

Resettlement Planning Document

Due Diligence Report

Loan Number: 2796 and Grant Number: 0267 NEP

March 2013

Nepal: Decentralized Rural Infrastructure and Livelihood Project- Additional Financing

Vopur-Rupatola Road Subproject Bajhang

Prepared by the Government of Nepal

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Government of Nepal
Ministry of Federal Affairs and Local Development
Office of District Development Committee, Bajhang
District Technical Office, Bajhang
District Project Office, Bajhang

Decentralized Rural Infrastructure and Livelihood Project-Additional Financing (DRILP-AF)

Detailed Project Report Vopur-Rupatola-Road Sub Project

Section III: Safeguards
Volume 2: Revised Due Diligence Report (Resettlement)

March 2013

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1 INTRODUCTION

1. This due diligence report investigates and documents the issues associated with Resettlement Plan (RP) implementation of Vopur-Rupatola Road during Decentralized Rural Infrastructure Livelihood Project (DRILP). It has been prepared by the resettlement team of Central Implementation Support Consultant (CISC) led by Resettlement Advisor in coordination with District Implementation Support Consultant (DISC), District Technical Office (DTO) and District Project Office (DPO) of DRILP-AF.
2. The objective of preparing the due diligence report is to verify the progress of Resettlement Plan implementation such as compensation payment, restoration of public and private infrastructure, review the consultation and disclosure process, grievance redress mechanism and restoration of livelihood of the affected person in compliance with ADB's Safeguard Policy Statement (SPS) 2009, and Government of Nepal (GoN) Land Acquisition Act 1977. It suggests appropriate mitigation measures to address the resettlement issues arising during RP implementation and proposes a suitable corrective action plan. It also documents the implementation progress status and commits to fulfill all the outstanding activities within the provided time.

2 BACKGROUND OF THE SUBPROJECT

3. The construction of 17+903 km¹ Vopur-Rupatola Road subproject was started under DRILP and the resettlement plan (RP) was prepared and approved for the entire length 17+930 km. After approval of the RP the DDC Bajhang acquired additional land 7000 sqm for the loop improvement. Hence, the due diligence report has been prepared for 18+130 km. The total 0.20 km length has increased due to improvement of loop. The road is 10m width (either side 5m from centerline) throughout the alignment.
4. The road subproject is located in the Far western Development region of Bajhang district; it starts at Vopur bazar of Chainpur VDC around 1 km east from Chainpur district headquarter and passes through Sunikot VDC and ends at Rupatola of Dhamena VDC. The subproject links with Jaya Prithivi Bahadur Singha Marga presently under construction from Department of Roads (DoR).
5. During DRILP 4.5 m track was opened for the entire section (18+130 km) but due to excess gradient and difficult section at the stream and gullies the vehicles were not plying in this subproject². To upgrade the road into all weather standards two motorable bridges were proposed and still under construction. Therefore, DDC intends to carry out civil works throughout the section and upgrade it to all weather standards by using heavy equipment with adopting shopping modality.

¹ The revised actual length of proposed sub-project is 18+130 km and the realignment of the loop does not change the starting and ending point

² Department of Roads (DoR) will officially take over the road subproject after June 2013.

3 FINDINGS

3.1 Background of Approved Resettlement Plan

6. The Resettlement Plan was prepared by DDC with support from CISC and approved by ADB on March 2008. The RP covers resettlement scope of Vopur-Rupatola road section under DRILP. While preparing the RP the socio-economic survey investigated socio-economic condition of the project affected households, assessed the loss, details the measures and prepared plans to mitigate adverse impact on the affected people residing along the alignment. As per approved RP, 132 households were affected of which 115 households were interviewed and 17 were absent during socio-economic survey. The revised report provided by the district indicates that the total 98 households are affected. As per verification report 94 percent of the compensation has been paid; this includes payment of the additional land and other assets acquired for the loop improvement and the mitigation measures proposed in approved resettlement plan have been fully addressed. For this subproject updated RP is not required because the approved RP is sufficient to address the requirement of DRILP AF, therefore due diligence is prepared to fulfill the outstanding work as per Resettlement Framework of DRILP AF.
7. During the socio-economic survey the project land donation criteria were disclosed with APs and they showed willingness to donate the land. Based on approved RP out of 115 households 113 land households were eligible for land donation. Additionally 92 households donation papers were accepted and 17 were absent and 2 households' land compensation was paid. The land donation agreement was witnessed by a third party, NGO Federation Bajhang. Except the land compensation, trees, structure fruit compensation was paid. Based on revised district report total 98 households were affected of which total 15 households were proposed for land compensation.
8. DDC had started distribution of compensation, deed transfer and implementation of proposed trainings after approval of RP. Eight formal meetings and several informal and were conducted with community and affected families at different dates and venues during resettlement surveys and resettlement plan preparation in 2008. The consultation included discussion about project benefits, entitlement matrix, land acquisition and donation procedures. Communities were well informed that road construction could reduce their walking time, enhance business opportunities and thereby reduce seasonal migration to India.
9. The approved RP showed that 4.10 ha of private land and 13.79 ha of Government land have been acquired for the road construction from 115 households. Similarly, 11 private and public buildings including kitchen and cattle shed have been affected and 297 private and 286 community forest including 106 fruit trees were permanently lost for the subproject. Loss incurred according to approved RP including revised resettlement status is under Table 1.

Table 1: Losses by the Sub-Project

Nature of Loss	Unit	RP	Revised After CDC	Remarks
Land Loss	ha	4.10	4.80	Private land
Land Loss	ha	13.79	13.79	Government land
Land Loss	HH	115	98	
Land compensation Proposed	HH	2	15	
Residential house & other private structure	No	9	49	18 residential house,13 cattle shed,6 kitchen 4 watermill and 8 roof maintenance
Public structure	No	2	4	Temple-2.Chatara ³ -1, Tapstand-1
Fruit trees	No	171	370	
Private Trees	No	297	504	
Community Forest Tree	No	286	286	Community forests

Source: Resettlement Plan, 2008

3.2 Resettlement Plan Implementation and Compensation Disbursement Status

10. **Land:** As per revised district report total 98 households and 15 lies below the district poverty level (13 households were provided land compensation and 2 households yet to be compensated because the land is in joint ownership; one died and the other is living abroad). In terms of cash NRs 90,620.00 left to pay out of total NRs 14, 27,590.25 and progress is 94%.
11. **Private structures:** NRs 19,99,530.76 was allocated for 49 structures of which NRs 19,01,354.32 has been already paid and 1 structure NRs. 98,176.44 has not been dismantled because DDC has planned to save this structure by providing retaining wall. The cost of wall is included in Bill of Quantity (BoQ). The physically displaced households were relocated at nearby plots which are nearly 200 m -500 m away from the 10 m RoW.
12. **Public structures:** All the structures were reinstated so 100% progress achieved.
13. **Standing Crops:** Total NRs 3,36,726.00 was decided by CDC of which 2,78,133.03 has been paid and still NRs. 58,593.00 is yet to be paid for 13 owners. Detail status of these owners is annexed.
14. **Trees :** Total NRs 3,87,026.87 decided by CDC of which NRs 3,78,365.88 has been paid and NRs. 8,660.99 is left to be paid. Altogether 9 households who hold nominal compensation is yet to be paid. Detail status of these owners is annexed.

³ Resting place under the tree built for pedestrians.

15. **Fruits trees:** The total NRs.1,41,311.80 decided by CDC of which NRs. 1,31,961.80 has been paid and NRs. 9,350.00 yet to be paid. Total 4 households possess nominal amount yet to be paid. Detail status of these owners is annexed.
16. **Deed Transfer:** Out of the total 98 households 64 households land ownership have been transferred and 34 households are left due to various reasons. Following reasons were noted for the delayed in deed transfer process i) the affected households are reluctant to visit the district headquarter because the supporting cost is not offered on time ii) the land donation agreement paper carried out between DDC and APs is not accepted by to the Land Revenue Office as it is not legal document of GoN iii) land owners are migrated or living aboard. Therefore, based on CISC advice the DDC has offered loss of time and travel cost to precede the work on the target action plan. Further, DDC has forwarded agreed action plan with cost and reason of the delay in the deed transfer, the letter is annexed with this report.
17. Table 2 below shows the RP implementation progress and table 3 indicates the safeguard requirements fulfilled as per DRILP-AF.

Table 2: Compensation Disbursement and Deed Transfer Progress

Indicator	Unit	RP	Revised After CDC	Progress (%)		Remaining
Deed Transfer	HH	115	98	64	65.30%	34
Compensation Payment						
Compensation for Private structure	NRs.	10,14,683.05	19,99,530.76	19,01,354.32	95%	98,176.44
Compensation for Public structure	NRs	1,12,914.00	1,45,914.00	1,45,914.00	100%	0
Compensation for Land	NRs	48,590.25	14,27,590.25	13,36,970.25	94%	90,620.00
Compensation for Standing Crops	NRs	-	3,36,726.00	2,78,133.03	83%	58,593.15
Trees	NRs.	3,34,248.00	3,87,026.87	3,78,365.88	98%	8,660.99
Fruits trees	NRs	84,650.00	1,41,311.80	1,31,961.80	93%	9,350.00
Total Amount		15,95,445.30	44,38,099.68	41,72,699.28	94%	2,65,400.58

Source: RP Monitoring Report, January 2013

Table 3: Safeguard Requirements

SN	Activity	Status	Progress
1	GRC, VWRCC and GRSC formation	Achieved	
2	Notification about preferential employment for affected people in construction	Achieved	
3	Training need assessment and participant identification	Achieved	
4	Disbursement of compensation for Fruits and Trees	96 % achieved	Targeted to complete by April 2013
5	Disbursement of compensation for Standing Crop	83 % achieved	Targeted to complete by April 2013
6	Disbursement of compensation for private structure	95 % achieved	Targeted to complete by April 2013
7	Deeds of the road will be transferred to the Government of Nepal.	65 % achieved	Targeted to complete by June 2013

Source: DPO Reporting January 2013

3.3 Life Skill Training

18. During DRILP all the proposed training were conducted hence no further training is required.

4 SCOPE OF SUBPROJECT IN DRILP-AF

4.1 Completion of Outstanding Activities

19. **Compensation Disbursement:** Total NRs 15,95,445.30 compensation has been allocated in the approved RP⁴ and CDC has decided NRs 44,38,099.68 compensation including loss incurred due to realignment of which NRs 41,72,699.28 have already been paid and NRs 90,620.00 left for payment. The remaining amount NRs 2,65,400.58 for one private structure, crops fruits, and tress. The DDC has confirmed the availability of required budget to pay all the outstanding compensation in targeted period. Currently, the owners who hold nominal compensation are reluctant to come to the district to collect their compensation and these owners have been offered loss of time and travel cost.

20. Of the total 98 households 34 households is remained to be transferred. Hence, DDC has agreed to allocate deed transfer support cost (cost of time loss and traveling expenses to come and collect compensation). The DDC has committed to complete the all outstanding by June 2013. The progress status will be documented in monitoring report of CISC and during verification reporting.

⁴ The resettlement cost in the approved RP was finalized based on the estimate and CDC was held after the approval of the RP. The due diligence report represent revised cost.

5 MONITORING AND REPORTING ARRANGEMENT

21. During project implementation, the DTO will establish a monthly monitoring system involving the DPO, DISC and implementing staff. DDC/DPO will provide regular report to PCU on progress in the resettlement implementation. The social mobilizer will form AP committees at field level to participate in the monitoring process and ensure that women and occupational caste groups are represented and heard. The implementation support consultants (CISC/DISC) will monitor the implementation progress and advise DTO on the timely implementation of the RP and submission of a trimester report to ADB through PCU.
22. The PCU/CISC resettlement adviser will design and implement a sub-project monitoring system and monitor all subproject activities and progress. The verification of resettlement will be completed before the bid evaluation. The PCU supported by CISC submit a trimester report to ADB on progress of RP implementation.

6 DRILP AF REQUIREMENTS

23. The Resettlement Framework (RF) of DRILP AF states that land acquisition and resettlement activities of the affected families need to be completed before starting the civil work whereas deed transfer and livelihood restoration trainings can continue and be completed even after civil works has begun. In addition, formation of District Level Resettlement Coordination Committee (DLRCC), District Grievance Redress Committee (GRC) and safeguard desk need to be established at each district. DLRCC and GRC have been formed in Bajhang with present district authorities.
24. Meeting Minute: Meeting chaired by Local development Officer dated on 27 December 2012 has formed 13-membered DLRCC and 9-membered GRC at the Bajhang district. The minutes of the meeting have been annexed and the committee name list is given under boxes.
25. Planning, Monitoring and Administrative Officer, Yama Narayan Gauli has been appointed for coordinating the safeguard activities effective from 6 January, 2013. Letter of Appointment has been annexed.

Name list of DLRCC, Bajhang

- | | |
|------------|---|
| 1. Chair | - Local Development Officer, Mr. Yubraj Kattel |
| 2. Member | - District Technical Office, Mr. Narendra K.C. Khadka |
| 3. Member | - Chief District Revenue Office |
| 4. Member | - Chief District Agriculture Development Office |
| 5. Member | - Chief District Survey Office |
| 6. Member | - Chief District Forest Office |
| 7. Member | - Secretary Sunnikot VDC, Mr. Radha Krishna Joshi |
| 8. Member | - Secretary Chainpur VDC, Mr. Radha Krishna Joshi |
| 9. Member | - Representative from Affected Family |
| 10. Member | - Representative from Affected Family |
| 11. Member | - DRILP/DPO, Engineer Mr. Gorakha Raj Joshi |
| 12. Member | - Women and Child Welfare Office |
| 13. Member | - DISC Team Leader |

Name list of GRC, Bajhang

- | | |
|-----------|---|
| 1. Chair | - Local Development Officer, Mr. Yubraj Kattel |
| 2. Member | - District Technical Office, Mr. Narendra K.C. Khadka |
| 3. Member | - Secretary Sunnikot VDC |
| 4. Member | - Secretary Chainpur VDC |
| 5. Member | - Representative from Affected Family |
| 6. Member | - Representative from Affected Family |
| 7. Member | - Representative from Civil Society |
| 8. Member | - Representative from VWRCC |
| 9. Member | - DRILP/DPO Engineer |

7 CONCLUSION AND FURTHER ACTION

26. The finding of this due diligence report concludes that the compensation disbursement for the trees and fruits 96 percent, private structure 95 percent and standing crops 83 percent has been disbursed. Out of total 98 households 34 households plots deed are yet to be transferred. The district team is constantly involved in communicating these to complete all the outstanding. The DDC Bajhang has committed the following action plan to accomplish the outstanding issues under table 4.

27. According to DRILP AF resettlement framework, social safeguard requirements in order to initiate work of DRILP AF have been achieved with few actions which has been agreed to complete as proposed action plan. Following table 4 explains the remaining outstanding issues and plan of action with commencement date.

Table 4: Action Plan for Completion of Outstanding Activities

SN	Actions to Complete	Plan	Milestone	Responsibility
1	Compensation payment	DPO will mobilize a team to visit the APs at their home and pay compensation	April 2013	DPO/DISC
2	Deed transfer	DPs will get transportation and applicable cost as per RF	June 2013	DPO/DISC
3	Appreciation Programme to Land donors	Formal programme will be organized for land donors by the district	July 2013	DDC/DPO/DISC

Source: DPO January, 2013

APPENDICES

Decision of DLRCC Formation in Bajhang

Decision of GRC Formation in Bajhang

Letter of Appointment for Social Safeguard, Bajhang

Meeting Minutes

Name list of Private Structures and Land Owner to be Paid

Name list of Crops Owners Owner to be Paid

**List of Affected Households Reason for Delay in Deed
Transfer including Agreed Action Plan**