

## Draft Resettlement, Ethnic Minority and Development Plan

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July 2011

INO: Strengthening West Kalimantan Power Grid

Draft Resettlement, Ethnic Minority and Development Plan

West Kalimantan 150 kV Transmission Line Project  
Strengthening West Kalimantan Power Grid

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## **A. Project Description**

### **1. Background Study**

1. SOFRECO has been assigned to conduct PPTA (Project Preparation and Technical Assistant) study for the construction of 150 kV Transmission Line from Bengkayang – Ngabang – Tayan including development of two sub-stations in Ngabang and Tayan in West Kalimantan – Indonesia. The PPTA is part of Asian Development Bank (ADB) assistance to Government of Indonesia (GOI) to help PT PLN (Persero) in the planning development and implementation of the 150 kV transmission line social and environmental mitigation.

2. Under the PLN Electricity Supply Planning Effort (*Rencana Usaha Penyediaan Tenaga Listrik* – RUPTL 2010-2019, development of the 150 kV Transmission line is a key element to the West Kalimantan Strengthening Power Grid strategy along with Energy Exchange 275 kV Interconnection Transmission Line from Mambong Sarawak through the Indonesian Border near Jagoi Babang continued to Bengkayang Substation.

3. Previously SOFRECO has completed a full land acquisition and Resettlement and Ethic Minority Development Plan (REMDP) and social assessment (SA) for the 275 kV Interconnection Transmission Line from Indonesian Border to Bangkayang Substation. Similar to the 275 kV study, For social mitigation of the 150 kV Transmission Line route and Substations in Ngabang and Tayan, SOFRECO also is preparing Resettlement Planning (RP) and Social Assessment (SA).

### **2. Project Component and Its Current Status**

4. Trans Borneo Power Grid: Sarawak to West Kalimantan Transmission Line is PLN's project proposed to be financed by ADB.<sup>1</sup> The goal of the proposed project is to (i) expand transmission line grid and improve stability of electricity through transmitting trans-border electricity supply (ii) increase access of West Kalimantan households to electricity connection. The proposed project comprises: (1) development of two new substations in Ngabang (30MVA) in Landak District and Tayan (30MVA) in Sanggau District; (2) construction of 260<sup>2</sup> towers of 150 kV Transmission Line that runs along 90 km from Magmagan Village to Ngabang Substation located in Ambarang Village and continued with another construction of 133 towers of 150 kV Transmission Line along 55 km to Tayan Sub-Station; 3) stringing of a double transmission line 150 kV along 145

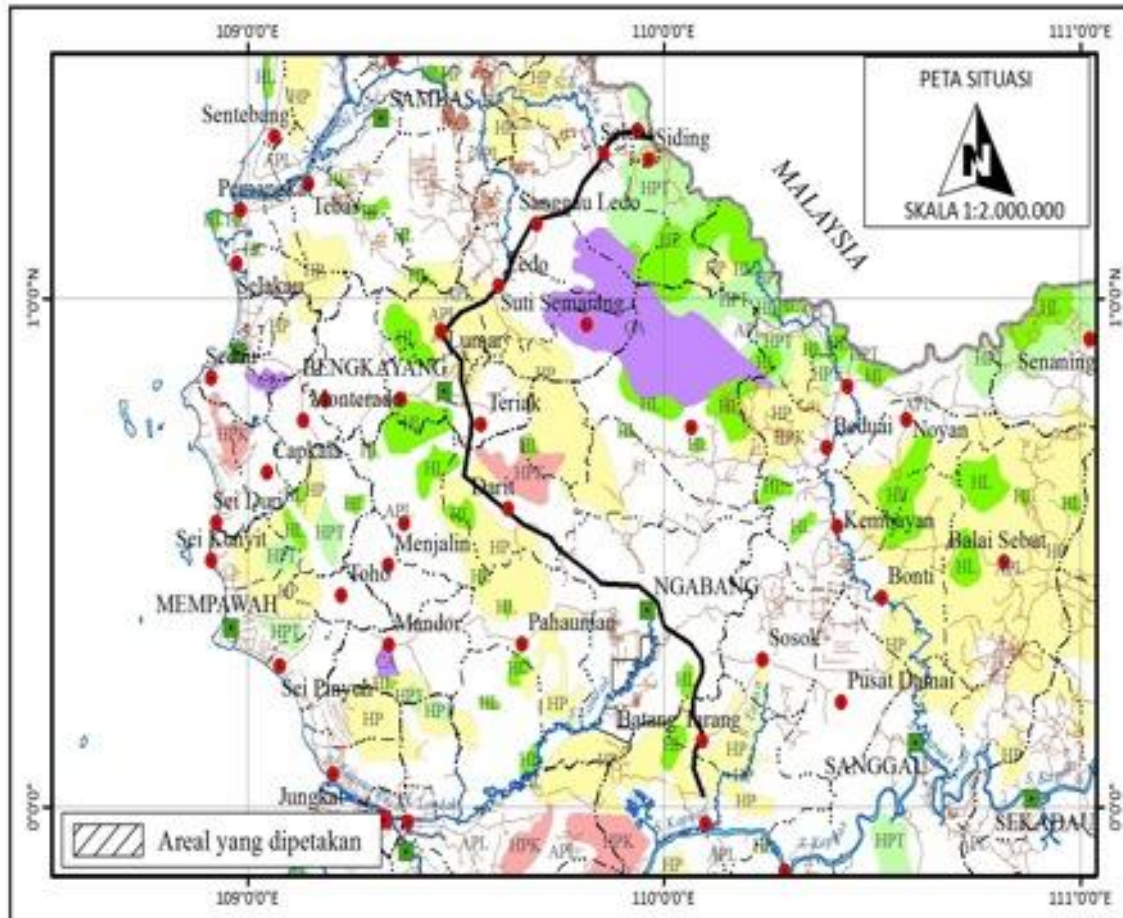
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<sup>1</sup> During the Stakeholder Consultation meeting in Pontianak, 20 April 2011, PT PLN (Pesero) HQ office confirmed that the plan is already in Bluebook 2011.

<sup>2</sup> The total number of tower to be constructed is based on the PLN Survey on the 150kV Transmission Line Route and Soil Investigation Report of Bengkayang – Ngabang Year 2009. However, in the UKL / UPL report it is stated 248 Towers along 86.697 km transmission line.

km (the whole transmission line route length) within its right of way (ROW) from Bengkayang – Ngabang – Tayan.

Map 1: West Kalimantan Power Grid Project Route and Location



5. The whole 150 kV Transmission Line route of Bengkayang – Ngabang – Tayan will pass through 40 villages, 9 sub-districts and 3 districts (Bengkayang, Landak, and Sanggau). Table 1 describes the villages, sub-districts and districts to be traversed by the whole transmission line route.

Table 1: Villages, Sub-Districts and Districts Traversed by the Transmission Line

District	Sub-district	Village	Tower
Bengkayang	Lumar	Magmagan	T.1 - T.05
	Bengkayang	Sebalo	T.06 - T.28
	Teriak	Sebetung Menyala	T.29 - T.33
		Sayong	T.34
		Dharma Bhakti	T.35 - T.39
		Sebente	T.40 - T.47
		Bangun Sari	T.48 - T.52
		Teriak	T.53 - T.55
		Setia Jaya	T.56 - T. 66
Landak	Banyuke Hulu	Untang	T.67 - T.78
		Kampet	T.79 - T.85
		Padang Pio	T.86 - T.96
		Tembawang Bale	T.97 - T.106
	Menyuke	Berinang Lesung	T.107
		Songga	T.108 - T.110
		Angkaras	T.111 - T.116
		Perabi	T.117 - T.118
		Ansang	T.119 - T.123
		Darit	T.124 - T.129
		Mamek	T.130 - T.139
		Jabeng	T.140 - T.147
		Bagak	T.148 - T.155
		Anik Dinggir	T.156 - T.173
	Ngabang	Antan Rayan	T.174 - T.192
		Dangku	T.193 T.208
		Amboyo Utara	T.209 - T.230
		Sungai Kelik	T.231 - T.237
		Munggu	T.238 - T.253
		Ambarang	T.254 - T.260
	5 sub-district	29 Villages	260 towers
	<b>NGABANG-TAYAN</b>		
District	Sub-district	Village	Tower
Landak	Ngabang	Tebedak	T108-T133
	Jelimpo	Tubang Raeng	T100-T107
		Jelimpo	T88-T99
		Kayu Ara	T80-T87
		Angan Tembawang	T61-T79
Sanggau	Balai	Padi Kaye	T46-T60
		Tae	T39-T45

		Temiang Mali	T36-T38
		Mak Kawing	T26-T35
	Tayan Hilir	Tebang Benua	T14-T25
		Cempedak	T1-T13
	4 sub-district	11 Villages	133 towers

6. The project “In principle” permit has been granted since year 2009. PLN received a project determination letter for the transmission line of Ngabang-Tayan and Tayan Substation. However, PLN is still processing to obtain another project determination letter from West Kalimantan Governor for the Transmission Line route from Bengkayang to Ngabang and Ngabang Substation. West Kalimantan Provincial Environmental Office (*Badan Lingkungan Hidup Daerah*) – BLHD has approved Environmental Management and Monitoring Efforts (UKL/UPL) studies of the both routes in March 11, 2010 (see Attachment 1). During the stakeholders meeting held in Pontianak on April 20, 2011, Bappeda of Sanggau confirmed that the transmission line route of Ngabang – Tayan and Tayan new Substation have been incorporated in Sanggau District Spatial Planning Year 2011.

### **3. RP Preparation and Efforts to Minimize Potential Resettlement Negative Impacts**

7. This Resettlement and Ethic Minority Development Plan will cover two new substations (Ngabang and Tayan) and transmission line along 145 km connecting the proposed transmission coming out from Bengkayang Sub-Station with the two new substations in Ngabang dan Tayan. This RP is established based on initial design prepared by PLN Engineering Office in Year 2009. A total corridor of impact (COI) of 20 meters for the transmission line is used as basis for estimating the scope of resettlement impacts. This RP is subject to updating following PLN inventory of loses and affected people identification as well as the final detailed design during implementation.

8. There are key principles that have been practiced by PLN to minimize the negative impacts of the transmission line project. The project will avoid, wherever possible, the residential areas by making an alternative design or rerouting the line identified to traverse the residential areas. If unavoidable, PLN will obtain agreement from affected landowner.

9. For this Transmission Line project from Bengkayang – Ngabang – Tayan, the 150 kV Transmission Line towers will mostly be constructed quite far away from the residential area. None of these public utilities such as school, church, mosque, health center, public garden as well communally owned forest (*tembawang*), long house (*rumah betang*), cemetery and private structure / house will be affected by the transmission line and new sub-stations.

10. Since forest fire is rampant in West Kalimantan due to improper land clearing practices, PLN PIKITRING Kalimantan has made a statement letter dated January 2010 ensuring for not using a burning method when conducting a land clearing for the project.

11. The UKL/UPL however indicated that some angle polygon towers (AP 6, AP 7, AP 8) of Ngabang – Tayan transmission line route are located within a production forest. PLN is advised to obtain a lease permit for the affected forestland within the production forest will be used for the towers and ROW. To begin processing the permit, PLN is suggested to send a request letter to Head of Forest Consolidation Office, Area III in Pontianak West Kalimantan.

12. During the fieldwork from 23 March – 4 April 2011, SOFRECO social team indicated that the transmission line route is also crossing palm oil plantation in Amboyo Utara Village and Sungai Kelik Village of Ngabang Sub-District of Landak District; one structure in Ambarang Village of Ngabang Sub-District; one parcel of rice field land in Kayu Ara Village of Jelimpo Sub-District and some community rubber plantations. Those have been informed to PLN.



## **B. Scope of Land Acquisition and Resettlement**

### **1. Potential Impact Substation**

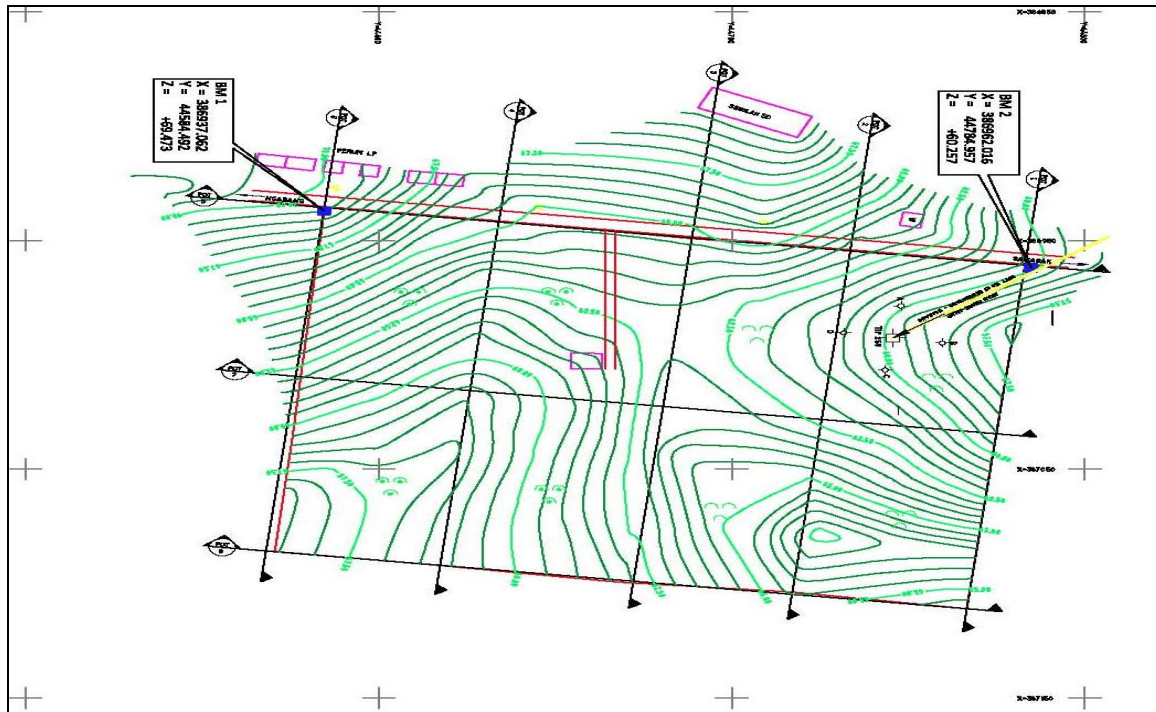
#### **a. Ngabang New Substation (30 MVA)**

13. On Ngabang new substation, PLN estimates about 30,000 m<sup>2</sup> of land will be acquired for the substation site. The proposed site is located in Ambarang Village of Ngabang. Due diligence to the proposed site conducted in March 20110 indicated the PLN has not acquired the land. The substation site is located about 100 m from a district road of Bengkayang to Ngabang. Approximately 300 – 400 m from the location, there are a public elementary school and a prison complex. In the range of 200 m from the site in the same side, there are two temporary houses used as a barn by the landowner. The headquarters of artillery unit of Tanjung Pura military command is situated around 700-800 away from the site. It is informed the land belongs to two landowners, yet we could not meet them.

14. Type of land use on the proposed substation site is predominantly a mix garden. However, seemingly it has been abandoned. More grassland instead of productive trees/crops grow on the land. The area surrounding the substation site has started to be developed in compare to the situation reported in the PLN Route Survey and Soil investigation Report in Year 2009. A number of houses/buildings can be seen in the range of 900-1000 m from the proposed site. PLN will conduct an inventory of loses once the site location determination letter is issued by the Head of District. The map below shows a lay out of the proposed Ngabang Substation site.

15. Ngabang New Substation Layout is provided bellows:

## Map / Layout 1: Ngabang New Substation



### b. Tayan New Sub-Station (30 MVA)

16. The Tayan substation is located in Tebang Benua Village, Tayan Hilir Sub-District of Sanggau District. Due diligence conducted in March 20110 indicated that PLN is going to alter the proposed substation site as too many activities taken place in the area surrounding the site and made this potential is not longer suitable for substation site. PT PLN (Persero) is in the process of proposing an alternative site within the same general area of Tebang Benua village.

17. PLN has estimated about 60,000 m<sup>2</sup> of land will be acquired for the alternative Tayan sub-station site. PLN UPK J West Kalimantan expects a suitable location can be found around 1-2 km away from the new intersection provincial road (Siantan to Sanggau and Ngabang through Tayan). Furthermore, following PLN standard practice for a sub-station site selection, it is expected the new substation will not affect a productive land, demolition of buildings / houses and/or involving public facility such as school, church, mosque, health center, as well as a graveyard, and other communal land or communally owned forest (*tembawang*).

18. Observation on the potential alternative site of Tayan Substation indicated that land transaction activities in the area are increased following the development of a new provincial road mentioned above (Siantan to Sanggau and Ngabang though Tayan). Many signs for land selling can easily be found in the area. PLN may need to make a

fast decision to secure land for the alternative Tayan Substtion site once the decision on the ADB Safeguards requirement has been made.

## 19. Estimated Land Acquisition Impact of the Sub-Stations

**Table 2.:** Land Acquisition Impacts, Ngabang Substation and Tayan Substation

Items	Unit	Quantity
Land to be acquired for Ngabang substation	m <sup>2</sup>	30,000
Land to be acquired for Tayan Substation	m <sup>2</sup>	60,000

## 2. Potential Impact Transmission Line Tower Foundation

20. Similar to the new sub-station, PLN has not conducted an inventory of loses. Therefore other impacts of the transmission line beyond land acquisition needs are still very limited. For estimating the potential impact of the transmission line, mainly come from PLN 150 kV Transmission Line Route Survey and Soil Investigation report completed in Year 2009 for Bengkayang – Ngabang – Tayan. Other source of information for estimating the potential impact is from the field observation and sample-based (20%) households survey conducted by social team end of March to first week of April 2011. The social team was lucky as during the survey, 18 landowners of whom their land will be directly affected by the project included in the sample of the total 80 respondents. Those 18 potentially affected peoples (APs) were interviewed as respondent survey. They informed the social team that PLN surveyor has marked their land as location of the 150 kV transmission line tower foundation. The remaining 62 peoples are potentially impacted peoples of which their land and assets will not be affected by the project knowing there is no mark on their land from PLN surveyor. The total 80 respondents are from 34 villages and living in the area of which to be traversed by the proposed transmission line route from Bengkayang-Ngabang-Tayan.

### a. Permanent Land Acquisition of Transmission Line Bengkayang – Ngabang

21. Land area needed for 150 kV Transmission Line tower base is 225m<sup>2</sup> for a normal tower (15m X 15m) and 400m<sup>2</sup> (20m X 20m) for an angle tower<sup>3</sup>. PLN will construct 217 normal towers and 43 angle towers for the proposed transmission line along 90 km from Bengkayang to Ngabang. PLN will permanently acquire a total of 66,025 m<sup>2</sup> for the construction of the transmission line towers from Bengkayang to Ngabang.

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<sup>3</sup> 1) Indonesian National Standard (SNI) No. 04-6918-2002

## **b. Restrictions Transmission Line Right of Way (ROW) Bengkayang – Ngabang**

22. The 150 kV Transmission Line right of way (ROW) requires 20m wide (10+10) along 90 km of the transmission line from Bengkayang to Ngabang. Approximately 1,800,000m<sup>2</sup> of land area under the transmission line ROW will be affected by project. Some restrictions on the use of the land and building for instance to grow high standing trees and building, will be applied A compensation will be provided due to the use and access restrictions of the land under the ROW.

## **c. Permanent Land Acquisition of Transmission Line Ngabang - Tayan**

23. The same to Bengkayang-Ngabang route, the area of land needed for 150 kV Transmission Line tower base is 225m<sup>2</sup> (15m X 15m) for normal tower and 400m<sup>2</sup> (20m X 20m) for angle tower PLN will construct 110 normal towers and 23 angle towers for the proposed transmission line along 55 km from Ngabang to Tayan. PLN will permanently acquire a total of 33,950 m<sup>2</sup> for the construction of the transmission line towers from Ngabang to Tayan.

## **d. Restrictions Transmission Line Right of Way (ROW) Ngabang – Tayan**

24. 150 kV Transmission Line right of way (ROW) required 20m wide (10+10) along 55 km of the transmission line route from Bengkayang to Ngabang. The total area of 1,100,000m<sup>2</sup> of the land the under the ROW along 55 km from Ngabang to Tayan will be affected by project. Some restrictions on the use of the land and building for instance to grow high standing trees and building, will be applied. A compensation will be provided due to the use and access restrictions of the land under the ROW.

25. Some activities during construction such as building of tower foundation, erection of transmission line tower and stinging double circuit transmission cable, will cause a temporary land acquisition for access road. Yet, discussion with PLN UPK J West Kalimantan indicates the wining contractor will mitigate the impacts including providing proper compensation needed. PLN will not include this in the resettlement planning land budget.

26. Total land will be permanently acquired for the transmission line tower and the land area restricted by the transmission line ROW describes in the table bellows.

**Table 3: Land Acquisition Impact of the transmission Line Tower and ROW**

<b>No</b>	<b>Type of Land Acquisition</b>	<b>Number of Towers</b>	<b>Land Affected (m<sup>2</sup>)</b>
1	Permanent Land Acquisition Bengkayang - Ngabang		

	a. Normal Tower Foundation	217	48,825
	b. Angle Tower Foundation	43	17,200
	Sub Total	260	66,025
2	Permanent Land Acquisition Ngabang-Tayan		
	a. Normal Tower Foundation	110	24,750
	b. Angle Tower Foundation	23	9,200
	Sub Total	133	33,950
	<b>Total I Permanent land Acquisition</b>		<b>99,975</b>
3	d. Area of TL / ROW Bengkayang - Ngabang	260	1,800,000
4	d. Area of TL / ROW Ngabang - Tayan	133	1,100,000
	<b>Total II Restricted ROW</b>		<b>2,900,000</b>

### 3. Type of Land Use Impacted

#### a. Transmission Line Bengkayang-Ngabang Land Use Impact

27. During construction, necessary land clearing on the land area of the tower foundation will be executed. Analysis on the existing type of land use being practiced on the potentially affected land of the tower foundations indicated in the table below.

#### 28. Table 4: Land Use Type of Tower Foundation Land of Bengkayang – Ngabang

No.	Type of Land Use	Number of Tower
1	Rubber	122
2	Muddy Land	6
3	Swamp	4
4	Bush	58
5	Pepper	3
6	Fruit Garden	1
7	Mix Garden	11
8	Cassava	2
9	Wet Paddy	13
10	Fish Pond	3
11	River Bank	1
12	Community Forest	29
13	Palm Oil	2
14	Field Yard	1
15	Structure	1
16	Bamboo	3

Total	260
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29. The tower foundation from Bengkayang - Ngabang will significantly affect rubber tree (47%) planted on the land. Bush land (22%) will also be affected, Community forest (11%), wet paddy (5%), mix garden (4%), and the other such as bamboo, fish pond, cassava each are less than (2%).

### b. Transmission Line Ngabang – Tayan Land Use Impact

30. Similar to Bengkayang – Ngabanag, during construction, necessary land clearing on the land area of the tower foundation of Ngabang – Tayan will be executed. Analysis on the existing type of land use being practiced on the potentially affected land of the tower foundations indicated in the table bellow.

#### 31. Table 5: Land Use Type of Tower Foundation Land of Ngabang – Tayan

No	Type of Land Use	Number of Tower
1	Bush	32
2	Bamboo	2
3	Dry Paddy	2
4	Mix Garden	3
5	Palm Oil Tree	8
6	Rubber	68
7	Swamp	12
8	Wet Paddy	6
	<b>Total</b>	<b>133</b>

32. The tower foundation from Ngabang to Tayan will significantly affect (51%) of rubber trees planted on the land. Bush land will be affected (24%). Swap land (9%), palm oil (6%), and wet paddy (4%), and the other such as mix garden, dry paddy, bamboo is (2%) and less.

### c. Impacts on communally owned resources, commercial and high value crops

33. The sample-based survey indicates that rubber trees are planted as source of family daily cash income as they can sell it directly to rubber collectors and / or at rubber market in the area. Bush land is normally considered as unproductive land. However, it is actually a shifting cultivation land in a fallow stage for 5-10 year period to revive its soils and productivity.

34. In Ngabang – Bengkayang, NTFP (non-timber forest product) is also another important source of family cash income. Very few families are willing to covert their community forest into palm oil tree / garden. On the other hand, in Ngabang – Tayan,

many families are willing to participate in a nucleus – estate palm oil plantation scheme operating in the area to increase their family cash incomes.

35. There are some high-value trees such as Sengon tree (for plywood material) in Seballo Village and Tengkawang tree belong to local community at Amboyo Utara Village for commercial trade will be affected. Other commercial rubber plantations mostly with prime rubber trees (*karet unggul*) commonly found in Antan Rayan Village of Ngabang Sub-District will also be affected.

36. Communally owned forest area which is locally known as *tembawang* and public / private cemeteries belong to indigenous peoples in the area so far reported will not be affected by the Transmission Line. Rice fields are found in Dharma Bhakti Village of Bengkayang, Kayu Ara Village, Jelimpo Village, and Padikaye / Balai Village. However, those should be reconfirmed once PLN has conducted inventory of losses on the transmission line towers and ROW.

## C. Socioeconomic Profile of Potentially Impacted Households

37. Descriptions on the socioeconomic profile of potentially impacted households are based on a sample-based Households socio-economic survey conducted by SOFRECO. A Set of questions was developed to gather socioeconomic and demographic data of the households living along the transmission line route from Bengkayang – Nagbang – Tayan. More detail of the findings explored in the social impact assessment report. Some key finding are used for the REMDP as follows:

### 1. Indigenous People and Ethnic Minority

38. Dayak ethnic is the indigenous peoples group mainly found (87.5%) living along the proposed transmission line from Bengkayang – Ngabang – Tayan. Other ethnic groups such Melayu (7.5%), Bugis (3.75%), and the rest (2.5%) are Chinese and Javanese are also found. Among Dayak ethnic groups, Bekati, Kanayant, Benyadu, Mali are the majority. Ketobak, Mebagin, BeAhe are the minority.

**Table 6: Ethnic Groups**

<b>TL Route</b>	<b>Ethnic Group</b>
Bengkayang - Ngabang	Dayak Bekati, Dayak Kanayant, Dayak BeAhe, Dayak Mubagin, Dayak Kantu, Dayak Sekayan , Dayak Peribun, Melayu, Java
Ngabang - Tayan	Dayak Peruan, Dayak Tobak, Dayak Mali/Keneles, Melayu, Bugis, Chinese

39. There are no obvious differences in housing styles or standard of the adat communities compared with the wider community. The Dayak communities have well integrated into broader provincial and national society. However, they also have maintained certain aspects of their separate culture identify especially with relation to land, land ownerships and tenure rights.

40. Officially, in the villages surveyed, they have a local government which has the Kepala Desa as a Leader. However, other operating governance systems from village to provincial level are also found. For instance, 'Adat Leader' called 'Tumenggung' at the village level and 'Pasirah' at the sub-village level. At the sub-district (Kecamatan) level they have an 'Adat Council', which consists of all the 'Tumenggung'. These 'Adat Leaders' and Local Government officials have a coordination relationship. If there are social conflicts among community members, they will be solved where possible using



'Traditional Law' rather than 'Constitutional Law' (i.e. the State legal system). However criminal cases are always dealt with by the police using the State legal system.

41. Dayak communities found along the transmission line route majority are still involved in land related agriculture practices and forest dependent livelihoods for subsistence. They also actively participated in the range of economic activities for commercial and trading purposes available and predominantly are rubber plantation, palm oil tree and high value growing trees as described above. On average, each household has 1-2 hectares of rubber plantation land as main source of their cash income. Most of the rubber produced from this area is sold in roadside markets to traders who transport it to Pontianak.

42. They believe that lands are sacred and therefore demand a customary ceremony to be arranged before land clearing. Called under different names from village to village, "Bapadah", "Tampung Tawar", "Premah Tanah", "Ngudas" or "Baremah", all intended for protection and safety to the villagers. In the context for construction of transmission line tower foundation and sub-station, we were advised that one ceremony for one village would be enough.

43. During REMDP preparation, the Adat Leaders said that project staff and contractors should meet with "Adat Leaders" and Head of villages along the transmission line route before construction works start to discuss the proposed works and decide on any measure that might be needed to prevent or minimize any adverse social impacts that might occur. Since resettlement impacts estimated will not be significant to indigenous communities, therefore a separate IP action plan may not be needed. Instead, this REMDP is including Indigenous peoples (IP) specific action plan.

## **D. Consultation and Disclosure**

44. Except a general public consultation prior to UKL/UPL study in Year 2009, PLN has not conduct any official public consultation both potentially impacted villagers and affected people. Consultation and meeting have been made to Sanggau local government in order to obtain a project location determination for Tayan Sub-Station including the transmission line route from Ngabang to Tayan.

45. SOFRECO made informal discussions to some community groups, village officials and customary leaders with regards to the project information and plan during the fieldwork preparation in March 2001. SOFRECO also organized an official public consultation to key stakeholder of the project in Pontianak in April 20, 2011 as part of REMDP preparation.

46. PLN will conduct a series of consultation and meeting with local governments and other key stakeholders on the project information and plan, to explore local government's ongoing / planned development programs as well as to obtain necessary project location determination for the transmission line route from Bengkayang to Ngabang and for a new Ngabang Sub-Station. More specific consultations will be made during inventory of loses. PLN will conduct a series of meeting with affected peoples. The results of the activities will be integrated in this REMDP or during REMDP updating.

47. Interviews with the potentially affected households show their support towards the project. Affected households also stated that they should get compensation for their affected assets and requested PLN to officially carry out socialization regarding the project, its impacts, as well as the project entitlements. They also expect be to given an opportunity to relocate their affected asset, structure / building prior to the project land clearing.

48. Potentially impacted villagers expect some major positive impacts of the project such as increase households electricity connection, improvement of the power grid by having more reliable and stable connection, less electricity cut / power blackout, and in general provide electricity for access to public services (education, health and market). By having more access to electricity connection, households can cut down expenses for buying kerosene for lanterns and cooking stoves and allocate their money for expanding other economic opportunities on their commercial rubber garden.

49. Currently, local villagers sell their rubber to intermediary buyers at sub-district level who collect a small number of quantity. These intermediary buyers sell to some bigger rubber collectors in Bengkayang dan Ngabang that forward to big trader in Pontianak. Improvements on rubber storage system at households level will give rubber farmers a chance to collectively bring their rubber products directly to Bengkayang and / or Pontianak and get a better price. Therefore the farmers will get better bargaining on their produce. Improvement to and better public access and services will also give a

chance for poor people to get better education. In other word, electricity connection which is followed by other improvements are expected to increase their standard of living.

50. Other expectations are related to job opportunities from the project. During the survey, potentially impacted villagers along the project route have questioned their chance to be participated in the project job opportunities from preparation to help identify and conduct inventory of losses as well as to become a labour during construction and / or supplier for the materials used for building tower foundations. PLN project staff involved in the survey confirmed that the project will prioritize local workers , based on their competence, during construction and will retain a smaller number as paid employees to serve as monitors or guards for the transmission line after construction is completed.

51. Potentially affected villagers have also raised their concerns on potential negative impacts caused by the project including potential negative impacts of the electromagnetic field of the high voltage conductor along the transmission line to women fertility, their home appliances and the health of residents, children safety, etc. Some village residents requested PLN to build fences to the towers to be built in the vicinity of residential areas to protect the children safety. Other village residents requested PLN to develop the transmission line far away from their houses or even far away from residential area, so that they don't have to be worried on their living safety including children's safety.

52. On the key stakeholders consultation meeting, West Kalimantan Customary Community Alliance (*AMA Kalbar*) highlight the important of avoiding communally owned resources such as Tembawang and public cemeteries. PLN is advice to reroute the transmission line will pass or directly affect those communally owned forest and public cemeteries. For Dayak peoples a cemetery is a sacred family place and also symbol of their dignity.

53. Mr. Yohanes, Vilage Secretary of Darit reported that during land marking, contractor from PLN had cut down community's rubber trees without prior approval. He advised to avoid conflict with local community; it is necessary to have through meeting with local community, especially affected people and community leaders when start identifying assets affected / inventory of losses, land clearing and construction. Other reported that the contractor also didn't have permission for land marking in Mamek Village and Antan Rayan Village, but no damage been reported on those two villages.

54. Interviews with potentially impacted women villagers indicated that in the situation in which men and women presented during the interview, women would only confirm men's response and rarely gave their own thoughts. However, in the absence of men during the interview that women provided their own response demonstrated that in Dayak community, women and men share equal land inheritance in family, equal land use right and benefits. However, women are rarely involved in decision making process in

community. Women only attend villages meetings when the head of household (men) fail to attend or there's no adult men in the household.

55. Women shared double burdan as they not only act as housecare givers but along with the men, they are also the breadwinners of the family. After working in the rubber plantations in the early morning, women would have to come back home and do house chores before going again for farming at the rice field. In the afternoon, men were seen socializing while women stay home finishing the chores. Therefore, unlike men who view the benefits of the projects as a whole, most women we interviewed view the benefit of the projects for their very basic family needs and concern. They expect the project will supplies electricity that in the end would enable them to use electronic equipments and utensils (rice cookers, washing machines, refrigerators,etc) to ease the chores. Also to help their kids study better in the evening.

56. As indicated above, PLN will conduct meaningful consultations for this REMDP preparation. Post inventory of losses activities / detail measurement survey (DMS), PLN together Land Acquisition Committee (LAC) will conduct consultation and confirmation on the DMS, project disclosure with affected households, including local officials (villages head, sub-district leaders, as well as customary operating governance structures as indicated in the below table. Methods to used during the consultations will include: public meetings, individual interviews, group interviews, and field level observations. All minutes of meetings, photos, attendance sheets will be prepared and recorded.

57. Table 7: PLN's Consultation Plan with APs following DMS

Socialization Issues	Method	Participation of
Consultation on DMS, and confirmation of APs, grievance mechanism	DMS, Meeting	PT PLN, LAC, local government (head of village and sub-district), customary leaders, APs/DPs (men and women), households living nearby the project area (men and women).
Consultation on negotiation, compensation payment mechanism	Meeting	PT PLN, LAC, local government (head of village and sub-district), customary leaders, APs/DPs (men and women),
Consultation on land clearance and relocation, and monitoring	Meeting	PT PLN, LAC, local government (head of village and sub-district), customary leaders, relevant offices of Kabupaten, APs (men and women),

58. PLN will prepare a project information leaflets. The leaflets will be distributed to the APs/DPs prior to consultation on resettlement entitlement. The basic information

provided in the leaflet are: (i) brief sub project description; (ii) detailed project location; (iii) policy on land acquisition and resettlement; (iv) project resettlement entitlements; (v) compensation and income restoration; (vi) grievance redress; and, (vii) implementation schedule. Aside from the leaflet, the draft and final REMDP will be uploaded onto the ADB website.

## E. Grievances Redress Mechanism.

59. Based on General Manager Decision of PLN UIP Jaringan Sumatera II no. 002.K/GM/UIPRING SMT II/2011 dated 18 March 2011, PLN UPK JAR Kalimantan IV, which is previously called as PLN Project West Kalimantan will be responsible for management of construction of the propose project. Parent organization of the UPK JAR Kalimantan IV is PLN UIP Jaringan Sumatera II located in Palembang. Detail of PLN new structure is described in the attachment 4. With regards to grievance redress mechanism under the PLN new structure, it is confirmed that the same principles previously practice will be implemented. Under the PLN new structure, grievances related to any aspect of the subproject will be handled through negotiation aimed at achieving consensus.

60. In order to ensure that the APs have avenues to raise their grievances related to any aspect of the land acquisition and resettlement and come up with acceptable resolution, hence complaints and grievance handling mechanism will be established for the Project, in accordance with the Presidential Decree No. 65 / 2006, Art. 17 and 18, Regulation No. 1 / 1994, Art. 18 and 22, and Decree of the Ministry of Agrarian / National Land Agency No. 3 / 2007, as follows:

- The AP/APs may bring his/her grievance(s) during socialization, public consultation, negotiation, or any time before the land is acquired, directly to the PLN UPK JAR Kalimantan IV. Contact persons of PLN UPK JAR Kalimantan IV Office staff handling the complaints/grievances will be informed to AP/DPs. Before bringing to PLN UPK JAR Kalimantan IV Office, an aggrieved AP may bring his/her complaint to Village Head or Adat Leader at village level in where the project is located either in writing or verbally. The Village Head or Adat Leader at village level, then brings the complaint to PLN UPK JAR Kalimantan IV Project Office within 14 days.
- If the issues cannot be resolved by PLN UPK JAR Kalimantan IV, the aggrieved APs may request the Village Head as a witness to bring the grievances either in writing or verbally to the Bupati. The *Bupati* will have 30 days following the lodging of the complaint by the aggrieved AP to act on the case. He/she may call, as needed, any member of the PLN or the LAC and AP who bring the complaint, to help him/her come up with an acceptable resolution of the complaint.
- If the Bupati can not reolve and/or the AP is still not satisfied with the decision taken by the Bupati, he / she may bring the complaint, either in writing or verbally to the Office of the Provincial Governor and the Governor has 30 days as well following the complaint lodging to resolve the complaint to the satisfaction of all concerned parties.

- If the aggrieved AP is not satisfied with the Bupati and/or Governor decision, she/he may lodge the complaint to a court of law for adjudication.

## F. Legal and Policy Framework

### 1. Relevant Government of Indonesia (GOI) Laws and Policies

61. The key legal instruments currently in forces in Indonesia that are most relevant to involuntary resettlement are Presidential Regulation No. 65/2006 (PerPress 65/2006), regulates on 'Land Acquisition for Development Activities in the Public Interest superseding the previous Presidential Regulation No. 36/2005 (PerPres 36/2005), and National Land Agency (BPN) Regulation No. 3/2007 on Land Acquisition Guidance for Presidential Regulation No. 65/2006 and No. 36/2005. Other laws and regulations are The Law of Republic Indonesia no. 15 / 1985 to guide the development of high and very high voltage transmission lines in Indonesia. The Ministry of Mining and Energy Regulation No. 01.P/47/MPE/92. Ministry Decree No.975 K/47/MPE/1999.

62. Under The Presidential Regulation No. 65 / 2006, the proposed project is categorized as Development Activities for Public Interest. The Presidential Regulation provides for various forms of compensation including cash, replacement land, and resettlement to pursue public development projects. The compensation payment covers the lost land, plants, and buildings. The regulation also emphasizes the importance of community consultation for reaching agreement with the affected people on compensation and specifies grievance procedures. The Decree of the Head of the National Land Agency No. 3/2007 provides further detail on how land acquisition and compensation would be carried out. The *Bupati* (Regent) or *Walikota* (Mayor) or the Governor would set up a Land Acquisition Committee (LAC) for the purpose especially for land acquisition more than 1 hectare. While for land that is less than one hectare, it can be conducted by the party in land need itself through a direct transaction with the owners. Land appraisal carried out by an independent appraiser is required for land acquisition facilitated by the LAC. According to the BPN Decree No. 3127/15.1-300/VII/2009, the compensation rate can be determined although the agreement with land owners have yet reached 75%. While the BPN Decree No. 1/2010 regulates the time frame for certification of the remaining land after compensation payment. Aside these regulations, some Acts related to land acquisition will be references including Act No. 9/2009 on Agricultural Land for Food Security, Forestry Law No. 41, 1999, and Act no. 31/2009 on Electricity.

63. With regards to Indigenous People, Presidential Regulation no. 65 recognizes customary (*Adat*) / communal land rights and compensation for such land shall be given in the form of public facilities or other form that are beneficial to the *Adat* community. For proper implementation for example, the Ministry of Energy and Mineral Resource has provided a guideline for conducting community development in



the energy and mineral resource projects to ensure local community and affected people can be get benefits from the project<sup>4</sup>.

64. Ministry of Mining and Energy Decree No.975 K/47/MPE/1999 regulates procedures for land and crops compensation affected by electricity project development. This regulation also provides guidance for the compensation of land and non-land assets in the ROW of construction of a high and / or very high voltage transmission lines. Compensation for lost or damaged crops will be calculated according to the concerned local government rules and procedures.

## 2. ADB Policies and Procedures of Guidelines

The new **ADB Safeguard Policy Statement** (2009) consolidates three existing safeguard policies: involuntary resettlement (IR), indigenous peoples (IP), and environment. The objectives of the IR policy are to (i) avoid involuntary resettlement, (ii) explore alternatives to avoid, (iii) restore livelihoods and (iv) improve living standards of poor and vulnerable households. The IR safeguard covers physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restriction on land use or on access to legally designated park and protected forest area. It covers them whether such losses and involuntary restriction are full or partial, permanent or temporary.

69. **ADB's Safeguard Policy Statement** defines "indigenous peoples" as "those with a social or cultural identity distinct from the dominant or mainstream society". "Indigenous peoples" is a generic concept that includes cultural minorities, ethnic minorities, indigenous cultural communities, tribal people, natives, and aboriginals. The Policy recognizes the potential vulnerability of ethnic minorities in the development process; that ethnic minorities must be afforded opportunities to participate in and benefit from development equally with other segments of society; and, have a role and be able to participate in the design of development interventions that affect them. The IP policy objectives are to (i) design and implement projects that fosters full respect for IP's identity, dignity, human rights, livelihoods systems, and cultural uniqueness as defined by IP themselves and (ii) ensure that IPs receive culturally appropriate social and economic benefits, do not suffer adverse impacts as a result of projects, and can participate actively in projects that affect them." In any ADB interventions, the approaches to be used are as follows: (i) to achieve the greatest possible reduction of poverty among the affected indigenous peoples; (ii) when negative impacts are unavoidable, they should be minimized as much as possible, and appropriate measures will be taken to mitigate the adverse impacts; (iii) in enhancing the benefits of a

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<sup>4</sup> Pedoman Pengembangan Masyarakat Di Sektor Energi dan Sumber Daya Mineral. Departemen Sumberdaya Energi dan mIneral Republik Indonesia, Forum Komunikasi Pengembangan Masyarakat di Industri Energi dan Sumber Daya Mineral, Indonesia Center for Sustainable Development (Ed). September 2004.

development intervention for indigenous peoples or reducing negative impacts of a development intervention, clear mechanisms for accurate and objective analysis of their circumstances will be prepared; and (iv) the mechanisms for any intervention must be transparent and should ensure accountability.

70. ADB's **Policy on Gender and Development (1998)** adopts gender mainstreaming as a key strategy for promoting gender equity, and for ensuring that women participate and that their needs are explicitly addressed in the decision-making process. For projects that have the potential to have substantial gender impacts, a gender plan is prepared to identify strategies to address gender concerns and the involvement of women in the design, implementation and monitoring of the project. The new safeguard policy and requirements also reiterates the importance of including gender issues in the preparation of safeguards documents at all stages to ensure that gender concerns are incorporated, including gender-specific consultation and information disclosure. This includes special attention to guarantee women's assets, property, and land-use rights and restoration/improvement of their living standards; and to ensure that women will receive project benefits. Other policies of the ADB that have bearing on resettlement planning and implementation are the (i) Public Communications Policy (March 2005), and (ii) Accountability Mechanism (2003).

#### **4. Some Key Differences/Gaps between GoI and ADB Policies**

71. Although at the policy level and legal framework of Indonesian Government and ADB are likely more harmonize, yet in the implementation there are some challenging gaps indicated as follows. Under ADB Policy, AP with a titleholder entitled compensation at replacement cost including non-physical losses. For instance, severely affected and / or vulnerable groups, and minority status APs entitled to have an income restoration / rehabilitation support or a special allowance in addition to compensation at replacement cost. As commonly practiced under Indonesian regulation a compensation payment agreed by AP for land loss is considered already covered all those non-physical losses due to their severity, vulnerability, and minority status.

72. In other ADB financed project to PLN to cover these gaps, a compensation policy framework and policy guidelines (CPFPG) tailored for a specific project was formulated. It could provide PLN with greater flexibility to allocate its corporate social responsibility fund (CSR) for fill in the gaps towards ADB Policy full compliances.

73. The following legal and operational restrictions quite aptly provide a picture of how wide the gap is between existing Indonesian laws and regulations and ADB's Safeguard Policy:

- a. Provision on calculation basis for compensation of land does not clearly refer to the principle of replacement cost. Presidential Regulation states that the land price refers to the NJOP price or real price by considering the current NJOP price. With the said provision, many local governments pay the compensation for land in accordance to the NJOP price or in between NJOP

and market price. No provision that the transaction cost should be paid by the party in land need.

- b. Government auditing policies compel Executing Agencies not to compensate at replacement rates for affected fixed assets, such as buildings. The value of the affected asset, even if lost involuntarily, is depreciated and the value of salvageable materials deducted from the amount of compensation.
- c. Current legal framework does not include a definition of non-physical losses or how to apply a value to them, no requirement to identify or address vulnerable groups, and severely affected persons, no opportunity for affected persons to participate in monitoring and no requirement to develop Resettlement and Ethic Minority Development Plans.

74 It is because of the limitations of and gaps in law that could comprehensively address the complex social issues attendant to ROW acquisition that the Project policies in this REMDP have been adopted. Importantly, full replacement cost will be applied to the project (see below)

## **5. Entitlement, Assistance, and Benefits**

### **a. Proposed Project Principles and Entitlements**

65. The core principle of the Project Policy is anchored on the philosophy that development projects must serve the public good and that, in the design and implementation of such projects, all efforts will be exerted to help ensure that APs are not worse off. Moreover, the Project should provide an opportunity for the local population to derive benefits from it. Likewise, the Project should serve as an occasion for the local population to participate in its planning and implementation, thereby engendering a sense of ownership over the Project, subprojects and other components. Towards this end, the Implementing Agency will endeavor to carry out the Project and any of its subprojects and components based on the following principles adopted for this Project are the following below:

- a. Involuntary resettlement and impacts on land, structures and other fixed assets will be minimized where possible by exploring all alternative options.
- b. Affected people (APs) residing, working, doing business and cultivating land within the required project area as of the completion date of the census and inventory of losses (based on preliminary design) but verified during detailed measurement survey (based on detailed design) will be entitled to compensation and rehabilitation assistance to assist them in improving, or at least maintaining their pre-project living standards and productive capacities. The Project will ensure that APs are able to find alternative sites or income sources.

- c. Lack of formal legal title or rights will not be a bar to eligibility for compensation and assistance under the Project. APs will not be displaced from affected land until the village allocates suitable alternative land or compensation is paid that is sufficient to purchase suitable land within the same or neighboring village.
- d. All compensation will be based on the principle of replacement cost at the time of compensation. For houses and other structures, this will involve the costs for materials and labor at the time of acquisition, with no deduction for depreciation or for salvageable materials. Compensation for land will be replacement land as a priority, or where this is not possible, in cash adequate to purchase land locally of equivalent size and quality, and where required to improve land to achieve suitable quality.
- e. The process and timing of land and other asset acquisition will be determined in consultation with APs to minimize disturbance.
- f. Where houses and structures are partially affected to the degree that the remaining portion is not viable for its intended use, the Project will acquire the entire asset, and APs will be entitled to compensation at replacement cost for the entire asset.
- g. APs will be systematically informed and consulted about the Project, the rights and options available to them and proposed mitigating measures. The comments and suggestions of APs and communities will be taken into account.
- h. The key information in the REMDP such as measurement of losses, detailed asset valuation, compensation and resettlement options, detailed entitlements and special provisions, grievance procedures, timing of payments and displacement schedule will be disclosed to APs/IPs in an understandable format such as the distribution of public information booklets translated in local language or through community meetings prior to submission to ADB.
- i. No land acquisition or site clearing will be done for the transmission line right of way (TL/ROW) until and after the REMDP has been updated by PLN and approved by ADB, and until and after all entitlements due to the APs as provided for under the approved REMDP have been given.
- j. Resettlement identification, planning and management will ensure that gender concerns are incorporated, including gender-specific consultation and information disclosure. This includes special attention to guarantee women's assets, property, and land-use rights, and to ensure the restoration of their income and living standards.

- k. Existing cultural and religious practices will be respected and, to the maximum extent practical, preserved.
- l. Special measures will be incorporated in the Resettlement and Ethnic Minority Development Plan to protect socially and economically vulnerable groups such as indigenous peoples, women-headed households, children, households headed by the disabled, the elderly, landless and people living below the generally accepted poverty line. Vulnerable APs will be provided with appropriate assistance to help them improve their standard of living through asset building strategies such as provision of land, replacement housing of minimum standards and increased security of tenure.
- m. There will be effective mechanisms for hearing and resolving grievances during updating and implementation of the REMDP. If necessary, Resettlement committees will conduct as separate consultation to representatives of APs especially women and vulnerable groups.
- n. Institutional arrangements will be in place to timely and effectively design, plan, consult and implement the land acquisition, compensation, resettlement, and rehabilitation programs.
- o. Adequate budgetary support will be fully committed and made available to cover the costs of land acquisition and resettlement within the agreed implementation period.
- p. Culturally appropriate and gender sensitive, monitoring and evaluation will be carried out in various stages of the project and set in place as part of the resettlement management system. Monitoring and evaluation of land acquisition and resettlement including income rehabilitation program and impact of the project to the APs social and economic life will be conducted by an independent party.
- q. Voluntary donation will not be applied for any land and non-land assets.
- r. PLN will not issue notice to proceed for any civil works contract (or will not allow any construction activities) until there is confirmation that (i) payment has been fully disbursed to APs and rehabilitation measures are in place as per project entitlements in the agreed REMDP; (ii) already-compensated APs have cleared the Corridor of impact (COI) in a timely manner; and (iii) that the specific section is free from any encumbrances

## **G. Project Entitlements, Assistance and Benefits**

### **1. Eligibility**

66. The cut-off-date of eligibility refers to the date prior to which the occupation or use of the project area (i.e., area within the COI) makes residents/users of the same eligible to be categorized as AP and be eligible, regardless of tenure status. In this Project, the cut-off date will be the final day of the census of APs and the detailed measurement survey (DMS) of APs' land and/or non-land assets to be carried out by the District Land Acquisition and Compensation Committee. The date has to be disclosed to each affected village by the relevant local governments and/or PLN in close coordination with relevant local governments and the villages have to disclose it to the communities. The establishment of the eligibility cut-off date is intended to prevent the influx of ineligible non-residents who might take advantage of Project entitlements. All APs who are identified in the project-impacted areas on the cut-off date, will be entitled to compensation for their affected assets, and rehabilitation measures.

### **2. Entitlements**

67. Entitlement matrix outlined in the table below shows type of losses, eligible persons, entitlements, and implementation issues. The resettlement entitlement as outlined in the table below are based on potential resettlement impacts assessed during the initial survey conducted in March 2010 and it will be updated, as necessary, based on final DMS result referring to the final detailed design and in close consultation with APs and other concerned stakeholders to ensure that losses are compensated and restored, if not improved. Any updating/enhancement on the entitlement matrix shall be reflected in the updated REMDP and submitted to ADB for review and approval. No construction is to be commenced prior to implementation of the ADB approved updated REMDP.

**Table : Resettlement Entitlement**

Type of Losses	Eligible Persons	Entitlements	Implementation Issues
<b>Permanent Acquisition for the Tower Foundation and Substation</b>			
A. Agricultural Land	<i>Legal owners or traditional/adat tittle holders.</i>	<p>For marginal loss of land, cash compensation at replacement cost based on current market value and without deduction for taxes and administrative cost.</p> <p>For a significant loss (more than 10% of the total productive land/assets owned), land replacement with at least similar attributes will be prioritized for the compensation rather than cash compensation.</p> <p>Technical and financial assistance will be provided for land ownership document updating for those whose a portion of land to be acquired by the project.</p> <p>Land replacement as required by the Act. No. 41/1999 (Forestry Act).</p>	<p>In case of land replacement compensation, the project will provide assistance to the AHs to purchase and register land</p> <p>For traditional title land /customary (<i>adat</i>) land, the project will require a statement letter from <i>adat</i> leader or local authorities as an evidence of ownership.</p>
B. Permanent Acquisition of Residential Land for the T/L Towers	<i>Legal owner or Occupant identified during DMS.</i>	<p>Marginal loss of land will be provided in the form of Cash compensation at replacement cost which is equivalent to the current land market value with similar type and category, and free from administrative costs and deduction for taxes.</p> <p>For significant losses, APs will be prioritized to</p>	There are no APs will significantly lose their residential land. However, if it is identified during the final DMS, compensation will

		<p>obtain compensation in the form of land replacement with similar attribute or even better.</p> <p>Technical and financial assistance will be provided for the land ownership document updating for those whose a portion of land to be acquired by the project.</p>	<p>be paid at replacement cost. (Most of the affected households prefer receiving compensation rather than replacement land.)</p> <p>For traditional title land /customary (<i>adat</i>) land, the project will require a statement letter from <i>adat</i> leader or local authorities as an evidence of ownership.</p>
<b>II. Restricted Use on Land Traversed by Transmission Lines</b>			
A. Private residential and non residential land.	<i>Land owners with legal title or traditional title (customary land)</i>	Easement Fee in the amount of 10% current land value for tower bases without any deduction of administrative cost and taxes.	Easement fee will be provided to the APs transparently and will consider local mechanism.
<b>III. Crops and Trees</b>			
Crops and trees	<i>Owners of Crops and Trees, regardless of tenure status, including sharecroppers/adat land users.</i>	Cash compensation at replacement cost which is equivalent to age, type, and productive value. Productive crops/trees will cover 1 year of production value.	APs will retain possession of salvageable crops and trees



		The APs will be provided opportunity to harvest prior to the construction commencement.	
<b>IV. Public Facilities,</b>			
Community Facilities, Public infrastructures	<i>Community, local government, organizations</i>	To be restored and relocated in a better condition than pre-project condition and culturally appropriate.	Restoration and relocation etc is to be confirmed by the External Monitor.
<b>V. Temporary Loss of Land &amp; Impacts on Non-Land Assets during Construction</b>			
Temporary loss of land	<i>To be determined during final DMS and during construction.</i>	APs whose land is taken temporarily due to civil work under the project will be compensated at replacement cost based on the losses including income losses from land and non-land assets.  Restoration of land will be done immediately after use	APs will sign a temporary occupation contract specifying: (i) period of occupancy; (ii) formula for compensation calculation of the losses; (iii) compensation payment, and (iv) Land Protection and rehabilitation measures.
Impacts on Non-	<i>Owner to be identified</i>	Compensation at replacement cost based on the	

Land Assets (crops, trees, houses, structures)	<i>during construction regardless of tenure status, including sharecroppers / adat land users</i>	losses/damages.	
<b>VI. Special Attention to Severely Affected and Vulnerable Groups, including Women, IPs, and Poor People</b>			
Higher risk of hardship due to project impacts.	<p>APs who lose more than 10% of their total productive land/assets.</p> <p>APs who are considered poor people.</p> <p>APs who are categorized vulnerable groups including elderly, IP, ethnic minority, women heading households but they are not considered poor and severely affected</p>	<p>Income restoration and rehabilitation program will be provided for severely AHs and poor AHs by the project in close consultation with APs.</p> <p>Special attention will be provided during consultations, compensation payment, etc.</p>	<p>The income restoration and rehabilitation will be delivered by PLN regional office through Community Development Program. Need assessment will be conducted prior to CDP commencement.</p>

### 3. PLN's Practices in Providing Compensation

68. As illustrated in the REMDP for 275 kV Transmission Line from Bengkayang to Border, in some projects including West Kalimantan Geothermal 2 project<sup>5</sup>, PLN Bengkayang office has applied a calculation method to determine compensation rate for land by referring to the average price between land price based on NJOP (selling price of taxable object) with land market price. With this calculation, the compensation rate for land will be lower than the real market rate which is not in compliance with the principle of replacement cost as required by ADB Referring The Ministry of Finance Decree no Kep-006/WP 3.13/BO.05/2008. the land price based on the NJOP is as follows:

- a. *Zona Perkampungan/Pekarangan* (Residential/Yard Zone) of 0-2,000m<sup>2</sup>; with the price of Rp 7,150.- per sq.m
- b. *Zona Perkampungan/Pekarangan* (Residential/Yard Zone) of 2,000m<sup>2</sup>-10,000m<sup>2</sup>; with the price of Rp 2,450.- per sq.m
- c. *Zona Kebun* (Garden Zone) of > 10,000m<sup>2</sup>; with the price of Rp 910.- per sq.m

Based on the price of the three zones, the average NJOP for Residential/Yard Zone is 4,800 per sq.m (Rp 7,150.- + Rp 2,450.)/2 and the land price for Garden Zone is Rp 910.- per sq.m.

69. It has been agreed by PLN and the ADB that the compensation for lost land will be at replacement cost. Therefore the PLN Bengkayang office's practices in calculating the compensation rate for land as mentioned above will not apply. PLN will refer to the pricing standard on the land market rate issued by the chief of sub – district or village district as well as the APs information as references in doing negotiation on compensation rate with the APs. According to the statement letter of Head of Sungai Raya Kepulauan Sub-district, No 640/141/Pern dated 24 June 2008, the land price is as follows.

- a. Residential/Yard: Rp 30,000.- - Rp 40,000.-/per sq.m or in average Rp 35,000.-
  - b. Garden: Rp 10,000.- - Rp 20,000.-/per sq.m or in average Rp 15,000.-
- Certified Land
- c. Residential/ Yard: Rp 35,000.- - Rp 45,000.-/ per sq.m or in average Rp 40,000.-
  - d. Garden: Rp 15,000.- - Rp 25,000.-per sq.m m<sup>2</sup> or in average Rp 20,000.-

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<sup>5</sup> . Please see the Minutes Meeting on the Price Estimation for Land, Building, and Vegetation on the Power Construction Site of West Kalimantan's PLTU 2 (*Berita Acara Penilaian Taksiran Harga Tanah, Bangunan, dan Tanam Tumbuh pada Rencana Lokasi Pembangunan PLTU 2 Kalimantan Barat*),

70. For substation, the land will be categorized as residential / yard zone while for tower base foundation, the land will be categorized as garden. There will be no differentiation on the land price between land with certificate and land with traditional title or non-legal title.

71. The price for tree / crops to be acquired, normally be based on the pricing standard on plants issued by District Agriculture Office.

#### 4. Estimated Resettlement Budget

72. With regards to PLN previous practices in providing compensation, PLN UPK JAR Kalimantan II nevertheless held a meeting to estimate the budget for land acquisition of the 150 kV Transmission Line route from Bengkayang – Ngabang – Tayan including the sub-station in Ngabang and Tayan in April 18, 2011. This estimated budget is used to propose a budget allocation request to PLN HQ office. The estimated land acquisition budget resulted from the meeting is described below:

**Table 13. Estimated Budget for Land Acquisition and Compensation**

No	Item	Amount (IDR)
<b>Bengkayang – Ngabang</b>		
1	Land Acquisition for Ngabang Substation (30,000m <sup>2</sup> X Rp. 40,000,-)	1,200,000,000,-
2	Land Acquisition for 260 towers (66,025m <sup>2</sup> X Rp. 40,000,- )	2,641,000,000,-
3	Estimated Compensation for Trees in Ngabang Substaion (0.4 X 30,000m <sup>2</sup> X Rp. 40,000,-)	480,000,000,-
4	Estimated Compensation for Trees in the Towers (0.4 X 66,025m <sup>2</sup> X Rp. 40,000,-)	1,056,400,000,-
5	Easement Fee (10%x Rp. 40,000,- X 1,800,000m <sup>2</sup>	7,200,000,000,-
6	Estimated Compensation for Tress under the ROW (0.4 X 1,800,000 X Rp. 40,000,- )	28,800,000,000,-
	<b>Sub Total</b>	<b>41,377,400,000,-</b>
<b>Ngabang – Tayan</b>		
7	Land Acquisition for Tayan Substation (60,000m <sup>2</sup> X Rp. 40,000,-)	2,400,000,000,-
8	Land Acquisition for 133 towers (33,950m <sup>2</sup> X Rp. 40,000,- )	1,358,000,000,-

9	Estimated Compensation for Trees in Tayan Substaion (0.4 X 60,000m2 X Rp. 40,000,-)	960,000,000,-
10	Estimated Compensation for Trees in the Towers (0.4 X 33,950m2 X Rp. 40,000,-)	543,200,000
11	Easement Fee (10%x Rp. 40,000,- X 1,100,000m2	4,400,000,000
12	Estimated Compensation for Tress under the ROW (0.4 X 1,100,000 X Rp. 40,000,- )	17,600,000,000,-
	Sub Total	27,261,200,000,-
	<b>SubTotal Land Acquisition and Compensation to APs (Bengkayang – Ngabang – Tayan and 2 New Substation)</b>	<b>68,638,600,000,-</b>
13	Land Acquisition Team (4%)	2,745,544,444,-
14	Land Tax and Certification (5%)	3,431,930,000,-
15	Contingencies (10%)	6,863,860,000,-
	<b>Sub Total Administration Cost</b>	<b>13,041,334,444,-</b>
	<b>Sub Total Compensation and Administration</b>	<b>81,679,934,444,-</b>
	<b>Monitoring and Evaluation</b>	<b>1,000,000,000,-</b>
	<b>Estimated Grand Total (rounded)</b>	<b>83,000,000,000,-</b>
	<b>Estimated Grand Total (US Dollar)</b>	<b>9,764,705,88 US \$)</b>

## H. Institutional Arrangements

73. PT. PLN (Persero) Pusat based in Jakarta under the Ministry of Energy and Mineral Resources will be the Executing Agency of the project, PLN (Persero) Pusat will be responsible for overall coordination and administration of the project, including those related to resettlement. PLN (Persero) UIP J (Principal Project Transmission) of Sumatera II, based in Palembang, will be responsible for coordination project preparation and implementation. PLN (Persero) UPK JAR Kalimantan IV in Pontianak will be responsible in implementing the project. PLN (Persero) UPK JAR Kalimantan IV will work together with Three Districts LAC for land acquisition both for substation and transmission line. Environmental management and monitoring during construction will be conducted by the General Planning and Environmental Sub Division of the Principal Project.

74. **In each district, a District Land Acquisition Committee.** This Institution will be established by Head of District to facilitate land acquisition process. Once LAC is established, this institution in cooperation with UPK JAR Kalimantan IV in Pontianak will be validating and updating inventory of losses and identification on APs following the final detailed design. This inventory will be used to update the REMDP.

75. **Non-governmental organizations (NGOs or universities).** A selected Local NGO / University with good reputation will be mobilized for conducting external monitoring and evaluation of REMDP implementation and submit the report to PLN and ADB for review and follow up. Roles of these institutions for Resettlement are outlined in the Table below.

**Table 14. Institutional Framework for Resettlement Issues**

INSTITUTION/ ORGANIZATION	RESPONSIBILITIES
Social Safeguards Unit within System Planning of PLN HQ Office as the Project Management Unit (PMU)	<ul style="list-style-type: none"> <li>•Coordinating activities related to REMDP preparation and implementation</li> <li>•Review the REMDP including project resettlement policies and entitlement matrix prior to submission to ADB for review and approval.</li> <li>•Monitoring REMDP preparation and implementation.</li> <li>•Review internal and external monitoring reports prior to submission to ADB</li> <li>•Report progress report of REMDP implementation to ADB including remedial actions if required.</li> </ul>

	<ul style="list-style-type: none"> <li>•</li> </ul>
<p>PLN UPK JAR Kalimantan IVV Project Office in Pontianak (local PMU)</p>	<ul style="list-style-type: none"> <li>•Support the LAC to conduct the detailed measurement survey following final detailed design.</li> <li>•Obtaining of authorization for land use and house/structure demolition</li> <li>•Responsible for implementation of all REMDP activities</li> <li>• In close coordination with PLN Regional Office, responsible for designing and implementing income rehabilitation assistances to APs/IPs.</li> <li>•Support the LAC to conduct public consultations and public disclosure.</li> <li>•Support the LAC in conducting t negotiation for compensation with APs</li> <li>• Disburse compensation payments to the APs in acknowledgment of the LAC</li> <li>•Conduct internal monitoring and integrate the report to quarterly project report to be submitted to ADB for review</li> <li>•Mobilize Independent Monitoring Agency and follow up the recommendation.</li> </ul>
<p>District Land Acquisition Committee</p>	<ul style="list-style-type: none"> <li>•Conduct inventory of losses referring to the initial survey result done by PLN's consultant</li> <li>•Mobilizing an independent appraiser to appraising the lost land, if no any the independent land appraiser in each district (Bengkayang, Landak, Sangau), the LAC need to establish a team to appraise the land to be acquired.</li> <li>•Conduct socialization on the project and its potential impact as well as conduct consultation meetings for compensation and income rehabilitation assistances.</li> <li>•Determine compensation rate and payment based on close consultations to APs</li> <li>• Manage and disburse the funds with regard to compensation, assistance, and administrative cost</li> <li>•Assist in the expeditious resolution of complaints of APs.</li> <li>•Properly receive and document concerns or complaints, verbal or written, from the APs and ensure that these are brought to the attention of the <i>Bupati</i> or <i>Walikota</i> for appropriate action;</li> <li>•Maintain a record of all public meetings, complaints and actions taken to address concerns and</li> </ul>

	grievances
NGOs/universities/ Independent Assessors	<ul style="list-style-type: none"> <li>•Conduct independent and external monitoring &amp; evaluation on land acquisition including compensation payment and evaluation of impacts of acquisition of land to the APs.</li> <li>•Assist APs in filing their concerns related to involuntary resettlement, if requested.</li> </ul>



## **I. Resettlement and Ethic Minority Development Plan Updating**

76. As the preparation of this REMDP is based on the preliminary data, there is a need to update the REMDP following the final detailed design and submit it to ADB for review and approval. The update REMDP will cover identification and number of affected persons/peoples, inventory of losses, the extent of land to be acquired if applicable, resettlement budget, the time table for implementing the REMDP. The entitlement matrix of the REMDP may be updated to reflect the relevant changes, yet the standards set in the updated REMDP cannot be lower than the one set in the draft REMDP.

77. PLN (Persero) UPK JAR Kalimantan IV Pokitring will request the District LAC (Bengkayang, Landak, Sanggau) to update information on APs and inventory of losses both for substation and transmission line. Learning from other PLN transmission line projects, REMDP updating will be responsibility of the project implementation consultant (PIC). However, to date, there has been no discussion regarding the PIC and its role for the REMDP updating that is incompliance to ADB requirements.

## **J. Monitoring and Evaluation**

### **1. Internal Project Monitoring**

78. The PMU will serve as the Project's internal monitoring body. 6 monthly reports will be submitted to PLN HQ as the EA starting from the commencement of REMDP preparation/updating, which coincides with the conduct of the detailed measurement survey and other REMDP activities. The EA in turn will include updates on resettlement in its regular progress reports to ADB. Social monitoring reports will be made available to the AHs/APs and will be submitted to ADB for web posting.

79. Internal monitoring and supervision will have the following objectives:
- a. Updating of REMDP is in accordance with the approved REMDP;
  - b. Compensation and/or other entitlements are provided as per approved REMDP, with no discrimination according to gender, vulnerability, or any other factor;
  - c. Livelihood restoration measures/programs are designed and implemented including modifications in the programs and provision of additional cash and in-kind assistance to the participating AHs/APs as and when necessary;
  - d. Public information, public consultation and grievance redress procedures are followed as described in the approved REMDP;
  - e. Capacity of APs to restore/re-establish livelihoods and living standards. Special attention will be given to severely affected and vulnerable households. Focus will also be given if the objective of improving socio-economic condition of vulnerable households is achieved.
  - f. The transition between resettlement and commencement of civil works is smooth and that sites are not handed over for civil works until affected households have been satisfactorily compensated, and assisted

## J. Implementation Schedule

80. Resettlement and Ethic Minority Development Plan milestone is tentatively described in the table below.

**Table 15. Resettlement and Ethic Minority Development Plan Milestone**

No	Task	Responsibility	Timing
1	Loan Processing		
	a. Fact finding	ADB	July 2011
	b. Loan Approval	ADB	September 2011
	c. Loan effectiveness	ADB	March 2012
	<b>Preparation</b>		
2	LAC Engagement / Contractor Engagement	PLN	May 2012
3	Route and Design Finalization	PLN	July 2012
4	Gathering DMS / New socio economic data	PLN + LAC	Aug – November 2012
5	Resettlement and Ethic Minority Development Plan	PLN + LAC	December 2012
6	Translation REMDP into Bahasa		December 2012
7	Preparation of project information booklet for each area	PLN + LAC	January 2013
8	Resettlement disclosure in component area	PLN + LAC	January 2013
9	ADB Approval and uploading to ADB website	ADB	To be determined
	<b>REMDP Implementation as per Agreed REMDP</b>		
10	Compensation payment commencement	PLN + LAC	February 2013
11	Assist poor and vulnerable AHs as well as severely AHs	PLN	Ongoing
12	Protection of acquired land	PLN	Ongoing
	<b>Monitoring</b>		
13	Grievance Redress	PLN + LAC	Ongoing
14	Internal Monitoring (6 monthly)	PLN	6 Monthly