

# Resettlement Planning Document

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## Due Diligence Report

Loan Number: 2796 and Grant Number: 0267 NEP

February 2014

## Nepal: Decentralized Rural Infrastructure and Livelihood Project- Additional Financing

### Lek Kharka-Mukli Branch Road Subproject Solukhumbu

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,  
**District Technical Office,**  
**District Project Office, Solukhumbu**

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

**Detailed Project Report  
Lek Kharka-Mukli Branch Road**

**Section III: Safeguard, Volume 2: Revised Resettlement Plan  
February, 2014**

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## ABBREVIATIONS

|         |                                                                       |
|---------|-----------------------------------------------------------------------|
| ADB     | Asian Development Bank                                                |
| APs     | Affected People / Person                                              |
| BGs     | Building Groups                                                       |
| CDC     | Compensation Determination Committee                                  |
| CDO     | Chief District Officer                                                |
| CISC    | Central Implementation Support Consultant                             |
| DDC     | District Development Committee                                        |
| DISC    | District Implementation Support Consultant                            |
| DOLIDAR | Department of Local Infrastructure Development and Agricultural Roads |
| DP      | Displaced Person / People                                             |
| DPO     | District Project Officer/ Officer                                     |
| DRILP   | Decentralization Rural Infrastructure and Livelihood Project          |
| DTO     | District Technical Office / Officer                                   |
| EA      | Executing Agency                                                      |
| GRC     | Grievance Redress Committee                                           |
| GRSC    | Grievance Redress Sub-Committee                                       |
| ha      | Hectare                                                               |
| HHs     | Household                                                             |
| IA      | Implementing Agency                                                   |
| IOL     | Inventory of Losses                                                   |
| km      | Kilometer                                                             |
| LRO     | Land Revenue Office / Officer                                         |
| m       | Meter                                                                 |
| MLD     | Ministry of Local Development                                         |
| NGO     | Nongovernment Organization                                            |
| NSTB    | Nepal Skill Testing Board                                             |
| PCU     | Project Coordination Unit                                             |
| PPTA    | Project Preparatory Technical Assistance                              |
| RF      | Resettlement Framework                                                |
| RoW     | Right-of-Way                                                          |
| RP      | Resettlement Plan                                                     |
| SIA     | Social Impact Assessment                                              |
| SPS     | Safeguard Policy Statement                                            |
| VDC     | Village Development Committee                                         |
| VWRCC   | Village Works Road Construction Committee                             |

## GLOSSARY OF TERMS

|                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Cut-off Date</b>                            | <b>The date of census survey to count the DPs and their affected land and assets.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Dalits</b>                                  | The formerly "untouchable" castes now calling themselves Dalits ("oppressed", "broken", or "crushed").                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Land Donation</b>                           | Land owners' willingness to provide part of his land for the project in expectation of project benefits. It must be voluntary or unforced and confirmed in written agreement witnessed by third party.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Displaced Person</b>                        | Displaced person are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (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 restrictions on land use or on access to legally designated parks and protected areas.                                                                                                                                                                                                                                                                                                                        |
| <b>Legalizable</b>                             | Those who do not have formal legal rights to land when DPs are recorded, but could claim rights to such land under the law of Nepal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Poverty Line</b>                            | The level of income below which an individual or a HH is considered poor. Nepal's national poverty line is based on a food consumption basket of 2124 calories and an allowance for nonfood items of about two thirds of the cost of the basket, will be adopted by the Project to count DPs under the poverty line. The determination of poor HHs or persons under the project will be based on the census and socio-economic survey and confirmed by community meeting that displaced person/HH falls below the poverty line. The poverty level used to measure in Solukhumbu is Rs 25949.59/ for FY 2012/13, calculated on the basis of Rs 19859.00 for Mountainous Region by Nepal Living Survey Standard 2009/10. |
| <b>Project Affected Family</b>                 | A family consisting of DPs, his/her spouse, sons, unmarried daughters, daughters-in law, brothers or unmarried sisters, father, mother and other legally adopted members residing with him/her and dependent on him/her for their livelihood.                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Severely Project Affected Family/People</b> | A Project Affected Family that is affected by the project such as:<br>a. There is a loss of land or income such that the affected family fall below the poverty line; and/or<br>b. There is a loss of residential house such that the family members are physically displaced from housing.                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Squatters</b>                               | People living on or farming land not owned by themselves and without any legal title or tenancy agreement. The land may belong to the Government or to individuals.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Third Party</b>                             | An agency or organization to witness and/or verify "no coercion" clause in an agreement with DPs in case of voluntary land donation. One independent agency (i.e. not involved in project implementation), preferably working on rights aspect, will be recruited in each development region to serve this function.                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Vulnerable Group</b>                        | Distinct group of people or persons who are considered to be more vulnerable to impoverishment risks than others. The poor, women-headed, Dalits and indigenous people HHs who fall below poverty line will be counted as vulnerable DPs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

|                          |                                                                                                                                                                                                                                              |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Women Headed HH</b>   | HH headed by women, the woman may be divorced, widowed or abandoned or her husband can be working away from the District for long periods of time, but where the woman takes the decisions about the use of and access to HH resources.      |
| <b>Zone of Influence</b> | A geographical boundary of 1.5 hours walking distance from the sub-project road alignment considered to establish socio-economic parameters for pre-project scenario to compare them with those established after the project interventions. |

## EXECUTIVE SUMMARY

1. The Resettlement Plan (RP) of Lek-Kharka Maidel Link road sub-project explains socio-economic condition, assesses loss, details the measures and plans to mitigate adverse impact on the affected people residing along the alignment. The RP document explains the policy and procedures to assess land acquisition and other resettlement aspects in compliance with Government of Nepal (GoN) Land Acquisition Act 1977, ADB Safeguard Policy Statement (SPS) 2009 and approved Resettlement Framework (RF) of DRILP-AF.
2. The major objective of preparing this RP document is to avoid or minimize involuntary resettlement, ensure adequate safeguard measures are applied and appropriate entitlements are allocated to protect the affected households wherever involuntary resettlement is observed. Further no one will be forced to donate their land and APs have right to refuse land donation proposal. APs will be given choice between compensation and donation, and donation might be accepted as a last option. The Department of Local Infrastructure Development and Agricultural Roads (DoLIDAR) is the Executive Agency of the project. The Project Coordination Unit (PCU) supported by Central Implementation Support Consultants (CISC) provides overall guidance and monitoring of the project activities. The District Technical Office (DTOs)/District Project Office (DPO) supported by District Implementation Support Consultant (DISC) implements overall activities at the district level and provides regular supervision and monitoring.
3. The District Level Coordination Committee (DLRCC), Grievance Redress Committee (GRC) and Social Safeguard Desk are formed at district level for effective implementation of land acquisition, compensation process and associated mitigation measures. Further, Village Works Road Construction Committee (VWRCC) and Grievance Redress Sub Committee (GRSC) are established at every VDC to perform a role of key agents for consultation, negotiation and information dissemination process during RP implementation.
4. The link road is located in south-eastern part of Solukhumbu District. The future scope of this alignment is to provide road access to the settlements of Mukli and other adjoining VDC and finally connect it with district headquarter. The link road starts at Ch 15+350 of main road towards Bogal, Maidel and Mukli settlements. The link road is 4.5 km joining Mukli VDC settlements; this road is the section of Lek-Kharka-Maidel Link Road sub-project consisting of 27.113 km. The road width is 8 m, 4 m each from the centerline throughout the alignment.
5. The link road requires 3.60 hectare of land in which 3.24 hectare belongs to private ownership. There is no existing road; hence the link road is totally a new cut area. Cadastral survey of the link road shows that the proposed alignment affects 81 private land plots of 60 households. The sub-project will affect 81 private land plots of 60 households acquiring 3.60 ha of the land, 3.24 ha belongs to private households and 0.36 ha lies in the public land. There is no existing road along this alignment. Total 605 private trees and various other fruit plants, shoots and NTFPS need to be removed but no structure or forest area is been affected.

6. This RP document has been prepared following the approved Resettlement Framework (RF). On behalf of DDC the District Support Implementation Consultant (DISC) Solukhumbu has carried out formal and informal meetings, consultations with the community people, especially with the directly affected people of each VDC. District Level Coordination Committee (DLRCC), Grievance Redress Committee (GRC) and Social Safeguard Desk are formed at district level for effective implementation land acquisition, compensation process and associated mitigation measures. Further, Village Works Road Construction Committee (VWRCC) and Grievance Redress Sub Committee (GRSC) are formed in each VDC which are key agents for consultation, negotiation and information dissemination process during RP implementation.
7. This sub-project affects 60 households of which 38 households are found residing along the alignment and 22 households are not present on the site. These 38 households were closely consulted, brought in discussion and socio-economic survey forms were filled up in order to analyze the socio-economic condition before and after the sub-project implementation. An average land holding of the households is 1.58 ha and average land loss is 0.05 ha. Eighteen households (47 percent) own more than 1.0 ha of land and none of the households are found to be landless along the alignment. There are 7 households who lose more than 10 percent of total land holding.
8. Agriculture is prime occupation of the district, but major income sources along the alignment are found to be trekking and tourism business. The socio-economic survey shows that nearly 60 percent of the affected households migrate to India and Gulf country for labor work. An average annual income from agriculture is NRs 23415 which will reduce by NRs 1468 after construction of the road. This shows that there is no significant loss in the agriculture income of the households as the highest percentage of the income earned is from non-agriculture activities.
9. The poverty analysis of the 38 households showed that 26 households are falling below the district poverty level. Further, the households were disclosed about the project land donation criteria but all the households losing land refused to donate their land, thus CDC has decided compensation for all the households. The socio-economic analysis also shows production from agriculture activity contributes in households' consumption which is measured by food sufficiency month. About 12 percent of the households have food sufficiency for 10 to 12 months, whereas average food month is 7.90 month which will reduce to 7.00 month due to loss of their land.
10. CDC meeting was held on 12 October 2012 in the district decided to compensate all required land plots for the sub-project and also for other losses like tress, fruits and crops. The compensatory amount for land including absentee owners is NRs 18, 54,076.4, for trees is NRs 67,089.78, for fruits, shoots and NTFPs is NRs 15,060.00 and for standing crops is NRs 1,05,450.00. In case of absentee owners losing land and other assets an honest effort were made through meetings with absentee's relatives. The absentee's relatives shared that the absentee households

are positive towards the project and provides consent to further proceed with the road construction. Meanwhile, the DDC/DPO office has provision of reserve fund for absentee households<sup>1</sup>, later the compensation will be delivered to them after analyzing their socio-economic status once they come in contact. Apart from compensatory amounts, the project also provides management cost that will incur for deed transfer process and absentee households coordination.

11. The affected households will be given priority for employment opportunities during road construction and also in training programmes to enhance their skills and restore their loss into economic opportunity. The life skill training under DRILP-AF will be Level 1 of NSTB, which has 390 hours credit with two-month training and one-month on the job training. A preliminary field assessment has showed that 15 households are interested to receive skill development training and utilize it for developing entrepreneurship. The training will be provided by the training providers on the basis of competitive bidding after deployment of the Training Coordinator, CISC. The actual training plan, budget and name list of the participants will be incorporated in the updated RP. The cost of life skill training is NRs 0.7 million.
12. Total RP implementation cost estimated for the link road is Rs 2.99 million in which Rs 1.39 million is direct compensatory cost and other cost includes cost for absentee land plots, supporting cost and contingency amount for any unseen consequences during implementation.

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<sup>1</sup> CDC has taken decision to pay compensation to all absentee owners.

## **1 PROJECT DESCRIPTION**

### **1.1 Introduction of the Project**

1. The Decentralized Rural Infrastructure and Livelihood Project–Additional Financing(DRILP-AF) is implemented by loan and grant assistance from ADB, OFID and from Swiss Agency for Development and Cooperation (SDC), counterpart funding from Government of Nepal (GoN) participating districts and contributions from project beneficiaries. The project aims to reduce rural poverty in 18 poor and remote hill and mountain districts<sup>2</sup> of Nepal. The project will improve access to economic and social services and enhance social and financial capital of the people in the project area through construction of the rural infrastructure and community development program.
2. Department of Local Infrastructure Development and Agricultural Roads (DoLIDAR) is the Executing Agency (EA) for DRILP-AF. The District Development Committees (DDC) is the implementing agency at district level. The Project Coordination Unit (PCU) supported by Central Implementation Support Consultant (CISC) has been established in Kathmandu, headed by a Project Coordinator to coordinate and monitor the overall DRILP-AF activities.
3. This Resettlement Plan (RP) is prepared on the basis of approved Resettlement Framework (RF) of DRILP-AF. The objectives of the RF is to i) provide policy and principles and guideline on the process to be followed in land acquisition during implementation, adverse impact mitigation measures and entitlement standards ii) outline guidance on subproject information disclosure and consultation, institutional arrangement and implementation monitoring arrangements; and iii) ensure compliance with the SPS 2009 requirements of ADB on involuntary resettlement. It sets out the policies and procedures to be adopted by the EAs in preparation of subproject.
4. The project resettlement framework (RF) measures the land loss and poverty level and ensures that land owner receives appropriate compensation so that the economic future of the APs must be same as they were before the project. Further, the land donation criteria of the DRILP AF states that the donation is accepted only if i) the household losses less than 10 percent of its total land holding, and ii) the household falls above the poverty level.

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<sup>2</sup> The 18 project districts are Taplejung, Solukhumbu, Okhaldhunga, Ramechhap, Gorkha, Lamjung, Baglung, Myagdi, Jajarkot, Dolpa, Jumla, Mugu, Humla, Kalikot, Bajhang, Bajura, Baitadi, and Darchula.

## 1.2 Introduction of the Sub-project

5. The sub-project lies in south-eastern part of Solukhumbu district in Eastern Development Region of Nepal. Solukhumbu is internationally known for Mount Everest. Regular flight is accessible to and Kathmandu-Phaplu (headquarter), Kathmandu-Lukla throughout the year. The district is also linked with Siddhicharan Feeder Road as temporary connection which will turn into permanent after completion of bridge at the Sunkoshi River and stabilization of landslide at Salme, Solu River Bridge, Tingla VDC.
  
6. The sub-project Lek Kharka Maidel link road is a section of Lek Kharka-Mukli Road sub-project, consisting of 27.113 km which is the main sub-project considered for DRILP-AF. But the link road which is 4.5 km joining Mukli VDC settlements with the main road will be constructed additionally in DRILP-AF. To provide road access to the settlements of Mukli VDC the link road has been proposed. The link road starts at Ch 15+350 of main road towards Bogal, Maidel and Mukli settlements. The main road alignment had to avoid the settlements of Mukli VDC and follows the forest area in order to by-pass a big landslide at Tumse Danda at Ch 10+640. The road will acquire 8 m, 4 m each from the centerline throughout the alignment to avoid agricultural land. The detail survey and design team has selected the alignment considering the demand of local people. The alignment passes through private and public land plots.

## 2 SCOPE OF LAND ACQUISITION AND RESETTLEMENT

### 2.1 Land Holding and Land Loss

7. The cadastral survey report showed that the proposed alignment affects 81 private land plots of 60 households. The proposed sub-project requires 3.60 hectare of land in total in which 3.60 hectare is privately owned. The subproject is 4.5 km; the road will acquire 8 m (4 m each) throughout the alignment. It is completely a new cutting and passes through public and private land. Table 1 below gives details of land required for the subproject.

**Table 1: Land required by the Link Road**

| SN  | Land Requirement                     | Area in hectare |
|-----|--------------------------------------|-----------------|
| 1   | Total land area within the RoW (8 m) | 3.60            |
| 2   | Private land                         | 3.24            |
| 2.1 | Private land under existing road     | 0               |
| 2.2 | Private land under new cut           | 3.24            |
| 4   | Public land                          | 0.36            |

Source: Cadastral Survey, 2012

8. The mean land holding of affected households is 1.58 ha which will reduce to 1.53 ha after intervention of the sub-project. Of the total households 47.36 percent owns more than 1.0 ha. There are 7 households losing more than 10 percent of total land holding. In an average these households will lose 531.74 sqm of land, but the loss ranges from minimum 56 sqm to maximum of 1416 sqm. Table 2 summarizes extent of land loss in the road sub-project.

**Table 2: Summary of Land Loss**

| Land Loss Measure          | Pre Project |         | Post Project |         |
|----------------------------|-------------|---------|--------------|---------|
|                            | Count       | Percent | Count        | Percent |
| 1. Land Holding            |             |         |              |         |
| <0.5 ha                    | 5           | 13.15   | 7            | 18.42   |
| 0.5-1.0 ha                 | 15          | 39.47   | 13           | 34.21   |
| >1.0 ha                    | 18          | 47.36   | 18           | 47.36   |
| Average Holding (ha)       | 1.58        |         | 1.53         |         |
| 1. Households by Land Loss |             |         |              |         |
| Losing <10%                | 31          | 81.58   |              |         |
| Losing >10%                | 7           | 18.42   |              |         |
| Average Land Loss (ha)     | 0.053       |         |              |         |

Source: Household Survey, 2012

9. The resettlement impacts due to the construction of the sub-project are expected to experience by 60 households with 250 populations. This RP has strictly followed the approved Resettlement Framework (RF) of the DRILP-AF.

## 2.2 Structures and Other Losses

10. Apart from land loss, there will be loss of trees and standing crops within the RoW of the affected plot. Although the link road has maximum coverage in the private land, it does not affect any structure. The link road needs to cut maximum of 605 trees. Apart from trees, non-timber forest product shoots and fruit trees need to remove. The varieties include broom grass (amriso), tea plants, Sichuan (timmur), bamboo, walnut and peach trees. Table 3 explains the loss along the road.

**Table 3: Losses along the Link Road**

| SN | Loss Type            | Ownership | Count | Remarks         |
|----|----------------------|-----------|-------|-----------------|
| 1  | Structures           | 0         | 0     |                 |
| 2  | Private trees        | Private   | 605   | Timber & fodder |
| 3  | Fruit trees          | Private   | 1     | Peach, walnut   |
| 4  | Bamboo               | Private   | 145   | Shoots          |
| 5  | Sichuan (Timmur)     | Private   | 20    | NTFPs, species  |
| 6  | Tea plants           | Private   | 5     | Cash crops      |
| 7  | Broom grass (amriso) | Private   | 300   | Cash crops      |

*Source: Household Survey, 2012*

### 3 SOCIO-ECONOMIC INFORMATION AND PROFILE

11. Detail socio-economic survey<sup>3</sup> was conducted to investigate affected households income, food sufficiency, livelihood options, land loss and tree loss. Out of total 60 affected households, survey was carried for 38 (63.33 %) and 22 households were not available in the project site even after continuous follow-up. The socio-economic analysis is representation of 38 households which shows that janajati group was found to be dominant along the alignment.
12. The loss assessment of 22 absentee households (land and other assets) has been recorded properly and these households will receive their compensation as per their actual losses once they come in contact with district project office. Table 4 shows the summary of affected households.

**Table 4: Summary of Affected Households by the Subproject**

| SN  | Variable               | Count |
|-----|------------------------|-------|
| 1   | Total Affected HHs     | 60    |
| 2   | Interviewed Households | 38    |
| 3   | Interviewed Population | 250   |
| 3.1 | Male                   | 120   |
| 3.2 | Female                 | 130   |
| 3.3 | Average HH Size        | 6.58  |
| 3.4 | Dalit HH               | 7     |
| 3.5 | Janajati HH            | 39    |
| 3.6 | Bharahamin/Chettri HH  | 14    |
| 4   | Non-interviewed HH     | 22    |
| 5   | Women Headed HH        | 18    |

*Source: Household Survey, 2012*

13. The major income activity in Solukhumbu district is known for trekking which eventually makes households to shift their occupation to trekking business or remittances from developed countries in Europe or America. It was found that remittances, trekking are major income sources in the sub-project area as well. Agriculture was performed only for consumption and not as a commercial activity except for few households along the alignment. The disintegrated income data showed that major income source was from non-agriculture sector in which remittances played major role. Table 5 gives detail glimpse of income level by source.

<sup>3</sup> The household survey was carried out from 9<sup>th</sup> April 2012.

**Table 5: Income Variation of the Affected households along the Alignment**

| Variables                             | Pre-Project |         | Post Project |         |
|---------------------------------------|-------------|---------|--------------|---------|
|                                       | Frequency   | Percent | Frequency    | Percent |
| <b>1. Agriculture Income (HH)</b>     |             |         |              |         |
| <=12000                               | 12          | 31.54   | 30           | 78.94   |
| 12000-25000                           | 13          | 34.21   | 2            | 5.30    |
| >=25000                               | 13          | 34.21   | 6            | 15.76   |
| <b>Average (NRs)</b>                  | 23415       |         | 21947        |         |
| <b>2. Non-Agriculture Income (HH)</b> |             |         |              |         |
| <=12000                               | 1           | 2.63    |              |         |
| 12000-25000                           | 2           | 5.26    |              |         |
| >=25000                               | 35          | 92.10   |              |         |
| <b>Average (NRs)</b>                  | 118681.71   |         |              |         |
| <b>3. Total Income (HH)</b>           |             |         |              |         |
| <=25000                               | 2           | 5.26    | 0            | 0       |
| 25000-50000                           | 2           | 5.26    | 3            | 7.86    |
| >=50000                               | 34          | 94.74   | 35           | 92.10   |
| <b>Average (NRs)</b>                  | 142098      |         | 140629       |         |

Source: Household Survey, 2012

14. Out of the total an annual income from agriculture contributed by 16.47 percent in an average. Similarly, an average annual income from agriculture is NRs 23415 which will reduce by NRs 1468 after construction of the road. This shows that there is no significant loss in the agriculture income of the households as the highest percentage of the income earned is from non-agriculture activities. Therefore, the impact of the land loss will remain minimal due to the sub-project implementation.
15. Although the income is greater from non-agriculture sector, it shows that the agriculture income is used only for household consumption which is appropriate to measure by food sufficiency month. It was found that 7 were doing share cropping which was also for household consumption. Further, the income loss is expected to overcome through different income restoration measures by the sub-project which is described in other chapter of this RP. Table 6 gives the food sufficiency month of the affected households land holding and poverty level calculated.

**Table 6: Food Sufficiency and Poverty Level of Affected households**

| Variables                  | Pre-Project |         | Post Project |         |
|----------------------------|-------------|---------|--------------|---------|
|                            | Frequency   | Percent | Frequency    | Percent |
| <b>1. Food Sufficiency</b> |             |         |              |         |
| 1-3 Months                 | 5           | 13.15   | 7            | 18.41   |
| 4-6 Months                 | 13          | 34.20   | 14           | 36.84   |
| 7-9 Months                 | 9           | 23.70   | 8            | 21.05   |
| 10-12 Months               | 11          | 11.95   | 9            | 23.70   |
| <b>Average (months)</b>    | 7.90        |         | 7.00         |         |
| <b>2. Poverty (HH)</b>     |             |         |              |         |
| <10% Land Loss             | 31          | 81.58   |              |         |
| Above Poverty Level        | 11          | 28.94   | 12           | 31.57   |
| Below Poverty Level        | 20          | 52.63   | 19           | 50.00   |
| <b>&gt;10% Land Loss</b>   | 7           | 18.42   |              |         |
| Above Poverty Level        | 1           | 2.63    | 1            | 2.63    |
| Below Poverty Level        | 6           | 15.78   | 6            | 15.78   |

*Source: Household Survey, 2012*

16. The average food sufficiency month of the interviewed households is 7.90 month which will reduce by 0.9 months after losing land to the alignment. The poverty analysis of the affected households showed 26 households are below district poverty level. There are also 7 households who lose more than 10 percent of land holding and these households will be compensated as per project resettlement framework. The RP with due consideration proposes compensation for all the affected households.

## 4 RESETTLEMENT POLICY AND LEGAL FRAMEWORK

### 4.1 Applicable Legal and Policy Framework

17. Nepal lacks a comprehensive policy on involuntary resettlement. However, there are many acts, rules and regulations governing land acquisition and involuntary resettlement. The interim constitution of Nepal, land acquisition act, land reform act, land revenue act, public road act and guthi sansthan act are the major acts relevant to land acquisition and compensation.
18. **The Interim Constitution of Nepal (2007)** guarantees the fundamental rights of a citizen. Article 19 (1) establishes the right to property for every citizen of Nepal, whereby every citizen is entitled to earn, use, sell and exercise their right to property under existing laws. Article 19 (2) states that except for social welfare, the state will not acquire or exercise authority over individual property. Article 19 (3) states that when the state acquires or establishes its right over private property, the state will compensate for loss of property and the basis and procedure for such compensation will be specified under relevant laws.
19. **The Land Reform Act (1964)** is also relevant as it establishes the rights of tillers and tenants over the land. As per the Act, a landowner may not be compensated for more land than he is entitled to under the law. The Act additionally specifies the compensation entitlements of registered tenants on land sold by the owner or acquired for the development purposes. The Act amendment most recently in 2001 has established a rule that when state acquires land under tenancy, the tenant and the landlord will each be entitled to 50% of the total compensation amount.
20. **The Land Revenue Act (1977)** is also applicable, as the land acquisition involved change of ownership of land. Article 8 of the Act states that registration, change in ownership, termination of ownership right and maintenance of land records are done by Land Revenue Office (LRO). Similarly Article 16 says, if land revenue is not paid by the concerned owner for long period of time, the revenue can be collected through auction of the parcel of the land for which revenue has been due.
21. **The Malpot Ayn or Land Revenue (land administration and revenue) Act, 2034** is the main Act to carry out land administration including maintenance and updating records, collection of land revenue and settlement of the disputes after completion of survey and handing over the records to LRO by the Survey Parties. It authorizes the LRO for registration, ownership transfer and deed transfer of land. This Act also authorizes the LRO to transfer ownership and deeds of individual land, if any person applied for the ownership and deeds of individual land, if any person applied for the ownership transfer of his/her land with mutual understanding for public use with recommendation of relevant committee.
22. **The Public Roads Act 2031 (1974)** empowers the government to acquire any land on a temporary basis for storage facilities, construction camps and so on during construction and upgrading of roads. Any buildings and other structures such as houses, sheds, schools and temples are to be avoided wherever possible.

The government is required to pay compensation for any damages caused to buildings, standing crops and trees. Compensation rates are negotiated between the government and the landowner.

23. **Guthi Corporation Act 1976**, in case of Guthi Land acquisition must also comply with the provisions set out in the. The section 42 of the Act states that Guthi (religious/trust) land acquired for a development must be replaced with other land.
24. **The Land Acquisition Act (1977)** and its subsequent amendment in 1993 specify procedures of land acquisition and compensation. The Act empowers the government to acquire any land, on the payment of compensation, for public purposes or for the operation of any development project initiated by government institutions. There is a provision of Compensation Determination Committee (CDC) chaired by Chief District Officer to determine compensation rates for affected properties. The Act also included a provision for acquisition of land through negotiations. It states in Clause 27 'notwithstanding anything contained elsewhere in this Act, the Government may acquire any land for any purpose through negotiations with the concerned land owner. It shall not be necessary to comply with the procedure laid down in this act when acquiring land through negotiations.'

**Box 1: Land Acquisition Steps in Land Acquisition Act 1977**

**Key Steps Prescribed in Land Acquisition Act 1977**

- ii. Government can acquire land for any public purpose (Clause 3&4 of the Land Acquisition Act).
- iii. Land Acquisition Officer (LAO/PM) shall be responsible to identify, survey, and notification to the concerned parties and other works related to acquisition (Clause 5&6)
- iv. The LAO shall determine the amount of compensation for the damaged property (house, wall, trees, etc) while conducting initial survey works (Clause 7).
- v. Within 15 days after the preliminary actions LAO has to confirm the required land and submit other details of the required property to the Chief District Officer (CDO).
- vi. The CDO to publish public notification with details of the affected property after receiving the report of preliminary activities (Clause 9)
- vii. Any grievances to disable land and property acquisition could be reported to Home Ministry within 7 days of public notification to CDO. Home Ministry is to decide on the grievances within 15 days as a capacity of district court (Clause 11)
- viii. Compensation for the acquired land / property to be decided by a compensation fixation committee comprising of Chief District Officer, Land Revenue Officer, Project Manager, and representatives of the District Development Committee. The compensation to be paid in cash and separate compensation rates could be fixed for the partially affected land or completely affected land (Clause 13).
- ix. Official tenant to be paid compensation as per the prevailing laws (Clause 20).
- x. Unpaid Government tax could be deducted from the compensation amount (Clause 21).
- xi. Preliminary hearing of grievances/cases related to the Act shall be done by CDO. Appeal to such hearing could be made to the appeal court within 35 days (Clause 40).

*Extracted from: DoLIDAR/ADB. Dec 2009. Resettlement Guidelines for Local Infrastructure Development (TA 4397: NEP).*

25. DDC as an autonomous body is responsible for local development planning and management. The development activities implemented by DDCs are governed by **Local Self Governance Act (LSGA)**. The Act states that DDC will acquire land required for public purposes following procedures described in LSGA. However, DDCs are implementing infrastructure development activities through voluntary donation of a part or beneficiaries land in building community/rural roads and small-scale rural infrastructure that provide direct benefit to community. Nepal has its own historical tradition of land donation for the construction of public services.

## 4.2 ADB's Involuntary Resettlement Policy

26. The important elements of ADB's SPS 2009 on involuntary resettlement are i) compensation to replace lost assets, livelihood and income; ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services; and iii) assistance for rehabilitation to achieve at least the same level of well-being with the project as without it. Some or all of these elements may be present in a project involving involuntary resettlement.
27. For ADB operation requiring involuntary resettlement, resettlement planning is an integral part of project design, to be dealt with from the earliest stages of the project cycle, taking into the account the following basic principles:
- a. Involuntary resettlement will be avoided where feasible. Where population displacement is unavoidable, it should be minimized.
  - b. All lost assets acquired or affected will be compensated. Compensation is based on the principle of replacement cost.
  - c. Each involuntary resettlement is conceived as part of a development project or program: the displaced persons (DPs) need to be provided with sufficient resources to re-establish their livelihoods and home with time-bound action in coordination with civil works.
  - d. The DPs are to be fully informed and meaningfully consulted.
  - e. DPs are to be assisted to integrate economically and socially into host communities so that adverse impacts on the host communities are minimized and social harmony is promoted.
  - f. The absence of formal title to land is not a bar to assistance entitlements.
  - g. Affected people (DPs) are to be identified and recorded as early as possible to establish their eligibility, through a census which serves as a cut-off-date<sup>4</sup>, and prevents subsequent influx of encroachers.
  - h. Particular attention will be paid to vulnerable groups including those without legal title to land or other assets; HH headed by women; the elderly or disabled, and indigenous groups. Assistance must be provided to help them improve their socio-economic status.
  - i. The full resettlement cost will be included in the presentation of project costs and benefits.

## 4.3 Comparison of Borrower's Policy with ADB's Policy Requirements

28. There is a gap between the national legal framework and ADB SPS requirements, the below table 7 shows comparisons of borrower's policy and ADB's Policy requirements.

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<sup>4</sup> The cut-off-date for Lekkharka-Mukli is 8<sup>th</sup> April 2012.

**Table 7 Gap between Government Law and ADB's SPS and Measurement to fill gap**

| SN | Key Issues                                                                        | Government Laws                                                                                                                          | ADB SPS                                                                                                                                                                      | Measures Adopted in the RF                                                                                                                                                                                                                                                                         |
|----|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | Severity of Impact:<br>Loss of more than 10% of the total landholdings and income | Do not consider the percentage loss of income or total land holdings                                                                     | Income restoration program such as training and other measures to restore and improve the standard of living of the                                                          | Provision has been made to provide training and measures in the EM                                                                                                                                                                                                                                 |
| 2  | Squatters/illegal occupants/non titled land users                                 | Do not consider squatters/ encroachers/ non titled land users for compensation                                                           | Not entitled for compensation for land; squatters/ vulnerable encroachers/non title holders are entitled to payment for the structures/houses/ business and other assistance | Provision has been made to provide compensation for the structures/houses/ business including loss of sources of livelihoods in the EM.                                                                                                                                                            |
| 3  | Squatters/illegal occupants/non titled land users                                 | Compensation rate will be determined by CDC, consisting of (i) CDO, (ii) representative from DDC (iii) Chief of LRO (iv) Project Manager | All compensation is based on the principle of replacement cost                                                                                                               | Provision has been made for the replacement value for the loss of land, houses/structures including transaction costs. DPs are allowed to take salvaged materials. CDC will make final decision on the rates in the presence of representatives from DPs, VDCs, civil society, who will attend the |
| 4  | Other assistance for relocation of the houses                                     | No provision                                                                                                                             | All the eligible DPs including tenants, employees are entitled to receive financial assistance to cover physical and economical displacement                                 | Provision has been made for the transitional allowances, transport allowances                                                                                                                                                                                                                      |
| 5  | Vulnerable Groups                                                                 | No provision                                                                                                                             | Focused on the poor and vulnerable group to avoid future impoverishment and create new opportunities                                                                         | Provision has been made for income restoration program and other financial assistance.                                                                                                                                                                                                             |

Source: DRILF-AF, Resettlement Framework, 2011

## 5 PROJECT POLICY AND ENTITLEMENTS

29. The existing national policy/legal provisions are inadequate to meet the ADB's resettlement policy requirements. Taking into the account on experiences and learning from infrastructure projects implemented by the DDCs and measures recommended to fill the identified gaps, the Project will adopt following key resettlement principles<sup>5</sup>:
- i. Involuntary land acquisition and resettlement impact will be avoided or minimized through careful planning and design of the project;
  - ii. For any unavoidable involuntary land acquisition and resettlement, APs will be provided compensation at replacement cost and/or assistance so that they will be as well-off as without the project;
  - iii. DPs will not be forced for donation of their land, and there will be adequate safeguards for voluntary land donation;
  - iv. DPs will be fully informed and consulted during project design and implementation, particularly on land acquisition and compensation options;
  - v. The absence of formal legal title to land will not be a bar to compensation for house, structures and trees/crops, and particular attention will be paid to vulnerable groups and appropriate assistance provided to help them improve their socio-economic status;
  - vi. Land compensation and resettlement assistance will be completed before commencement of civil works contracts, while other rehabilitation activities will continue during project construction; and
  - vii. Land acquisition and resettlement will be conceived part of the project and the costs related to resettlement will be included in and financed out of the project cost.
30. While selecting the sub-project, the EA will define the category/type of road to be constructed and declare the Right of Way (RoW) to a minimum possible width. Normally, 8 meters (m) width of road corridor will be maintained, except in few sections which require additional support structures. Alignment designers will select the least agriculturally productive land and will avoid settlement areas while selecting the road alignment.
31. The sub-project selection and implementation will follow community driven approach, which gives communities control over planning and project implementation. The Project will focus more on rural infrastructure that provide direct benefits to community, including improved access to markets and services such as schools, health and other public services. Experience from DRILP shows that the improved road also leads to higher value and production of local land because of improved access and availability of agricultural inputs.
32. Given that most local people are willing to voluntarily donate part of their land in building community/rural roads and small-scale rural infrastructure that provide direct benefits to the community, the Project will also continue to some extent the Nepal's tradition of land donation. However, adequate process and safeguards will be built into sub-project RPs to ensure that the voluntary land donation is unforced and it doesn't lead to impoverishment of DPs, including:

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<sup>5</sup> Chapter 4 & 5 of this RP has been extracted from DRILP-AF RF, Project Number: P38426-NEP, 2011

- a. Full consultation with DPs and communities on selection of sites and appropriate design to avoid/minimize additional land take and resettlement effects;
  - b. As a first principle, DPs will be informed of their right to entitle compensation for any loss of their property (house, land and trees) that might be caused by the project construction, and the land donation might be accepted only as a last option;
  - c. Full recognition of, and respect of, community choice between compensation and donation through community consultation meetings reported in the walkthrough Survey Reports;
  - d. No one will be forced to donate their land and DPs will have the right to refuse land donation proposal from EA;
  - e. In case of DPs are directly linked to project benefits and thus are willing to voluntarily donate their land after they are fully informed about their entitlement, the project will assess their socio-economic status and potential impact of land donation and accept land donation only from those DPs who do not fall below the poverty line after the land donation (Note: analysis of core sub-projects shows that all DPs losing >10% of land holding fall under poverty line so excluded from land donation, and hence the land donation will be limited to 10% of total land holding);
  - f. Any voluntary land donation (after the process as mentioned above) will be confirmed through a written record, including a "no coercion" clause verified by an independent external party.
  - g. The donation will be limited to only land and minor assets (house and major assets will be excluded from donation); and
  - h. A Grievance Redress Committee (GRC) will be set up in every road section (chaired by local leaders, including representatives of DPs); and DPs who are not satisfied with the land donation can file their complaint with the GRC. If the GRC finds out that the above provisions were not complied with, DPs will be excluded from land donation.
33. Based on the socio-economic and resettlement impact analysis of the core sub-projects and lesson learnt from DRILP and to avoid potential preparatory delay in resettlement planning, the Project will adopt following criteria, among others, while selecting sub-projects during implementation:
- a. The priority in selection of sub-project will be given to those which don't require additional land such as rehabilitation of existing infrastructure;
  - b. Priority will be given to those sub-projects where preliminary resettlement planning activities has already done;
  - c. The sub-projects where additional land requirement is unavoidable to improve the road standards and safety, priority will be given to road rehabilitation of road upgrading where track is already open, do not physically displace households and loss of house limited within 20 houses along the alignment;
  - d. The selection criteria for supplementary infrastructure will exclude any sub-project that may involve land acquisition and resettlement. They will be implemented only if land is already available or do not require additional land.
34. The project is expected to have minimal impacts on land acquisition and resettlement. The land within the existing RoW confirmed by due diligence will not be compensated for as the land under existing RoW will be defined as if it has been used for road traffic for past 3 years or written confirmation given by the community meeting of private owner about RoW. The additional land required for newly defined

road width, beyond the existing RoW, will be subject to social impact assessment and land donation eligibility analysis. All involuntary land acquisition (other than exceptional voluntary land donation) will be compensated at replacement cost and DPs assisted so that their economic and social future would generally be as favorable as it would have been in the pre-project standards.

35. The absence to formal title to land will not be a bar to compensation assistance for loss of assets and special attention will be paid to ensuring that HHs headed by women and other vulnerable groups receive appropriate assistance. The date of the census will be the "cut-off-date"<sup>6</sup> for the entitlement, and owners (including non-titled) of affected assets till such a date will be eligible to be categorized as DPs. The displaced persons will be entitled to as combination of compensation measures and resettlement assistance, depending on the nature of ownership rights of lost assets and scope of the impact, including social and economic vulnerability of the DPs. The description of each compensation measures and assistance is provided in entitlement policy/matrix is in Table 8.

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<sup>6</sup> The cut-off date for Lek kharka-Mukli is 8<sup>th</sup> April 2012

36. The entitlements are replacement of land for land, or at full replacement cost including land registration costs. Non-titled holder will be entitled to resettlement and rehabilitation assistances. If IOL records people conducting informal business within existing RoW and verified by IOL that they are not compensated before will be eligible for entitlements. Compensation for houses and other structures will be at replacement cost for materials and labour without deduction of depreciation and salvaged material. Tenants and squatters within the RoW will only be relocated if the land is required for the works.
37. Full compensation payments for land acquisition must be completed before award of civil works contracts. In case of absentee owners, attempts must be made to contact them and notify them of their rights, payment can be delayed until their return at the festival season, or payment can be made to the spouse on production of a certificate of relationship from the VDC. This is particularly helpful to women whose husbands are away working and are de facto heads of the HH. Land acquisition does not take precedence over land dispute cases awaiting court decisions. Compensation payment has to wait until the court has made a decision. Project affected HHs who refuse to go through the claim process as the sums offered are too small should be notified that the money will be placed in a suspense account by the Chief District Office (CDO) or they can choose to voluntarily donate the land.
38. Land titles will be transferred from displaced person to government of Nepal immediately after compensation payment or agreement of land donation at no cost to the original owner. The Project will arrange required and sufficient resources to support concern line agency representatives to facilitate the land acquisition process.

**Table 8: Entitlement Policy Matrix**

| Type of Loss                                                                                                                                       | Application                                                                              | Definition of Entitled Person                                                      | Policy/Entitlement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Acquisition of private, tenancy, or Guthi Land (Land Endowed by the State and individuals for religious, philanthropic and charitable purposes) | Entire or part of land to be acquired from owner of the land as recorded at cut-off-date | <ul style="list-style-type: none"> <li>• Titleholder</li> <li>• Tenants</li> </ul> | <ul style="list-style-type: none"> <li>• Land with equivalent size and category, or cash compensation at replacement cost.</li> <li>• In case of vulnerable group, preference will be in replacing land for land.</li> <li>• Any transfer costs, registration fees or charges.</li> <li>• Tenant will receive the 50% value of the land<sup>7</sup>.</li> <li>• Land registration in the name of both land owner and spouse (in case of land for land compensation).</li> <li>• If remaining land becomes unviable as a result of land acquisition, DPs will have option to relinquish unviable remaining portion of land and receive similar benefits to those losing their entire land parcel.</li> <li>• Non-titled persons will receive compensation for crops and subsistence allowance for 1 year crop, and provided with replacement land if ailani or government land is available in the village. Any upfront costs for the tenancy agreement will be reimbursed either through an agreement with the land lord or by the EA.</li> </ul> |
| 2. Temporary loss of land                                                                                                                          | Temporary land taken by the Project                                                      | <ul style="list-style-type: none"> <li>• Titleholder</li> <li>• Tenants</li> </ul> | <ul style="list-style-type: none"> <li>• Compensation at replacement cost for the net loss of income, damaged assets, crops and trees, etc.</li> <li>• Rent for the land.</li> <li>• An agreement between contractors and DPs before entering the site.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 3. Loss of residential,                                                                                                                            | Structures, buildings                                                                    | <ul style="list-style-type: none"> <li>• Owner</li> </ul>                          | <ul style="list-style-type: none"> <li>• Compensation for full or partial</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

<sup>7</sup> The Tenant, Land Acquisition Act 1977 (2034) was amended on 2055/4/26. Accordingly the registered Tenant will receive 50% of the total land cost. Previously, it was only 25%. The tenant will receive 50% of the total land value provided s/he posses a land entitlement certificate.

|                                           |                                                                           |                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| commercial, and other structure           | including cattle shed, walls, toilets etc affected by the project.        | <ul style="list-style-type: none"> <li>• Tenants</li> <li>• Non-titled (encroachers / squatters)</li> </ul> | <p>loss at replacement cost of the affected structure without depreciation or deduction for salvaged material.</p> <ul style="list-style-type: none"> <li>• Displacement and transportation allowance for residential and commercial structures to cover actual transact cost as estimated in the RP, equivalent to 2 month's local daily labor wage. The DPs are entitled to take all the salvaged materials.</li> <li>• Rental stipend equivalent of one month's rent for tenants who have to relocate from tented building.</li> </ul> |
| 4. Loss of community structures/resources | Community facilities (eg irrigation, water, etc) Affected by the Project. | The users of the facility or community or group                                                             | <ul style="list-style-type: none"> <li>• Reconstruction by the project leaving such facilities in a better condition than they were before or reconstruction of the affected structures with the consultation of the community.</li> <li>• Cash compensated at replacement cost without depreciation of deduction for salvaged material.</li> </ul>                                                                                                                                                                                       |
| 5. Loss of trees and crops                | Affected fruit/nut trees                                                  | Owner of the affected fruit/nut trees                                                                       | <ul style="list-style-type: none"> <li>• Cash compensation based on annual production of the remaining life of the tree at full replacement value plus transaction costs and calculated according to the DoA norms.</li> <li>• Cost for replacement planting and nurturing seedling to the trees current state.</li> <li>• RPs to confirm that the DoA norms and techniques are sufficient and updated regularly.</li> </ul>                                                                                                              |
|                                           | Affected timber and fodder trees                                          | Owner of the affected timber and fodder trees                                                               | <ul style="list-style-type: none"> <li>• Cash compensation based on calculation of the production and calculated according to the District norms as decided by the DoF.</li> </ul>                                                                                                                                                                                                                                                                                                                                                        |
|                                           | Affected crops                                                            | Owner of the affected crops<br>Sharecropper of the affected crops                                           | <ul style="list-style-type: none"> <li>• Cash compensation based on the locally market priced for the produce of one year and calculated as per the norms of DADO.</li> <li>• 50% cash compensation of the</li> </ul>                                                                                                                                                                                                                                                                                                                     |

|                                     |                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                     |                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                   | lost crop for the sharecropper.                                                                                                                                                                                                                                                                                                                                                                           |
| 6. Loss of economic opportunity     | Economic opportunity lost as result of loss of livelihood base                          | Persons in the road vicinity who may be adversely affected, although they do not lose assets as such                                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>• Preferential involvement in project construction works.</li> <li>• Skills training support for economic restoration.</li> <li>• Priority in poverty reduction/social development program.</li> </ul>                                                                                                                                                             |
| 7. Loss of time and travel expenses | All expenses incurred in travelling to fill application and making claims and time lost | The entire project displaced persons eligible for compensation                                                                                                                                                                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>• Project facilitates transportation in official process.</li> <li>• Payment in the same day as other compensation.</li> </ul>                                                                                                                                                                                                                                     |
| 8. Land donations                   | Loss of land and other assets by means of voluntary donation                            | <p>Voluntary donation is accepted only if AP:</p> <ul style="list-style-type: none"> <li>• Is project beneficiary and is full consulted and informed about their rights;</li> <li>• Doesn't fall below poverty line after land donation;</li> <li>• Donating up to 10% land holding;</li> <li>• Unforced or freely willing to donate;</li> <li>• Donation should be verified by an external party to ensure integrity and Impartiality</li> </ul> | <ul style="list-style-type: none"> <li>• No compensation for the donated land, but entitled for compensation of other assets such as house, structures, allowances etc.</li> <li>• Transfer of land ownership by negotiation (DDC and the owner).</li> <li>• Free/escape of any transfer costs, registration fees or charges.</li> <li>• Preferential employment in project construction work.</li> </ul> |
| 9. Additional assistance            | Preferential treatment in employment in project activities                              | All DPs                                                                                                                                                                                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>• Construction contracts include provision that DPs will have priority in wage labour/employment on project construction during implementation.</li> <li>• DPs shall be given priority after construction for work as</li> </ul>                                                                                                                                   |

|  |                                                           |                                                                                                 |                                                                                                                                                                                                                                                         |
|--|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |                                                           |                                                                                                 | maintenance worker, mandated in local body agreement.                                                                                                                                                                                                   |
|  | Skill training and income generation support              | One member of each project affected households belonging to vulnerable group/below poverty line | <ul style="list-style-type: none"> <li>• Skill training and income generation support financed by project.</li> <li>• RP to include a need assessment and skill training program for DPs.</li> </ul>                                                    |
|  | Priority in poverty reduction/Social development programs | All DPs                                                                                         | <ul style="list-style-type: none"> <li>• Participation of DPs with priority in saving credit scheme facilitated by the Project.</li> <li>• Participation of DPs with priority in life skills, income generation, and other entrepreneurship.</li> </ul> |

AP=affected people; DADO=District Agriculture Development Office; DDC=District Development Committee; DoA=Department of Agriculture; DoF=Department of Forestry; DP=displaced people; EA=executing agency; RP=resettlement plan

## 6 INFORMATION DISCLOSURE, CONSULTATION AND PARTICIPATION

### 6.1 Community Consultation and Participation

39. Information disclosure includes specific measures for consultation, participation and information dissemination in full compliance with ADB's SPS 2009. For this subproject the information disclosure was carried out with the primary stakeholders who include displaced people, affected households and secondary stakeholders (local or national government, policy makers, advocacy groups, elected officials, representative of indigenous people and NGOs) on the detail loss assessment, socio-economic survey, resettlement/social impact, compensation procedures and RP preparation process.
40. The DTO/DDC, social team of DISC and VWRCC carried out information dissemination in each ward/VDC. Various informal consultations and meetings with DPs and affected households were held at different venue and date to discuss on loss of the assets of each households, poverty analysis, voluntary land donation measures and resettlement framework of DRILP-AF. Specifically, following information was made known to the community prior to RP preparation:
- a. Project Details,
  - b. Agencies involved in Project Implementation and their Responsibilities,
  - c. Project Drawings and List of DPs,
  - d. Summary of RF in Nepali Language,
  - e. Eligibility Criteria and Entitlement for Involuntary Land Acquisition as well as for Voluntary Land Donation,
  - f. List of vulnerable DPs and Support/Assistance to them,
  - g. Likely Construction Schedule,
  - h. Grievance Redress Mechanism
41. The information on land loss, eligibility criteria of land donation and provision of reservation fund for absentee land owners was disclosed with absentee's contact persons at different venue and date at the project site. During the consultation the contact persons informed that the absentee households will not be the bar for the construction of the road as they have already shared the information with their relatives and they have given consent.
42. VWRCC will work as local consultative forum supported by DISC social team. They will ensure DP's participation in the decision making at all sub-project cycle, including planning and implementation. The final RP document has been disclosed to DPs and to the public. Summary of RP was made available in Nepali language in VDC and public offices in sub-project sites. Copies of RP will also be placed at affected VDC offices accessible to the public. RF of the project and RP document are publicly available at both central and district level project offices (refer meeting minute in Annex). DTO/PCU shall also post the documents on Executive Agency's website and also in ADB's safeguard website. Resettlement monitoring reports will be made by DTO which will be made available to the affected DPs and post them on Executive Agency's website and submit these to ADB for review and posting on ADB website.

## 7 GRIEVANCE REDRESS MECHANISM

43. The DPs have formal route to the CDO and Ministry of Home Affairs in case of grievance under regulations specified under the Land Acquisition Act 2034 (1977). The project has set up a Grievance Redress Committee (GRC) at the district and Grievance Redress Sub-Committees (GRSC) at VDC level to hear complaints. The GRC at district level is comprised of: (refer minute in annex VI)
- Chair – Local Development Officer, Mr Chiranjibi Timsina
  - Member – Project Manager, Mr Muktiram Bhattarai
  - Member – Nele VDC Secretary, Mr Sharad Prasad Bhattarai
  - Member – Mukli VDC Secretary, Ms Kumari Acharya
  - Member – Deusa VDC Secretary, Mr Gokul Aryal
  - Member - Representative from Affected Family, Ms Gouradevi Karki, Nele VDC
  - Member - Representative from Affected Family, Mr Khem Bdr Gurung, Mukli VDC
  - Member - Representative from Affected Family, Ms Jasmaya Tamang, Deusa VDC
  - Member – Representative from other organizations, Mr Buddhi Narayan Shrestha
  - Member – Social Mobilization Coordinator, Mr Ganga Dayal
44. The VWRCC will help to solve local problems. A villager can approach the VWRCC with individual problem or complain which is then discussed locally with the aim to settle the issues at local level. Each VWRCC has its sub-committee in each VDC for addressing grievances at local level. The GRSC in each VDC is comprised of:
- Three members from the VWRCC
  - Two representatives among the DPs
45. The DPs may submit their concerns or grievances verbally or in written form to the committees which shall be documented. The committee shall make field-based assessment to examine the grievances, if necessary. After proper examination of the grievances, the committee shall facilitate DDC, DPs and other concerned parties to agree on a time-bound action plan to resolve the grievance if found to be genuine.

### 7.1 Grievances Received and Mitigations

46. Communities along the alignment are well-informed about the existence of GRSC and GRC for any dissatisfaction about the project. After the publication of land acquisition public notice the affected people have shown concerns regarding project modality and compensation process and DISC team disclosed it very clearly. Besides, the DISC team informed that there is no serious grievance rose by the affected people and if they file their complaints it will be solved through GRC and GRSC.

## 8 COMPENSATION AND INCOME RESTORATION

### 8.1 Arrangement for Valuing and Disbursing Compensation

47. Cadastral mapping has been completed with the help of District Survey Office which has clearly identified the boundaries of affected land plot. The cadastral report gives detail of land plots, land boundaries to be acquired for sub-project, also about the structures on the plot that needs to be removed for construction of sub-project.
48. While determining the valuation of the losses the committee has to consider the relevant acts and periodic guidelines of GoN. The valuation of the losses for this subproject was done in these ways. Firstly, the DTO/DPO/DISC office prepared the details of the affected land plots, structures, crops, fruits assets and applicable allowances through coordinating with District Land Revenue Office, District Land Survey Office, District Agriculture Development Office, District technical Office and District Forest Office. Secondly, the loss detail report was submitted by DTO/DPO/DISC to the four member committee headed by Chief District Officer (CDO) of Solukhumbu for fixing the compensation. During this process the committee conducted extensive consultation with representatives of the project affected households; VDC secretary, local people, and relevant district level agencies to finalize the compensation on the basis of replace cost. After various levels of consultation the CDC meeting was held on 12 October, 2012 and decided the compensation. Lastly, based on CDC decision all the DPs were informed about their entitlements and formal compensation application process. Later, the amount will be disbursed by the cheque/cash to the DPs losing land, crops trees and structures.

#### 8.1.1 Assets Compensation

49. **Land:** District Land Revenue Office is responsible for land administration and revenue collection including land valuation in its district and estimates land rates annually. But it is often different rate at higher level in market transaction. The government and market land rate categorization and its differences for the sub-project's affected land plots is give under:

**Table 9: Differences on Government and Market Land Rates and Category**

| VDCs, Wards                                      | Government Land Rate per sqm |               |         |
|--------------------------------------------------|------------------------------|---------------|---------|
|                                                  | Irrigated                    | Non-Irrigated | Barren  |
| Maximum land plots in Mukli 2, 3, 4, 5, 6, 8, 9  |                              | 10            |         |
| Few land plots in Mukli 2, 5, 7                  |                              | 15            |         |
| Few land plots in Mukli 2, 5, 7                  |                              | 20            |         |
| VDCs, Wards                                      | Market Land Rate per sqm     |               |         |
|                                                  | Irrigated                    | Non-Irrigated | Housing |
| Maximum land plots in Mukli 2, 3, 4, 5, 6, 7,8,9 |                              | 147           |         |
| Few land plots in Mukli 2, 3, 4, 5, 7, 8         |                              | 59            |         |

50. The land rate table mentioned that there is a huge difference in the government and market land rate. The market rate of land plots has determined through the public consultation in each VDC and also land transaction record in land revenue office.
51. The CDC meeting held on 12 October 2012 decided compensation rate as per replacement cost principle. The CDC has also decided special assistance for below poverty level households and more than 10% land losing households. The special assistance amount for these households has been included in the provided land compensation. The total compensatory amounts calculated for different category of households is given under table:

**Table 10: Estimation of Land Compensation along the Alignment**

| SN | Compensation Category                            | Total Compensation households | Compensation Amount NRs | Remarks                                    |
|----|--------------------------------------------------|-------------------------------|-------------------------|--------------------------------------------|
| 1  | Below Poverty level households & >10% losing HHs | 27                            | 10,30,189.00            | Special assistance was decided through CDC |
| 2  | Eligible land donor households                   | 11                            | 1,80,975.20             |                                            |
| 3  | Absentee households                              | 22                            | 6,42,912.20             |                                            |
|    | Total                                            | 60                            | 18,54,076.40            | 18,54,082.40                               |

52. **Structures:** There are no structures affected along the link road.
53. **Timber and Fodder Trees:** Compensation for affected trees is different from other. Only transportation and harvesting cost (labour cost) will be borne by the sub-project. Ministry of Forest and Soil Conservation (MoFSC) norms 2060 is referred for this labor cost estimation of each tree. Table

**Table 11: Required labour for log harvest**

| S. No | Measurement of tree          | Person per day required |
|-------|------------------------------|-------------------------|
| 1     | above 12 cm to 30 cm girth   | 0.13                    |
| 2     | above 31 cm to 60 cm girth   | 0.39                    |
| 3     | above 61 cm to 90 cm girth   | 0.52                    |
| 4     | above 91 cm to 120 cm girth  | 1.56                    |
| 5     | above 121 cm to 180 cm girth | 2.50                    |
| 6     | above 181 cm to 240 cm girth | 4.00                    |
| 7     | above 241 cm to 300 cm girth | 12.99                   |
| 8     | above 301 cm girth           | 41.67                   |

<sup>8</sup>Source: Ministry of Forest and Soil Conservation, 2060

<sup>8</sup> MFSC. 2060. *Norms, 2060*. Ministry of Forests and Soil Conservation, Kathmandu.

**Table 12: Required labour for log transportation**

| S. No                                         | Distance for transportation                              | Person per day per cubic meter |
|-----------------------------------------------|----------------------------------------------------------|--------------------------------|
| 1                                             | first 10m distance (from source)                         | 0.50 person day/cubic meter    |
| 2                                             | for each additional 10m                                  | 0.08 person day/cubic meter    |
| 3                                             | for the first 1000m                                      | 8.42 personday/cubic meter     |
| 4                                             | for each additional 1000m (0.08 personday/cubic m x 100) | 8.00 personday/cubic meter     |
| 5                                             | for the first 5000m (8.42 x 4 x 8)                       | 40.42 personday/cubic meter    |
| For the small seedling less than 12 cm girth. |                                                          |                                |

*Source: Ministry of Forest and Soil Conservation, 2050*

54. There are total 605 trees of private but no forest area is affected due to sup-project. The total labor cost required for harvesting and transportation of these affected trees is NRs 67,089.78. (refer annex III for detail).
55. Fruit Trees, Bamboo, Crops and Others: Unlike timber/fodder trees, fruit trees are compensated for their value of fruits based on the District Agriculture Office. There are few fruit trees affected along the alignment and there are also some NTFPs and cash crops affected whose compensation amount is calculated based on district rates. Compensation amount of fruits, shoots and other NTFPs is NRs 15,060.00. One crop variety is compensated from the crop cycle of the local agriculture calendar. Here in the link road area maize is considered for compensation which is NRs 1,05,450.00 (refer annex III for details).

## 8.2 Relocation Cost including Transfer and Establishment

56. Since there is no a structure affected along the alignment, there is no relocation cost incurred.

## 8.3 Other Supporting Costs

57. Other supporting costs in Resettlement Plan implementation includes, compensating the time given by the affected households during deed transfer and other purposes. This cost also includes appreciation of voluntary land donors, cost incurred for approaching absentee households and deed transfer assistance in the district. The estimated amount for supporting cost is NRs 1,11,0000.00

## 8.4 Assessment of Voluntary Land Donation

58. The cadastral survey shows that there are total 60 households affected due the project implementation of which 22 are recorded as absentee owners. The Poverty analysis of the 38 interviewed households showed that 26 households falls under the district poverty level and 7 households lose more than 10 percent of their total holdings. DISC team has conducted various level of consultation to inform about ADB's Safeguard Policies Statement 2009, resettlement plan and voluntary land donation criteria. The land donation to the project was strongly refused by all the households losing land; further, the households explained that the land is most valuable asset to them and it is unfair to donate the land for the road at the present context. Therefore, the CDC has decided to pay compensation for all the households.

59. There are 22 absentee households are not aware of project modalities and voluntary land donation criteria. The District Team has made regular follow-up and consultations with these households. However, absentee households' nearby relatives informed that the absentees households are very positive towards the project and provides consent to start civil works. The CDC has decided to pay compensation to all the households losing land. The RP has provision of reserve fund at DPO/DDC office.

### **8.5 Arrangement for Housing Relocation, including Transfer and Establishment**

60. There is no structure that will be affected by the link road.

### **8.6 Income Restoration Measures**

61. The basic objectives of income restoration activities are to ensure that each AP will at least have the same or improved income and livelihood after the sub-project. Income restoration is an important part of resettlement and relocation for DPs who have lost both house and income sources and are most at risk of impoverishment and vulnerability. The income restoration program includes employment in construction work, preference as a maintenance worker, and life skill training and facilitation to establish linkages with financial institutions available in the district.
62. The project strategy for income restoration is to establish a link between the improved access to goods, services and facilities, and income generated by the employment and skills acquired from the training provided to DPs. DPs will be given priority for employment in sub-project construction. The contract documents will include provisions regarding preferential employment in unskilled labor. The sub-project will provide at least 90 days of unskilled work to the extent possible to one adult from each affected family to enable them to earn sufficient cash to restore their income. Preference will also be given to DPs for employment expected to be generated by the maintenance component of the project. Safeguards will be put in place to ensure that there is no incidences of child labor which will be monitored by social mobilizer.
63. The DPO will also implement a saving scheme in collaboration with the group leaders for their laborers. The project benefits for DPs will be maximized through their inclusion in the project's saving scheme. The project encourages laborers to save 20% of their earnings compulsory. Achieving regular savings will help the poorest learn to save, to manage these savings and create a small lump sum that could be used to improve their living conditions or to invest in productive assets. Having some savings will enable these HHs to respond to and participate in other development activities and increase the poverty alleviation impact of the project. The scheme is set up by the social mobilizes. Out of the interviewed households, 15 households expected employment in the sub-project, 10 households wanted skill development training in which 5 households wanted to further join in saving and credit scheme to develop entrepreneurship.

### **8.7 Livelihood Restoration Programme**

64. All DPs would be eligible for income restoration options, training programmes to restore AP's income. However, priority will be given to vulnerable DPs if limited

training seats are available due to budget constraints. Based on the lessons from the training conducted by DRILP and similar infrastructure projects in the districts, the project will organize only those trainings which will have a skill test and are certified by Nepal Skill Testing Board (NSTB). The NSTB has now standardized courses in 243 different trades with five different levels of skill courses. However, the project training will confine to Level 1 only which has 390 hours credit with two-month training and one-month on the job training.

65. A preliminary field assessment has showed that 15 people are interested to receive skill development training and utilize for developing entrepreneurship. The training will be provided by the training providers on the basis of competitive bidding after deployment of the Training Coordinator, CISC. The actual training plan, budget and name list of the participants will be incorporated in the updated RP.

**Table 13: Trainings Targeted for Affected Households**

| SN           | Targeted Trainings                                                                | Targeted Participants |          | Total     | Rate/Unit | Estimated Cost (NRs.) |
|--------------|-----------------------------------------------------------------------------------|-----------------------|----------|-----------|-----------|-----------------------|
|              |                                                                                   | M                     | F        |           |           |                       |
| 1            | Agriculture:(Vegetable Farming, Horticulture, Nursery, Bee keeping, Allo farming) | 2                     | 2        | 4         | 55,000.00 | 2,20,000.00           |
| 2            | Computer: (Basic skills, hardware)                                                | 2                     | 2        | 4         | 45,000.00 | 1,80,000.00           |
| 3            | Driving                                                                           | 1                     | 1        | 2         | 45,000.00 | 90,000.00             |
| 4            | Small Industry(Hotel, juice ,Muda )                                               | 3                     | 2        | 5         | 60,000.00 | 3,00,000.00           |
| <b>Total</b> |                                                                                   | <b>8</b>              | <b>7</b> | <b>15</b> |           | <b>7,90,000.00</b>    |

Source: Field Survey, 2012

66. An income uplifting micro-plan for each sub-project will be prepared to mobilize savings from the employment for the use of new sets of skills acquired by life skill training and the enhanced capacity of DPs/Trainee. The plan would examine long term local employment opportunities and options for external resources, if required. Suitable mechanisms would be identified for a business expansion plan to link with available or expected financial institutions in the local area.
67. The DPO will be responsible for planning, managing and implementing training. Training Coordinator, CISC will be responsible to assist the DPO for the training needs assessment, monitoring, and liaison with district line agencies, DDC/DTO and training providers, and selection of training providers with assistance from the social mobilization in the district. Key steps to be undertaken in livelihood skill training of DPs and beneficiaries, and responsibilities of agencies involved would be as follows:
- Identification of affected, beneficiary HHs through socio-economic survey will be undertaken by the DPO assisted by the DISC,
  - Identification of potential trainees with analysis of established eligibility criteria such as age, literacy, existing skill set, family occupation and principle earning sources etc. is the responsibility of the assigned social mobilize from DISC,

- c. A training need assessment would be undertaken by the Training Coordinator, CISC with the help of the social mobilizers in the DISC.
- d. Finalization of the list of training, budget and name list of trainees will be undertaken by the Training Coordinator and Safeguard Advisor of CISC in consultation with the DPO and trainees. The expert will prepare a cluster level training implementation plan along with implementation strategy proposal. The training implementation plan includes modality of training implementation, terms of reference for training providers and Expression of Interest/Request for Proposal, if needed.
- e. Hiring of training providers by DPO will depend on the type of skill training required (as identified through the needs assessment survey) but training providers should be able to come to the trainees, rather than require trainers to travel and stay away from the village (which is a major barrier to participation, particularly for women),
- f. Internal monitoring of training and submission of progress reports will be by the CISC, DPO and NNGO.
- g. Special support will be provided to each trainee to establish links with financial institutions to purchase equipment or material to start their enterprise through the social mobilization program,
- h. Post-training impact assessment is proposed to be conducted by an independent agency, a year after training implementation. The HH asset base and socio-economic status would be compared with the pre-project scenario. Baseline indicators would be developed during training implementation planning/resettlement planning.

## 9 RESETTLEMENT BUDGET

68. The resettlement budget required for land acquisition, compensation payment, and livelihood rehabilitation is an integral part of the project cost and will be administered according to the Land Acquisition Act, 1977. Further total cost required for resettlement, rehabilitation and compensation payment for affected asset will be borne by the government and cost associated with livelihood restoration and assistances will be cover by ADB funding.
69. The Ministry of Finance will delegate budget authority to DTO through DDC and based on the valuation made by CDC, the DTO will deposit the required funds with the CDC and make payments to the affected households.

### 9.1 Resettlement Implementation Budget

70. Total cost estimated for implementation of this proposed resettlement plan is NRs 2.99 million in which NRs 1.39 million is direct compensatory cost which includes compensation for private assets, relocation or rehabilitation of public structures and relocation allowances for affected private residential. The compensatory amount for absentee households is in reserve fund at the district project office/DDC. Other cost includes training, supporting cost and contingency amount for any unseen consequences during implementation. The training will be provided by the training providers on the basis of competitive bidding after deployment of the Training Coordinator, CISC. The actual training plan, budget, and name list of the participants will be incorporated in the updated RP. Table 14 gives the detail of resettlement plan implementation budget of the link road.

**Table 14: Budget for Resettlement Plan Implementation**

| SN         | Budget Heading                     | Unit | Loss  | Amount, Rs          | Remarks       |
|------------|------------------------------------|------|-------|---------------------|---------------|
| <b>1</b>   | <b>Compensation Cost</b>           |      |       |                     |               |
| <b>1.1</b> | Land                               | sqm  | 20206 | 12,11,164.20        | 38 HH         |
| <b>1.2</b> | Private Trees                      | no   | 605   | 67,089.78           |               |
| <b>1.3</b> | Fruits, Shoots and Other NTFPs     | no   | --    | 15,060.00           |               |
| <b>1.4</b> | Standing Crops (maize)             | kg   | 4866  | 1,05,450.00         |               |
|            | <b>Sub Total</b>                   |      |       | <b>13,98,763.98</b> |               |
| <b>2</b>   | <b>Supporting Cost</b>             |      |       |                     |               |
| <b>2.1</b> | Deed Transfer processing           |      |       | 81,000.00           | DOLIDAR Norms |
| <b>2.2</b> | Management for Absentee households |      |       | 30,000.00           |               |
| <b>2.3</b> | Absentee HHs                       | sqm  | 12222 | 6,42,912.20         | 22 HH         |
|            | <b>Subtotal</b>                    |      |       | <b>21,52,676.18</b> |               |
|            | <b>Contingency (2.5%)</b>          | LS   |       | 53,817.00           |               |
|            | <b>Subtotal</b>                    |      |       | <b>22,06,493.18</b> |               |
| <b>3</b>   | <b>Life Skill Training</b>         | LS   |       | 7,90,000.00         | 15 Trainees   |
|            | <b>Total (1+2+3)</b>               |      |       | <b>29,96,493.18</b> |               |
|            | <b>Grand Total</b>                 |      |       | <b>29,96,493.18</b> |               |

## 10 IMPLEMENTATION ARRANGEMENTS

### 10.1 Institutional Arrangements

71. The DOLIDAR is the EA for the project and DDCs will be the IAs, working through their DTO. The Ministry of Federal Affairs and Local Development will therefore be responsible for policy formulation, and DOLIDAR will be accountable for the programming and implementation of acquisition, compensation and rehabilitation measures in compliance with ADB. The central level and district level institutional set up regarding resettlement issues are as follows:

#### 10.1.1 Central Level Arrangements

72. The PCU established in DOLIDAR for the project will be responsible for overall program implementation, monitoring and supervision. The office of Central Implementation Support Consultant within the DoLIDAR will support PCU for effective implementation of resettlement measures outlined in this resettlement plan.

73. The PCU has a safeguard desk with a dedicated focal person appointed by DOLIDAR. The safeguard focal person will:

- a. Supervise day-to-day project implementation,
- b. Review project progress, and
- c. Coordinate between DOLIDAR and the DDCs for resettlement planning, implementation and reporting.

#### 10.1.2 District Level Arrangements

74. DDCs will coordinate all district sub-project activities. The DDC will be responsible for local policy coordination and delegate implementation responsibility to DTO. The DTO will be responsible for sub-project resettlement planning, implementation, monitoring and supervision. The DTO will liaise with district survey and land administration officer to facilitate land administration activity, like carrying out cadastral survey, deed transfer. DPO will ensure that the project's RF is followed in preparation of sub-project RPs with appropriate entitlements and mitigation measures in the RPs.

75. The DTO also has established safeguard desk at Solukhumbu district and Mr. Santosh Kumar Yadav has been appointed as focal person of Safeguard Desk dated on 12 October 2012 (letter annexed at Appendix V). The safeguard desk is responsible for supervising, monitoring and reporting safeguard compliance (environment, resettlement, social). The safeguard desk will be responsible for organizing monthly safeguard meeting, participated by all technical, environmental and social team of the district project office. The meeting shall discuss the overall performance on safeguard issues and problems being encountered, agree on their mitigation measures, prepare corrective action plan and ensure implementation. The desk shall also maintain coordination and networking with environmental and social units of DDC and MoFALD. The desk will maintain minutes of each meeting and shall report to PCU through DPO (extracted from Environmental Assessment and Review Framework, DRILP-AF, 2011).

76. At the village level, VWRCC will also be established in each VDC who will act as an extended hand for DDC, DTO with regard to implementation and supervision of the project VWRCC is formed with representatives from the DPs, political parties, intellectuals, vulnerable groups, disadvantaged groups, the business community and local NGOs. VWRCC facilitated by DISC will assist DPs in informing people about likely resettlement impacts and solicit views of the DPs regarding compensation and relocation options.
77. DISC, for effective implementation of resettlement plan, work in close coordination with DTO and VWRCC. It helps DPs by disseminating information to promote clarity and transparency. DISC will also act as advocate of DPs to access entitlements, compensation and income generation opportunities.
78. The DDC has formed District Level Resettlement Coordination Committee (DLRCC, minute annexed) to coordinate a smooth implementation of the land acquisition and compensation process and associated mitigation measures. The DLRCC will be established under the chairmanship of DDC head; other member of committee will be representatives from affected households (including vulnerable group member), representative from VDC, land revenue office, survey office, forest office, agriculture office, Project manager or Social Mobilization coordinator. The committee will meet each month to discuss on resettlement activity and progress review until completion of compensation payment and deed transfer.

### **10.1.3 Compensation Determination Committee (CDC)**

79. The Land Acquisition Act 2034 provides for the establishment of committees to decide compensation levels at District level. These composed of the CDO, the LRO, a representative of the DDC and the Project Manager responsible for implementation of the project in the district. Therefore, the relevant VDC chairman or representatives from the VWRCCs, DPs and the Social Mobilizer will be invited in CDC meeting as observer to ensure that decisions are transparent and fair. The CDC has accepted the replacement cost principle for the valuation of affected assets.

## **10.2 Implementation Schedule**

80. Timely implementation of resettlement plan is necessary to precede the activities of the project works related to land acquisition and compensation. Social preparation initiatives including income restoration measures and deed transfer may continue and be completed even after civil works has begun. Implementation schedule for the Solu link road has been tabulated in Table 15.

### **10.1 Deed Transfer and Pending Issues**

81. The project will publish notice for application of compensation claim soon after RP approval from ADB. The claimants will be verified and compensated. Deed transfer process will start along with the compensation payment for those receiving compensation amounts.

**Table 15: RP Implementation Schedule for Lek Kharka-Mukli-Branch -Sub-Project**

| SN | Activities                                                             | 2012/2013                                      |    |   |    | 2013 |     |     |     |     |     |     |     | 2014 |     |     |     |     |     |      |      |     |      |     |    |
|----|------------------------------------------------------------------------|------------------------------------------------|----|---|----|------|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|------|------|-----|------|-----|----|
|    |                                                                        | Mar-Dec-Jan & Feb                              |    |   |    | Mar  | Apr | Jun | Jul | Aug | Sep | Oct | Nov | Dec  | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | Oct |    |
|    |                                                                        | I                                              | II | I | II | I    | II  | I   | II  | I   | II  | I   | II  | I    | II  | I   | II  | I   | II  | I    | II   | I   | II   | I   | II |
| 1  | Cadastral survey, Final list of affected people, consultation with APs | ■                                              |    |   |    |      |     |     |     |     |     |     |     |      |     |     |     |     |     |      |      |     |      |     |    |
| 2  | Consultation and grievances resolution                                 | Throughout the project implementation duration |    |   |    |      |     |     |     |     |     |     |     |      |     |     |     |     |     |      |      |     |      |     |    |
| 3  | HH survey and field works, data analysis, draft report preparation     |                                                |    | ■ | ■  | ■    | ■   |     |     |     |     |     |     |      |     |     |     |     |     |      |      |     |      |     |    |
| 4  | Submit final draft to CDO for compensation determination               |                                                |    |   |    | ■    | ■   | ■   |     |     |     |     |     |      |     |     |     |     |     |      |      |     |      |     |    |
| 5  | Summary of RP in Nepali and disclosure to APs                          |                                                |    |   |    |      | ■   | ■   |     |     |     |     |     |      |     |     |     |     |     |      |      |     |      |     |    |
| 6  | Submission of final RP to ADB                                          |                                                |    |   |    |      |     | ■   | ■   | ■   | ■   | ■   |     |      |     |     |     |     |     |      |      |     |      |     |    |
| 7  | ADB comments incorporation and final RP approval from ADB              |                                                |    |   |    |      |     |     |     | ■   | ■   | ■   | ■   |      |     |     |     |     |     |      |      |     |      |     |    |
| 8  | Call APs application for compensation claim                            |                                                |    |   |    |      |     |     |     |     |     |     |     | ■    | ■   |     |     |     |     |      |      |     |      |     |    |
| 9  | Verify application and prepare final list of APs                       |                                                |    |   |    |      |     |     |     |     |     |     |     |      | ■   | ■   |     |     |     |      |      |     |      |     |    |
| 10 | Pay compensation to APs, start deed transfer, trainings                |                                                |    |   |    |      |     |     |     |     |     |     |     |      |     | ■   | ■   | ■   | ■   | ■    | ■    | ■   | ■    | ■   |    |
| 11 | RP implementation verification field survey from CISC                  |                                                |    |   |    |      |     |     |     |     |     |     |     |      |     |     | ■   | ■   | ■   | ■    |      |     |      |     |    |
| 12 | Resettlement verification report submission to ADB                     |                                                |    |   |    |      |     |     |     |     |     |     |     |      |     |     |     | ■   | ■   | ■    |      |     |      |     |    |
| 13 | Concurrence from ADB for signing of contracts                          |                                                |    |   |    |      |     |     |     |     |     |     |     |      |     |     |     |     |     | ■    | ■    | ■   |      |     |    |
| 14 | Regular monitoring system (safeguard, social, technical)               | Throughout the project duration                |    |   |    |      |     |     |     |     |     |     |     |      |     |     |     |     |     |      |      |     |      |     |    |

## **11 MONITORING AND REPORTING**

82. The project monitoring system is two-tier. The first level is internal monitoring at the EA level and required an appropriate management and supervision system and second tier is PCU trimester monitoring system for reporting progress on all aspects of land acquisition and resettlement activities. Regular Trimester reports submitted by PCU to ADB will also include detail progress on resettlement planning and RP implementation. The independent monitoring agency/monitoring expert will submit its report directly to ADB with a copy to EAs. The PCU will submit semi-annual monitoring report to ADB.

### **11.1 Internal Monitoring**

83. Ongoing national internal monitoring of land acquisition, compensation and resettlement will occur as a standard activity of the sub-project. During project implementation, the DTO will establish a monthly monitoring system involving the DPO, DISC and implementing staff. 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.

### **11.2 Verification by PCU**

84. The project's internal monitoring and evaluation mechanism to monitor the resettlement and compensation process in order to ascertain that the procedures prescribed have been followed and, as indicated above, that DPs are at least no worse off than they were without the project. The verification of resettlement activities will be done before the ADB will permit DOLIDAR and DDC to sign contracts with the building groups and contractors and to commence work. This checks that assess that the procedures were followed, that compensation was assessed and disbursed according to entitlement matrix. This is the responsibility of CISC social safeguard specialist. This requires additional surveys of around 10 percent of all DPs to check compliance and a verification report issued to the DDC/DOLIDAR and then to the ADB.

### **11.3 Reporting**

85. The IA will provide regular reports to PCU on progress in resettlement preparation and implementation through regular progress reports, based on defined indicators, combines with periodic supervision and verification. The monthly report will reflect the progress in RP implementation with particular attention to compensation

payments, consultation, participation of DPs in RP implementation, and grievance resolution. They will submit trimester progress reports to the DRILP Program Coordinator, indicating number of displaced persons, compensation affected, grievances and problems, and corrective measures implemented or required. Regular Trimester reports submitted by PCU to ADB will also include detail progress on resettlement planning and RP implementation. The Resettlement Consultant is responsible for reporting resettlement activities and for managing the entitlement and compensation database.

86. The DTO Engineer will attend VWRCC/BG meetings as and when required. S/he will record and monitor local reactions, concerns and grievances for discussion with the DPO Engineer in charge. The DTO will submit a trimester report to ADB on progress of RP implementation.
87. DRILP-AF subproject indicators for measuring the process, project outputs and the impact has been customized in Table 16.

**Table 16: Monitoring and Evaluation Indicators**

| Type                                                    | Indicators              | Variables                                                        | Baseline Information    | Remarks            |                                         |
|---------------------------------------------------------|-------------------------|------------------------------------------------------------------|-------------------------|--------------------|-----------------------------------------|
| Process Indicator                                       | Staffing                | Number of DOLIDAR staff on DRILP for sub-project                 | 4 – PCU<br>5-Subproject |                    |                                         |
|                                                         |                         | Number of other line agency officials available for tasks        | 4                       | LRO, DSO, DFO, DAO |                                         |
|                                                         |                         | Number of personnel located in the field                         | 5                       |                    |                                         |
|                                                         | Consultation            | Number of APs households contacted                               | 60                      |                    |                                         |
|                                                         |                         | No: of Grievances                                                | None                    |                    |                                         |
|                                                         |                         | Number of field visits by LDO/DTO/DPO                            | 2                       |                    |                                         |
|                                                         | Procedures in Operation | Census and asset verification/qualification procedures in place  | 1                       |                    | Completed during social-economic survey |
|                                                         |                         | No: consultation held to facilitate compensation delivery system | 2                       |                    |                                         |
|                                                         |                         | Number of land transfers (owner to GoN)                          | 81 plots of 60 HHs      |                    |                                         |
|                                                         |                         | Coordination between DTO and other line agencies                 | —                       |                    |                                         |
| Output Indicators , data disaggregated by sex of owner/ | Acquisition of Land     | Area of total land acquired by road section                      | 3.60 ha                 |                    |                                         |
|                                                         |                         | Area of private land acquired                                    | 3.24 ha                 |                    |                                         |
|                                                         |                         | Area of government land acquired                                 | 0.36                    |                    |                                         |
|                                                         |                         | Area of the land donated                                         | N/A                     |                    |                                         |

Resettlement Plan of LekKharka-Mukli Branch Road, Solukhumbu

|                                                                   |                                               |                                                             |                     |                                             |
|-------------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------------------|---------------------|---------------------------------------------|
| head of HH                                                        |                                               | Area of the land compensated                                | 3.24 ha             |                                             |
|                                                                   | Trees                                         | Number of private trees acquired                            | 605                 |                                             |
|                                                                   |                                               | Number Government trees acquired                            | 0                   |                                             |
|                                                                   |                                               | No. of CFUGs trees acquired/CFUGs                           | 0                   |                                             |
|                                                                   | Compensation and Rehabilitation               | Number of HHs affected (land, structures, trees)            | 60                  |                                             |
|                                                                   |                                               | Number of structure affected                                | 0                   |                                             |
|                                                                   |                                               | Number of private structure affected                        | 0                   |                                             |
|                                                                   |                                               | Number of public structure affected                         | 0                   |                                             |
|                                                                   |                                               | Amount compensated for land ( interviewed HHs)              | NRs. 12,11,164.20   |                                             |
|                                                                   |                                               | Amount compensated for private structure                    | 0                   |                                             |
|                                                                   |                                               | Amount compensated for public structure                     | 0                   |                                             |
|                                                                   |                                               | Amount compensated for private trees                        | 67,089.78.00        |                                             |
|                                                                   |                                               | Amount compensated for fruits, shoots and NTFPs             | NRs.15,060.00       |                                             |
|                                                                   |                                               | No. of replacement houses constructed by concerned owners   | 0                   |                                             |
|                                                                   |                                               | No. of replacement business constructed by concerned owners | 0                   |                                             |
|                                                                   |                                               | No. of non- title owners/Landless                           | 0                   |                                             |
|                                                                   |                                               | Absentee Households                                         | No. of Absentee HHs | 22                                          |
|                                                                   | Area of land belonging to the absentee HHs    |                                                             | 12222 sqm           |                                             |
|                                                                   | Reserved fund for Absentee HHs decided by CDC |                                                             | NRs. 6,42,912.20    |                                             |
|                                                                   | Training and Income Restoration               | Life Skill Training cost                                    | 7,90,000.00         |                                             |
| Training Participants/F/M                                         |                                               | 15;7/8                                                      |                     |                                             |
| No. of APs started their own business after life skills trainings |                                               |                                                             |                     |                                             |
| Impact Indicator- data disaggregated by sex of owner/head of HH   | HH Earning Capacity                           | Employment status of economically active members            |                     | During Impact Study after RP implementation |
|                                                                   |                                               | Market development                                          |                     |                                             |
|                                                                   |                                               | Selling of cultivation land                                 |                     |                                             |
|                                                                   |                                               | Changes to income-earning activities                        |                     |                                             |
|                                                                   |                                               | Changes to income-earning activities (off-farm)             |                     |                                             |
|                                                                   |                                               | Amount and balance of income and expenditure                |                     |                                             |

## **APPENDICES**

**Appendix I: List of Affected Households**

**Appendix II: Poverty Analysis of Interviewed Households**

**Appendix III: Details on Compensation Estimation along the Sub-project**

**Appendix IV: Summary of RP in Nepali Language**

**Appendix V: Meeting Minutes conducted in District/Village Recommendation Letter from the District/Village**

**Appendix VI: Pictures, Maps of the Sub-project**