2: Details of Land Availability and Ownership

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Proposed facility(ies)</th>
<th>Available area</th>
<th>Name of Owner(s)</th>
<th>Remarks: Due Diligence</th>
<th>Other remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Storage tank (OHT), treatment unit, OHT, borewell 1, transformer, electrical transmission lines</td>
<td>6 kattha 4 dhur (0.20 ha)</td>
<td>Devi Temple (CPR)</td>
<td>Consultation with VDC, local people, affected female head of household (non-titleholder) cultivating temple land</td>
<td>Temple committee has passed a resolution to allow WUSC to use the land for water supply/public welfare. MoM available. About NPR 5,000 equivalent income loss of the non-titled holder living adjacent the affected land</td>
</tr>
<tr>
<td>2.</td>
<td>Borewell 2</td>
<td>NA</td>
<td>Government (VDC) land</td>
<td>Vacant government (VDC) land identified near WTP. DWSS (RPMO) to facilitate transfer of land to WUSC.</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Transmission main alignment</td>
<td>NA</td>
<td>government (VDC) land (borewell 2) and Devisthan temple (WTP) land</td>
<td>Same as above</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Septage disposal</td>
<td>400 sq. m</td>
<td>Ramdhuni community forest (government land)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

F. Conclusions and next steps

- Major land requirement for water supply is met due to consent obtained for use of common property resource (CPR) - Devisthan temple land, from 33 prominent people of the community (users of the CPR), in recognition of the community’s need. Consultation with some of the signatories and committee members was also undertaken as part of due diligence. Further consultations regarding design of improvements to temple and additional community facilities to be held.
- DWSS/RPMO to facilitate NOC from VDC for borewell 2 land and land for transmission main alignment, prior to contract award.
- For section of distribution network alignment passing through abandoned railway line, due process required by the Ministry of Physical Planning and Transport will have to be followed. DWSS to initiate/facilitate the same.
- Due diligence report to be updated from time to time by PMO, initiation/completion of due procedures reported, and ADB approval obtained prior to start of construction.
Land parcel number of Devisthan temple showing in the land survey field book
Cadastral map showing the location of land parcel no. of Devisthan temple
Users' committee registration certificate
Appendix 7

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Minutes of the meeting signed by prominent people of community agreeing to provide Devi sthan temple land for water supply works
PHOTOGRAPHS

Devi Temple at the OHT, Borehole, treatment plant complex (kachhi structure)

Proposed site of OHT, borehole, treatment unit

Government land identified for 2 & 3 borehole

Non–title holders/affected persons Ms. Yanjya Maya Subedi with her daughter in law and grandson and grand daughter
Appendix 7

Consultation with the Musahar group at Mahendranagar-4, Hanuman Jhoda.

Consultation with the local people near the Devi temple at Mahendranagar-1, Aitabare.

Consultation with the WUSC members and local stakeholders including politicians at VDC Office, Mahendranagar (1)

Consultation with the WUSC members and local stakeholders including politicians at VDC Office, Mahendranagar (2)