

Resettlement Plan

March 2011

BAN: Power System Efficiency Improvement Project

Prepared by Bangladesh Power Development Board.

POWER SYSTEMS EFFICIENCY IMPROVEMENT PROJECT
ADB PPTA 7242 - BAN

Due Diligence Report for the Subproject 1:- Ashuganj 450 MW Cycle Power Plant

BANGLADESH

Prepared by Ashuganj Power Station Company Limited (APSCL),
Bangladesh Power Development Board (BPDB), Government of Bangladesh
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The resettlement plan is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature

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ABBREVIATIONS

ADB	-	Asian Development Bank
AF	-	Affected Family
AH	-	Affected Household
AP	-	Affected Household
APSCL	-	Ashuganj Power Station Company Limited
BAN	-	Bangladesh
BERC	-	Bangladesh Energy Regulatory Commission
BPDP	-	Bangladesh Power Development Board
CBO	-	Community Based Organisation
EA	-	Executing Agency
GOB	-	Government of Bangladesh
GRC	-	Grievance Redress Committee
IR	-	Involuntary Resettlement
MPEMR	-	Ministry of Power, Energy and Mineral Resources
MW	-	Megawatt
NGO	-	Non-Government Organisation
PPTA	-	Project Preparation Technical Assistance
RP	-	Resettlement Plan
TOR	-	Terms of Reference
TA	-	Technical Assistance
TL	-	Transmission Line
USD	-	United States Dollars
ZOI	-	Zone of Influence

A. INTRODUCTION

1. Energy shortages pose one of the biggest threats to Bangladesh's growth recovery. The present maximum demand for electricity varies between 4,500 MW and 5,600 MW and it is expected to rise to 7,000 MW within the next two years. The current maximum power generation available is between 3,800 MW and 4,600 MW, hence an estimated demand-supply gap of 2,000 MW. With the current power deficit and existing capacity to generate power, there is an obvious instability in the power supply to consumers. This is particularly affected by fuel (eg. gas) supplies diverted to other economic production, breakdowns in power generation equipment and maximized power consumption at one time. Inevitably, this leads to power shortages that result in power cuts due to load shedding. According to garment industry leaders, for instance, garment orders cannot be fulfilled because of the energy constraints. Frequent power cuts add to overall manufacture and shipment times, forcing exporters to airfreight the merchandise at their own cost in order to meet their own clients' demands.

2. The Government of Bangladesh has requested the Asian Development Bank (ADB) and the Islamic Development Bank (IDB) for co-financing of up to \$300 Million for the implementation of the Bangladesh Power Systems Efficiency Improvement Project (the Project). The project aim is to assist the Government of Bangladesh (GOB) in combatting this energy crisis through appropriate candidate subprojects under a loan program. Four Subprojects were selected to be financed under this Loan, some which will improve power supply to the general National power grid network in Bangladesh and one sub-project providing "off-grid" or direct sources of power to specific communities.

3. A 450 MW combined cycle power plant, replacing two 56MW Gas Turbine and one 34 MW steam turbine generation plants, is proposed (the subproject). A separate Feasibility Study that considers "Combined Cycle", "gas only" and "Steam only" generation systems has already been carried out. The Combined Cycle System was proposed with a proposed 82,670 sq meter site selected, which is located within the grounds of the existing Power Plant. The associated switchyard will also be located on the same site as the proposed power plant, all owned by the Ashuganj Power Station Company Limited. Apart from the generation facility itself, the proposed project will also require connections to the available natural gas and alternative fuel supplies. Feasibility Studies conducted for the development of the Subproject indicate that, based on current designs and consultations, space for these gas and fuel line requirements are available within the Power Plant-owned land and that the development of the project will not cause significant social impacts such as involuntary resettlement or land acquisition. Within the sub-project area, on existing APSCL land, is located staff accommodation, which will need to be demolished and the affected power plant staff and their families will need to be relocated in order to make way for the new proposed power plant complex. However, it is understood that the APSCL management is already planning the relocation of affected workers and their families into suitable existing alternative accommodation located within the plant compound. This Due Diligence Report covers the potential impacts caused by demolishing the staff accommodation to make way for the proposed sub-project, on the existing APSCL site.

4. It should be noted that associated facilities to connect to the grid, however, will include a 1.2 km quadruple circuit 230kV Transmission Line that will connect to the existing Ghorshal-Tangail Transmission Line. Though this will not require land acquisition, affected households will be compensated for temporary damages to crops. The entitlement and compensation details are detailed in a separate Resettlement Plan.

B. APPROACH AND METHODOLOGY

5. The Social Team has made 3 visits to the Ashuganj Power Plant site between September 2010 and February 2011. The data collection and assessment, culminating in this Due Diligence Report, has been concluded through the following meetings and consultations:

- Meeting held with Ashuganj Power Station Company Ltd management on 22 September.
- Meeting held with Ashuganj Power Station Company Ltd management on 10 February 2011
- Meeting held with the 20 affected staff, whose families will need to relocate to make way for proposed sub-project (this includes the accommodated APSCL "single household" security guards also affected) on 20 February 2011 at APSCL plant office.
- Meeting held with 4 representatives of the APSCL Employees Association on 20 February 2011

C. THE PROPOSED 450 MW ASHUGANJ POWER PLANT SITE IMPACTS

6. The APSCL actively provides social services not only to its employees but also to the surrounding communities, which will continue, with net benefits being increased as a result of the proposed project. This includes direct power connection from the Power Plant to neighbouring communities, providing available placement in its school (up to school certificate level) for neighbouring children and access to the hospital/medical clinic available on-site near the school. The key benefits of the new 450MW plant on the local community, including the areas affected under the subproject associated transmission line (refer to separate RP), will include: increased access to electricity through a direct exclusive power line, benefitting the rice husking and marketing capacity of the women and poor labour units working in that business; and water output, of irrigation quality from the proposed 450 MW Power Plant cooling towers, will be evacuated through the existing irrigation channel network, traversing through neighbouring communities, enabling over 14,000 ha of agricultural land to be irrigated.

7. The Resettlement impacts of staff currently located in the staff accommodation buildings to be demolished on the proposed 450MW power plant site are as follows:

- A Total of 134 people will be affected: of this there are 20 families (92 people) and 42 single security guards.
- Two 3-storey residential buildings in which 12 of these staff families are living and 2 CI-Sheet temporary structures where 8 of these staff families are currently living.
- A 2-two storey building, which accommodates 42 security guards, without families, working on the Power Plant site will be demolished. The security guards are serving on requisition basis and therefore numbers vary. Although not APSCL own employees, the accommodation is provided to them by the Plant as part of their "requisition" package.
- One tin-sheet structure measuring 220.644 square metres is currently being used as a temple for Hindu staff, who have been working as regular employees of APSCL since 2003.
- One small unused pond, which has no utility for the staff or any other people of the community will be removed

D. SOCIOECONOMIC PROFILE OF THE AFFECTED STAFF FAMILIES

8. The information in Table 1 provides a basic Socioeconomic Profile of the affected households. Currently, 42 single security guards are requisitioned and their numbers vary over time dependent upon the need for security services by the Plant. They are supplied accommodation by the APSCL in barracks style accommodation. As the security guards are single, on requisition, and temporarily accommodated when on duty, but not necessarily permanently stationed at the site. Therefore, they have not been included in the Table.

Table 1 – Socioeconomic Profile of the 20 Affected Employee Households

SL	Name	Age	(M/F)	Education	Family Member	Source of Income	Designation	Annual Income	Annual Expenditure	Family Literacy Rate
1	Md. Ziauddin	40	M	H.S.C.	4	Service	Sr. Store Assistant	300000	300000	100%
2	Mohammadullah	42	M	B.A.	4	Service	Sr. Operator	300000	280000	100%
3	Md. Ahsanullah	45	M	S.S.C.	5	Service	Sr. Operator	260000	260000	100%
4	Md. Atikur Rahman	38	M	M.Sc.	4	Service	Sr. Operator	350000	350000	100%
5	Md. Homayun Shikder	48	M	Class IX	6	Service	Driver	300000	300000	100%
6	Md. Harun-or-Rashid	40	M	H.S.C.	6	Service	Junior Operator	240000	240000	100%
7	Md. Abul Kalam Azad	42	M	Class IX	6	Service	Fitter	240000	230000	100%
8	Md. Kndr. Moniruzzaman	42	M	H.S.C.	4	Service	Technician	300000	300000	100%
9	Syed Nomani	42	M	H.S.C.	4	Service	Technician	300000	270000	100%
10	Narayon Roy	40	M	B.A.	4	Service	Junior Operator	240000	240000	100%
11	Farhad Hossain	35	M	B.A.	3	Service	Junior Operator	240000	240000	100%
12	Md. Muksedur Rahman	48	M	H.S.C.	3	Service	Junior Operator	240000	220000	100%
13	Md. Abul Kashem	55	M	Class IX	7	Service	Messenger	180000	180000	100%
14	Md. Dulal Mia	33	M	Class IX	3	Service	Diver	150000	150000	100%
15	Md. Hamdu Mia	60	M	Class VIII	6	Service	Foreman	300000	300000	100%
16	Md. Rezaul Karim	32	M	Class VIII	3	Service	Driver	140000	140000	100%
17	NMd. Abdul Gafur	55	M	Class VIII	6	Service	Operator	180000	180000	100%
18	Md. Abdul Latif	55	M	Class VIII	6	Service	Operator	180000	200000	100%
19	Sree Shujon	28	M	Class VIII	4	Service	Care Taker	72000	72000	100%
20	Mrs. Nurunnahar	45	F	Class VIII	4	Service	Cleaner	72000	72000	100%

9. Terms and conditions of services of the affected employees and security guards were discussed during the February 20th consultation meetings. The 20 affected employees, and families, are permanent staff of APSCL. While the 42 security guards are temporary, recruited through requisition. The management

of APSCL is responsible for providing employees with their housing and other necessary social and utility services. APSCL is also responsible for accommodating the requisitioned security guards, when on site.

10. The following services and utilities are supplied by APSCL to affected households, all of whom live within the power plant compound. Affected households will continue to have access to these services and utilities upon relocation to alternative, suitable housing within the compound. All services and utilities are managed and maintained by the APSCL on regular basis and none of them will be affected by the proposed sub-project:

- There is a school within the APSCL Plant Complex for the children of the permanent staff and is also used by some of the adjacent communities. This is not to be affected by the proposed sub-project.
- There is one hospital operating inside the plant to provide health services to the all people of the APSCL. This is not to be affected by the proposed sub-project.
- There is ambulance in service for supporting health services. This is not to be affected by the proposed sub-project.
- There is provision and supply of safe water for drinking purposes to all accommodation
- Constant supply of electricity for all residence to all accommodation
- There is mosque inside the plant. This is not to be affected by the proposed sub-project, although structure used as a Hindu temple (already mentioned) will be relocated.

E. PROPOSED RELOCATION MEASURES TO BE USED BY APSCL

11. This section briefly describes the proposed measures of relocation / mitigation measures to be implemented for the households affected by relocation away from the 450 MW Plant site. The survey team conducted several consultation meetings on 20 February 2011 with APSCL officials, employees and affected staff requiring relocation from their residence as a result of the Project. The team has consulted about the decision-making for relocation and likely "host" housing and facilities to be provided by the APSCL management to the affected families. The following information was recorded during the consultation.

12. There are more than 30 vacant flats in the following buildings:

- Anamika-13 (4-storied building);
- Anamika-14 (4-storied building)
- Anamika-17 (4-storied building)
- Anamika-18 (4-storied building)
- Provide-2 (4-storied building)
- Provide-4 (4-storied building)
- Kollol-1(4-storied building);
- Kollol-1(4-storied building);

13. The above mentioned buildings are all of better quality than the residential structures where the affected staffs currently reside. During discussion with the affected staff, it was clarified that the affected staff had already been consulted by APSCL about the relocation, particularly through the Employees Association. The Employment Association also acts as a "Grievance Mechanism", by which any affected staffs can initiate objections to the process of relocation or associated entitlements which can then be put to APSCL management. It was also noted that all affected staff and management are committed to the most optimum

relocation for the affected staff and their families as well as rebuilding appropriate community facilities that will be demolished.

14. The APSCCL is required to supply its requisitioned security guards with accommodation (barracks). During discussions with APSCCL Management, assurances were given that APSCCL would provide for similar accommodation for the security guards prior to the project implementation commencement.

15. The management of APSCCL has plans to renovate the proposed buildings, to which affected staffs will relocate. This will ensure the apartments and living conditions are better than the areas where the affected employees are currently living. This will occur before the relocation of the affected families. In the case that additional accommodation may be required, the Consultant Team was shown some of the potential unused land areas, on the APSCCL site, that could be utilised for such building purposes.

16. The following are photographs of the residential buildings to which affected staff families are proposed to be relocated.









F. SUMMARY OF CONSULTATIONS

17. A consultation session held with the 20 affected staff on 20 February 2011 at the APSCL plant office to discuss their views and aspirations about their relocation and other related social and infrastructure facility. The affected staff and their family members expressed their interest to be shifted to the proposed residential buildings as they thought that all of them are better quality, with similar available utility and social services, which would also assist in improving their socioeconomic status.

18. A joint meeting with affected staffs, representatives of employees association and concerned officials was held on 20 February 2011 at APSCL plant office. The issues discussed are relocation of affected staff families, current facilities and possible facilities in proposed residential buildings, other infrastructure facility and utility services. The officials expressed their view that the proposed buildings will be renovated and provided with all utility services at the cost of APSCL, and they also expressed their view that the company will support relocation costs whatever may be.

19. The affected staff had already been well-informed of the situation. They individually expressed their satisfaction with respect to management's decision to relocate them to alternative housing. Affected staffs were also pleased with the terms and conditions of the relocation package offered to them. The common facilities such as access to education, market, health service, sanitation services, safe drinking water, security services etc. will not be affected, or changed, in any way through this relocation to the proposed residential buildings. The survey and consultations verified the conditions and quality of all proposed alternative accommodation and found them to be more favourable than the accommodations where the workers are currently housed.



G. EVALUATION

20. An "Internal Evaluation" of the relocation will be conducted by the EA/PMU team responsible for Land Acquisition and Resettlement (refer to Land Acquisition and Resettlement Plans for "Ashuganj 450 MW Power Plant: Transmission Line Interconnection" & "Hatiya Solar & Wind Power Generation Sub Project"). Internal evaluation reporting will cover the following:

- the APs have been fairly compensated in terms of being provided all necessary relocation assistance, without any personal costs;
- Incomes and housing conditions are better than pre-project levels (both that recorded and considered by the APs through consultation);
- There is adequate available accommodation for any additional staffing numbers for the 450 MW Power Plant;
- All security guards are accommodated adequately;
- Compliance with resettlement compensation policies;
- The handling of complaints and grievances (if any);
- Were able to restore their incomes to pre-project levels; and
- In the case of relocation outside of the existing Power Plant grounds, appropriate land acquisition and resettlement procedures were carried out in line with the policies, principles and procedures outlined in the Ashuganj Transmission Line Resettlement Plan, and in line with the ADBs Safeguards Policy Statement 2009 and within the Laws of Bangladesh.

H. PROPOSED ACTIONS

21. Through the assistance of the "APSCL Employees Association", and directly, the affected staffs have already been consulted by the APSCL, informed of the need to relocate from their present accommodation and have been given opportunity to inspect the accommodation to where they are to relocate. The APSCL has committed itself to providing all necessary assistance to affected staff during their relocation, including moving costs, and is committed to providing affected staff with improved accommodation facilities. The APSCL Management is currently preparing the DPP that they must prepare and submit to the Government of Bangladesh for the Project to be financed and implemented. The schedule that the APSCL has provided in the DPP is provided in Figure 1 below. From the time schedule provided by APSCL, it should be noted that the commencement time of the renovations to "host" accommodations, building of the new Hindu temple and the actual relocation of affected households have all been incorporated into the time schedule, being submitted in the DPP document (lines 6, 7 and 9 of the Project Schedule). Also, from the time schedule provided, APSCL is planning to restore cultural community services such as religious buildings and relocate all affected households prior to commencement of civil works, in compliance with ADB Safeguard Policy Statement 2009.

Figure 1 – Schedule from the DPP

SL	Task/ Item	Mar /11	Apr /11	May /11	June /11	July /11	Aug /11	Sep /11	Oct /11	Nov /11	Dec /11	Jan /12	Feb /12	Mar /12	Apr /12
1	DPP Submission	■													
2	Draft Bid document submission to ADB		■												
3	Draft EOI Document for consultant		■												
4	Issuance of EOI						■								
5	Request for Proposal								■						
6	Renovation of 30 vacant flats									■					
7	Rebuilding of Temple									■					
8	Relocation of APSCLE Establishment										■				
9	Implementation of Resettlement / Compensation activities.														■

I. CONCLUSION

22. Based on the due diligence study findings, presented above, relocation of APSCLE staff and security guards will be adequately undertaken by the APSCLE management, to currently available host accommodation (which will be renovated), from the existing accommodation apartments to be demolished that will make way for the 450 MW Combined Cycle Power Plant. However, if in the case that Land Acquisition and/or Resettlement impacts are identified in relation to the relocation of these employees and the demolishing of apartment buildings on the sub-project site, that is not compliant with ADB policies, then compensation arrangements (legal framework, compensation arrangements, grievance, institutional arrangements etc) will be made in similar to that outlined in the “Ashuganj Transmission Line Resettlement Plan”, and in line with the ADBs Safeguards Policy Statement 2009 and within the Laws of Bangladesh.

J. MAP OF PROPOSED PLANT AND PROPOSED TRANSMISSION LINE INTERCONNECTION



