Indonesia: Metropolitan Sanitation Management Investment Project

May 2017
CURRENCY EQUIVALENTS
(as of 31 May 2017)
Currency unit – Indonesian rupiah (Rp)
Rp1.00 = $0.0000764935
$1.00 = Rp13,073

NOTE
(i) In this report, "$" refers to US dollars.

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Resettlement Planning Document

Land Acquisition and Resettlement Plan (Part 1)

May 2017

PALEMBANG CITY OFF-SITE WASTEWATER COLLECTION AND TREATMENT SYSTEM

Prepared by the Directorate General of Human Settlements, under the Ministry of Public Works of the Republic of Indonesia, for the Department of Foreign Affairs and Trade of the Australian Government

The Resettlement Plan is a document of the recipient. The views expressed herein do not necessarily represent those of the Department of Foreign Affairs and Trade and may be preliminary in nature.
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DEFINITION OF TERMS

Affected Person (AP). Refers to any person or persons, household, firm, private or public institution that, on account of changes resulting from the Project, will have its (i) standard of living adversely affected; (ii) right, title or interest in any house, land (e.g., residential, commercial, agricultural, and/or grazing land), water resources or any other fixed assets acquired, possessed, restricted or otherwise adversely affected, in full or in part, permanently or temporarily; and/or (iii) business, occupation, place of work or residence or habitat adversely affected, with or without physical displacement. In the case of affected household (AH), it includes all members residing under one roof and operating as a single economic unit, who are adversely affected by the project.

Compensation. This is payment given in cash or in kind to AP at replacement cost or at current market value for assets and income sources acquired or adversely affected by the project.

Cut-off Date. Refers to the date after which people will NOT be considered eligible for compensation i.e. they are not included in the list of APs as determined by a census of persons displaced from assets and livelihoods. In this Project, the DGHS and the Land Acquisition Committee (LAC) will disclose the cut-off-date to residents and local officials of each affected village which coincides with the conduct of the detailed measurement survey (DMS).

Detailed Measurement Survey (DMS). With the use of approved detailed engineering drawings, this activity involves the finalization and/or validation of the results of the IOL, severity of impacts, and list of APs done during the preparation of this resettlement plan (LARP). The final cost of resettlement will be determined after the DMS.

Entitlement. Refers to a range of measures, such as compensation in cash or in kind, income restoration support, transfer assistance, livelihood substitution, relocation support, etc., which are provided to the APs depending on the type and severity of their losses to restore their economic and social base.

Income Restoration. This involves re-habilitating the sources of income and livelihoods of severely affected and vulnerable APs to supplement compensation received for acquired assets, in order to achieve, at a minimum, full restoration of living standards and quality of life.

Inventory of Losses. This is the listing of assets as a preliminary record of affected or lost assets during the preparation of the LARP where all fixed assets (i.e., land used for residence, commerce, agriculture; dwelling units; stalls and shops; secondary structures, such as fences, tombs, wells; standing crops and trees with commercial value; etc.) and sources of income and livelihood inside the Project boundaries are identified, measured, their owners identified, their exact location pinpointed, and their replacement costs calculated. The severity of impact on the affected assets and the severity of impact on the livelihood and productive capacity of the APs are likewise determined.

Involuntary Resettlement. It is the displacement of people, not of their own volition but involuntarily, from their homes, assets, sources of income and livelihood from the site identified for the Project.

Land Acquisition. Refers to the process whereby a person in the WWTP site is compelled by the government through the LAC and DGHS to alienate all of the land owned by the AP or possesses, to the ownership and possession of the government for the Project in return for compensation at replacement cost.

Meaningful Consultation. A process that (i) begins early in the project preparation stage and is carried out on an on-going basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues.

Relocation. This is the physical displacement of the AP from his/her pre-project place of residence and/or business.
Replacement Cost. Means the amount in cash or in kind needed to replace an asset in its existing condition, without deduction of transaction costs or depreciation and remaining values of salvageable materials, at prevailing market value, or its nearest equivalent, at the time of compensation payment.

Replacement Cost Study. This refers to the process involved in determining replacement costs of affected assets based on empirical data.

Resettlement. Refers to various measures provided to APs in mitigating any and all adverse social impacts of the project, including compensation, relocation (where relevant), and rehabilitation as needed.

Resettlement Plan. It is the social safeguards document that contains the policies and guidelines and time-bound action plan with budget, setting out the resettlement objectives and strategies, entitlements, activities and responsibilities, resettlement monitoring, and resettlement evaluation.

Severely Affected Person. This refers to APs who will (i) lose 10% or more of their total productive assets, (ii) have to relocate, and/or (iii) lose 10% or more of their total income sources due to the project.

Vulnerable Groups. These are distinct groups of people who might suffer disproportionately or face the risk of being further marginalized due to the project and specifically include: (i) households that are headed by women with dependents, (ii) household heads with disabilities, (iii) households falling under the generally accepted indicator for poverty, (iv) elderly households who are landless and with no other means of support, and (v) landless households.
I. EXECUTIVE SUMMARY

1. This updated Land Acquisition and Resettlement Plan (LARP) is the social safeguards document for the Palembang City Off-site Wastewater Collection and Treatment System in Palembang City, South Sumatra Province. An initial LARP for the project was approved in 2013. Due to the implementation of new legislation (Presidential Decree 71 of 2012 and related decrees), an adjustment of the boundary of the land acquired for the WWTP and delays in preparation activities for construction, substantial revisions became necessary.

Project Description

2. The Palembang City Off-site Wastewater Collection and Treatment System (or the Project) is located in Palembang City, South Sumatra Province, and is one of five subprojects which have been assisted by the Asian Development Bank under TA № 7993 – INO: Metropolitan Sanitation Management Investment Project (MSMIP). The Project, financed through an Australian Grant and national and municipal budget allocations, has two components; the Wastewater Treatment Plant (WWTP) Component and the Wastewater Collection System (WCS) Component. The WWTP shall be located on land at Kelurahan Sei Selayur in Kalidoni District. The effluent shall be treated in the WWTP prior to discharge into the Musi River. The WCS shall be constructed along roads and alleys in the center of the City to collect wastewater and bio-solids from business establishments, public markets, and households through the sewers to be treated in the WWTP.

Scope of Land Acquisition and Resettlement

3. A total of 58,230 m² (5.8 ha) of land has been permanently acquired for the Project in 2012/2013. The November 2012 Inventory of Losses and Socioeconomic Survey covered 24 households. Three of the Affected Households (AHs), the land owners, were not living on the site. In November 2013, an additional public consultation identified a total of 21 AHs living in 17 structures on the site with corrected borders. According to pertinent regulations, the result of the appraisal carried out in 2013 is only valid for one year. Therefore, the City Government contracted another independent evaluator (Kantor Jasa Penilai Publik, KJPP) in 2016 to prepare an updated assessment. In the course of a final public consultation in February 2017, the Construction Management Consultant (CMC) in cooperation with the kelurahan administration of Sei Selayur updated the data of Affected Households/Affected Persons (AHs/APs) through interviews with APs. The evaluator adjusted the calculations of compensation amounts accordingly. The detailed APs data, losses and proposed compensation for the AHs are as shown in Appendices 6 and 7.

Socioeconomic Information

4. The 24 AHs identified in the 2012 Socio-economic Survey (SES) were headed by 16 males and 8 females. The 2013 Inventory of Losses (IOL) and SES update, coinciding with the agreed cut-off date of November 27, 2013, covered 21 households who were living on the site with corrected borders. The 21 AHs lived in 17 structures and were headed by 16 males and 5 females. An update of demographic data in February 2017 showed that 27 AHs, totaling 98 persons (52 females and 46 males), were residing and/or had been residing in the affected houses. The main household heads remained the same as those on the cut-off date.
5. By February 2017, of total household members, 60 persons (61.2%) are in the labor force (age range of 15 to 55 years). Except for 12 APs (12.2%), all household members are literate with elementary as the lowest level of education.

6. Following the comparison of their monthly incomes vis-à-vis the monthly poverty threshold in the City, 9 AHs have income deficits. Additionally, there are 7 female headed households and 13 elderly headed households that would also be considered as vulnerable. Four of these are also below the poverty line and 2 are both elderly and female headed. Therefore, a total of 23 vulnerable households are affected by the Project.

**Information Disclosure, Consultation and Participation**

7. Public consultation and information dissemination in the project has been an ongoing activity and will continue throughout the project cycle. Households affected by acquisition of land and the communities along the project roads have been fully informed about the project from the beginning of the fieldwork. In October 2012, an initial meaningful consultation and disclosure of information was held to inform the community about the project.

8. During the period 2013 until 2015, three further consultations with the Affected Households and the local authorities, the head of Sei Selayur kelurahan and the head of Kalidoni Sub district on the status of AHs were carried out. A Baseline Survey of Traffic Interaction with Business was also conducted in 2015 to obtain people's perception along the planned pipelines about the project and to be able to estimate temporary impacts and damage from the construction of the WCS.

9. In addition, IndII\(^1\) contracted another consultant in early 2015 to carry out an assessment of viable options for the relocation of AHs. In discussion with the Palembang Local Government (LG), the consultant evaluated several options, (i) an off-site option in which the city would be required to find additional land away from the WWTP site within 3 kms of the proposed site, (ii) on-site options for housing, i.e. utilizing an unused part of the land acquired for the WWTP, (iii) cash only. The report concluded that only two options were considered feasible, (i) cash only or (ii) housing with a long-term lease arrangement. Further consultations between the LG and DFAT resulted in an understanding that cash payment was considered the only viable option.

10. In October 2016, IndII mobilized the Construction Management Consultant (CMC) team for the project. Among other tasks, the CMC is responsible for assisting the Palembang LG with further updating and finalizing the LARP and monitoring the implementation of the plan. In consultation with the APs, the KJPP and the Local Project Management Unit (LPMU), the team’s national safeguards specialist adjusted data related to AHs/APs, the value of compensations and the overall resettlement budget.

11. Another public consultation was conducted on 14 February 2017. An updated version of the Public Information Booklet prepared by the CMC was distributed to the APs. Representatives of DFAT, IndII and the Ministry of Public Works and Peoples’ Housing attended the meeting. The LG, assisted by the KJPP, explained the compensation to be paid

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\(^1\) The Indonesia Infrastructure Initiative (IndII) is an Australian Government-supported initiative. Its primary goal is to promote economic growth by working with the Government of Indonesia to enhance infrastructure policy, planning, delivery and investment.
to each AH based on the recent reassessment carried out by the KJPP. All of the AHs agreed with the solution offered and signed a related statement.

**Grievance Redress Mechanisms**

12. The Palembang City Government acquired the land for the WWTP in 2012 and 2013. The 2013 LARP detailed a grievance redress mechanism based on pertinent Indonesian laws and regulation and ADB’s Safeguards Policy Statement in section V.B. of the document. Land acquisition was completed without complaints from the owners.

13. For the outstanding relocation and compensation of APs, the Palembang City LPMU will ensure that any grievances and complaints are addressed in a timely and satisfactory manner. Complaints can be submitted orally or in writing. Complaining APs will not be charged any fee during the resolution of their grievances and complaints. Nothing in this grievance redress mechanism removes the APs’ right to pursue the matter through Indonesia’s legal system. The GRM for land acquisition, relocation and compensation shall be implemented by the City Government’s LPMU.

14. As discussed with the LPMU of the City of Palembang, to the extent possible complaints should be resolved through consultations involving the LPMU and the kelurahan administration to address complaints at the local level and thereby preclude their elevation to higher levels. In case no solution can be achieved, procedures stipulated in Perpres 71/2012 and BPN regulation 5/2012 shall be applied.

**Legal Framework, Compensation Policy and Eligibility**

15. Indonesia has legislated a regulation for acquiring land for public use activities under Law No. 2 of 2012 on Implementation of Land Acquisition for Development in the Public Interest (Land Acquisition Law) and related implementing regulations.

16. Law No. 2 of 2012 is applicable in projects where the land acquisition has not been completed as of 31 December 2014. While the purchase of the land for the WWTP was carried out in 2012/2013, the related resettlement and provision of other compensation has not been completed, which means that stipulations of the new law and associated regulations are relevant for the finalization of the process.

17. Law 2 of 2012 has significantly improved the Country Safeguards System for resettlement with greater protection of the rights of property owners through consultation and fair compensation, and it also deals with compensation for non-titled property holders if there is land acquisition required. However, there are some principles not covered in the land acquisition law. In order to bridge gaps between ADB’s safeguards policy and Indonesian legislation, the Directorate General for Human Settlements, Ministry of Public Works and Peoples’ Housing (DGHS) has formulated specific policies for the MSMIP.

**Entitlements, Assistance and Benefits**

18. APs are entitled to compensation as follows:

   a. WWTP site:

b. Residents of streets along the sewer pipe network:

(i) Temporary limitation of use of land, (ii) Damage to structures, (iii) Temporary loss or limitation of access, (iv) Disruption of business.

Relocation of AHs

19. While initially several options had been explored, consultations between the LG and DFAT resulted in an understanding that cash payment was considered the only viable option. During the February 2017 Public Consultation the AHs agreed with this solution.

Income Restoration and Rehabilitation

20. The two AHs owning small eateries cum coffee shops already had moved their businesses by the time of the February 2017 consultation. Nevertheless, they are still entitled to business compensation amounting to the equivalent of 3 months’ previous income.

21. The 23 vulnerable AHs in the project will be provided assistance in addition to their entitlements for compensation.

LARP Implementation Budget

22. The overall cost of updating and implementing the LARP amounts to Rp 29,019,380,7872 = AUD 2,901,938, comprising: Compensation for WWTP Rp 25,055,045,010 = AUD 2,505,505; Allowances & Assistance Rp 69,960,000 = AUD 6,996; Administration and Monitoring Rp 1,256,250,251 = AUD 125,625; and Contingencies Rp 2,638,125,526 = AUD 263,813. The City Government of Palembang will ensure timely provision of funds and will meet any unforeseen obligations in excess of the resettlement budget in order to meet the social safeguards objectives of the Project.

Institutional Arrangements

23. The DGHS is the Executing Agency of MSMIP while the implementing agencies at the Project level are two units working together, the Satuan Kerja (SATKER) for South Sumatra Province as the Provincial Project Implementation Unit (PPIU) and the Palembang City Local Project Management Unit (LPMU). The DGHS will be responsible for the management of LARP and social issues which shall be updated by the CMC and implemented by SATKER and the LPMU. The DGHS has established a Central Project Management Unit (CPMU). The CMC team includes two qualified and experienced resettlement specialists, one international resettlement expert and a national resettlement specialist.

Implementation Schedule

24. As envisaged, the LARP for WWTP Sei Selayur shall be implemented within seven months starting as of May/June 2017, including (i) approval of the budget by LG (done), (ii) approval of the LARP by ADB/DFAT, (iii) issuance of No Objection by DFAT, (iv) issuance of public notice on the implementation of the LARP, (v) award of civil works contracts, (vi) compensation payment, update of SES, inventory of housing arrangements made by the AHs and resolution of grievances filed by APs and/or AHs affected by the WWTP
construction, (vii) clearing and handover of the WWTP site. The CPMU, in close coordination with PPIU, LPMU and the LAC, will implement the LARP upon receipt of official approval from DFAT/ADB. It will only award the civil works contracts to the contractors after the LARP has been approved.

**Monitoring and Reporting**

25. The CPMU, PPIU and LPMU will have joint responsibilities in the internal monitoring of LARP implementation with results to be reported to DFAT on a monthly basis. All activities are time bound and the progress of implementation will be monitored by the CMC in the field on a monthly basis and reported to the CPMU for assessment, and adjustment of the work program if necessary. Indicators for the internal monitoring will be those related to process and immediate outputs and results, such as the following: (i) further consultations with APs if required; (ii) resolution of complaints (iii) status of payments of compensation; (iv) relocation of AHs. In line with DFAT and ADB safeguard requirements and as part of the LARP monitoring, the CMC will conduct a post-relocation socioeconomic survey by interviewing AHs who were relocated from the WWTP site.
II. PROJECT DESCRIPTION

26. This updated Land Acquisition and Resettlement Plan (LARP) is the social safeguards document for the Palembang City Off-site Wastewater Collection and Treatment System in Palembang City, South Sumatra Province. An initial LARP for the project was approved and published on the ADB website in June 2013 with the title: Indonesia: Metropolitan Sanitation Management Investment Project – Land Acquisition and Resettlement Plan, Palembang City Off-site Wastewater Collection System and Treatment. Due to the implementation of new legislation (Presidential Decree 71 of 2012 and related decrees), an adjustment of the boundary of the land acquired for the WWTP and time lapse between LARP preparation and implementation, substantial revisions became necessary. This updated LARP is based on the agreed cut-off date of November 27, 2013, with demographic data updated on February 14, 2017.

27. The Palembang City Off-site Wastewater Collection and Treatment System in Palembang City, South Sumatra Province is among five Projects which have been assisted by the Asian Development Bank under TA № 7993 – INO: Metropolitan Sanitation Management Investment Project (MSMIP). The proposed MSMIP supports: (i) the National Policy for the Development of Community-Based Water Supply and Environmental Sanitation; (ii) ADB’s Water Operational Framework 2011-2020, which has strong emphasis on sanitation and is directed toward efficient technologies and capacity development programs; (iii) ADB’s Water for All Policy; and (iv) the draft Indonesia Country Partnership Strategy. The Project impact will be health improvement through the reduced occurrence of water-borne diseases and water-washed diseases in the areas it will serve in Palembang City. The outcome shall be increased access to sanitation services by the households.

28. The Palembang Project, financed through an Australian Grant and national and municipal budget allocations, has two components, which are: (i) the Wastewater Treatment Plant (WWTP); and (ii) the Wastewater Collection System (WCS). The proposed WWTP shall be located on land at Sei Selayur Village in Kalidoni District near the unpaved road that connects to the paved Dr. Insinyur Sutami Road. The effluent shall be treated in the WWTP prior to discharge into the Musi River. For an overview map of the project see Appendix 1.

29. The WCS, comprising of ± 60 km of pipes with a diameter larger than 150 mm, shall be constructed along the main roads of the City. This facility shall collect wastewater from business establishments, public markets, and households through the sewers to be treated in the WWTP. Based on the Detailed Engineering Design of the project, the service area comprises 5 catchments with 5 wastewater-pumping stations (WWPSs). The WWPSs are required to:

i. minimize sewer and pump station depths for construction and operation;

ii. transfer wastewater flows to the WWTP. Due to the limitation of the proposed investment amount, the project shall be staged. Stage one which is the current proposal only requires one pump station, and the land is already owned by the
City of Palembang. Further stages will be implemented subject to additional investment decisions by the Government.

30. This updated Land Acquisition and Resettlement Plan (LARP) is the social safeguards document for the Palembang City Off-site Wastewater Collection and Treatment System (or the Project) in Palembang City, South Sumatera Province. The LARP contains the policies, guidelines and administrative processes and procedures, consistent with the relevant legislation being enforced in by the Government of Indonesia (GoI), ADB’s 2009 Safeguard Policy Statement (SPS) as well as the other cross-cutting policy themes of ADB, and DFAT policy.

31. The acquisition of 5.8230 ha of land for the WWTP, affecting a family of three owners, not residing in the location, has been completed in 2012/2013. No land acquisition is foreseen for the first stage of the wastewater collection system. Details of impacts are provided in the following section.

III. SCOPE OF LAND ACQUISITION AND RESETTLEMENT

A. Assessments of Impacts

32. The original assessment of impacts due to the acquisition of land for the WWTP component was carried through a detailed Inventory of Losses (IOL) and Socio-economic Survey (SES) during the period 14 – 17 November 2012 by the ADB PPTA consultant and updated by Cardno in February 2013. The questionnaire used is shown in Appendix 2.

33. As one of the tasks under IndII Activity W268.02: Environmental Impact Assessment for Sewerage in Three Cities (Palembang, Makassar and Cimahi), during the period 2013 until 2015 a series of consultations with the AHs and the local authorities, the head of Sei Selayur Village and the head of Kalidoni Subdistrict on the status of AHs were carried out in order to prepare a preliminary update of the LARP (see Appendix 3).

B. Description of Impacts

1. Permanent Impacts

34. Loss of Land. The land acquisition implementation process for the WWTP started when the Mayor approved and signed the decision to acquire land, under SK No. 420 of 2012 (see map in Appendix 4). The land acquired for the WWTP area is situated in Sei Selayur Village. The land is located near an existing road named Jl. Dr. Insinyur Sutami and main access to the site will continue from this road after construction. The land is not part of any ancestral domain.

35. The land was owned by three persons named Drs Djaloeddin Janggoet, (late) H.J. Naro S.H and family who were represented by Drs Djaloeddin Janggoet, and Asmarullah, M.A, all owned the land parcel for the WWTP which was registered under a certificate numbered SHM 375 (GS 2378/1977). The City of Palembang has completed the land acquisition with two payments, one in fiscal year 2012 and the other one in 2013. The

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total acquired land is 58,230 m\(^2\) and the total payment for the land was Rp. 23,302,000,000. The details of the payments are as listed in Table 1. Copies of the related documents are shown in Appendix 5.

**Table 1: Details of the Land Acquisition implemented for the WWTP**

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<td>47,310</td>
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<td>Land Price (Rupiah)</td>
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<td>18,934,000,000</td>
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<td>3</td>
<td>Operational Cost (Rupiah)</td>
<td>174,720,000</td>
<td>461,000,000</td>
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1. Total Acquired Land (m\(^2\)) 58,230
2. Total Land Price (Rupiah) 23,302,000,000
3. Total Operational Cost (Rupiah) 635,720,000

36. **Affected Persons.** The 2013 LARP stated that based on the detailed IOL and SES done during 14 – 17 November 2012, “….the land was occupied by 25 households, 24 of which live in 21 structures constructed on the site and one household lives outside the area but owns 5 structures built on the land, four of which are rented out”\(^4\). Due to errors concerning the proposed site boundaries, the number of structures affected was later reduced to 18 (SES/ILO, November 2013). This includes part of a saw mill (timber factory). Also an inventory of trees was conducted, 201 AH owned trees were identified (see Appendix 7 for a detailed listing).

37. Based on the agreed map of the proposed area to be developed as the WWTP (see Appendix 4 for a map detailing the WWTP design and the plot boundary), a consultation meeting with the AHs was advertised by the local government and held on 27 November 2013. In the meeting the AHs agreed that the list of AHs produced by the Lurah as shown in Figure 1 was the correct and latest inventory of AHs in the area, and there would be no additional AH claims. Based on the AHs’ statement, the consultant announced to the AHs that the list consisted of the names of a total of 21 AHs living in 17 structures which would be used as the final list of updated AHs for the Final Resettlement Plan process and the date of the meeting was considered as the cut-off date for the AHs list\(^5\). All houses and households were anticipated to be severely affected as their houses would be impacted 100%. Minor impacts were foreseen on the saw mill as its operation would not be affected and the affected structure (a guard shed and a drying kiln) could be re-erected at the remainder of its site.

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\(^5\) See the Appendix 3, List of Consultation, dated 27 November 2013.
38. According to pertinent regulations, the result of the appraisal carried out in 2013 is only valid for one year. Therefore, the City Government contracted another independent evaluator (Kantor Jasa Penilai Publik, KJPP) in 2016 to prepare an updated assessment. During this appraisal process the independent evaluator established that one structure occupied by one AH was outside the land acquired by the Local Government and not eligible for compensation. In the course of a final public consultation on February 14th 2017, the CMC in cooperation with the kelurahan administration of Sei Selayur updated the demographic data of affected AHs/APs to reflect natural changes (births, marriages and deaths) to the household compositions. The evaluator adjusted the calculations of compensation amounts accordingly. Table 2 shows the 2017 data of affected households.

---

6 On the list, the person listed on No.1 has two names (Taleng and Sulaiman), makes the total AHs owning buildings are 17.

7 The validation included five buildings that had already been demolished at the time of the survey. Related compensation amounts were calculated based on data obtained from the LG. Also, changes in the composition of AHs were accommodated.
and persons, these now concern 98 APs from 27 AHs living in 16 affected structures. Of these AHs, 23 AHs occupying 16 structures are considered vulnerable; 9 due to low income, 7 because they are female headed households and 13 because of an elderly household head. 6 AHs fall into more than one category of vulnerability. The detailed APs data, losses and proposed compensation for the AHs are as shown in Appendices 6 and 7.

### Table 2: Household Composition Data (2017)

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<tr>
<th>No.</th>
<th>Name of Main HH Head</th>
<th>No. of HHs living in the house</th>
<th>Name of HH Head</th>
<th>No. of HH members</th>
<th>Total no of people in HH</th>
<th>Total no of people in house</th>
<th>Age of HH Head</th>
<th>Female headed HH</th>
<th>Remarks</th>
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| Totals | 27   | 73   | 98   | 98   |         |         |         |         |         |         |

39. Compensation for lost trees is detailed in Table 3 below.
### Table 3: Compensation for Lost Trees

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<th>Rambutan</th>
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<th>Guava</th>
<th>Starfruit</th>
<th>Jackfruit</th>
<th>Soursop</th>
<th>Papaya</th>
<th>Kedondong</th>
<th>Durian</th>
<th>Teak</th>
<th>Lime</th>
<th>Jengkol</th>
<th>Breadfruit</th>
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<td>169,467</td>
<td>109,680</td>
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<td>Sumanto</td>
<td>-</td>
<td>5</td>
<td>5</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>Unit rate</td>
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<td>84,733</td>
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</tr>
<tr>
<td>14</td>
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<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
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<td></td>
</tr>
<tr>
<td>15</td>
<td>Samsuri (Syarudi)</td>
<td>1</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>16</td>
<td>Hafizah</td>
<td>6</td>
<td>5</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
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<td>-</td>
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<td>IDR 2,664,557</td>
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<tr>
<td></td>
<td>Unit rate</td>
<td>406,455</td>
<td>17,335</td>
<td>39,893</td>
<td>-</td>
<td>99,259</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL (Number)</strong></td>
<td><strong>27</strong></td>
<td><strong>108</strong></td>
<td><strong>12</strong></td>
<td><strong>9</strong></td>
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<td><strong>10</strong></td>
<td><strong>2</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>23,193,608</strong></td>
</tr>
</tbody>
</table>
40. **Loss of Structures**: the acquisition of land will lead to the demolition of 16 semi-permanent houses (also see footnote 7) and dryer kiln of the timber factory.

2. **Temporary Impacts of the Wastewater Collection System**

41. Besides permanent impacts due to the land acquisition for the WWTP, the project will also cause temporary impacts during the construction phase of the sewer pipe network. The sewage pipelines construction activities will be carried out along 60 km of roads and road medians in stage 1. The activities will not displace households or people nor will they have any permanent adverse socioeconomic impacts on the residences, shops and other commercial establishments along the project roads. However, during the construction phase the civil work activities may cause temporary impacts on the residences, vendors and shops along the roads in terms of inconvenience in access, parking, loading and unloading and also for traffic movement, particularly cars and trucks, etc. The wider roads will not face such problems as there will be sufficient ROW space for vehicular movement and for access to roadside businesses. However, small roads and narrow streets, particularly with clear road width of about 6.0 m and below may face some problem of traffic movement at the time of civil works.

42. In Palembang, of the roads/streets covered under the WCS component, only one road, Jl. Ali Gatmir has a clear width of less than 6 m. Small shops, market, houses and other occupants along this road will face temporary impacts during the construction phase. A Baseline Survey of Traffic Interaction with Business was also conducted in 2015 under IndII Activity W268.02 to get people’s perception along the pipelines about the project and to be able to estimate temporary impacts and damage from the construction of the WCS. See Appendix 8 for the results of the survey. The number of shops, food stalls, residences and businesses along the road is estimated to be between 700 and 800. These food and vegetable stalls and shops may need to be temporarily relocated to make way for civil works and will need relocation assistance. Providing physical assistance with temporary relocation is a contractual obligation of the contractor. With proper management of construction activities, the loss of incomes of shops can be avoided or minimized. All the other roads are much wider, more than 6 m ROW.

43. To avoid or minimize such temporary impacts on roadside businesses and traffic movement, the civil works will be carried out in small segments of about 50 m length at one time. It will take about 10-12 days to complete the work: excavation, laying of pipes and restoring the road, for one segment. Working on small road segments will make traffic management and provision of temporary access to roadside houses and businesses much easier. The contractors have a contractual obligation to ensure that while working on road segments, the shops and houses are provided with temporary access to avoid, or minimize, any loss of business incomes. Temporary road covers (steel or wood) over excavation trench could maintain local inhabitant daily access. Temporary stalls and vendors can be easily moved to an alternative location during the work and can be moved back when the work on a particular road segment is completed.
C. Updating the LARP

44. The Construction Management Consultant (CMC) has updated the LARP based on developments related to resettlement issues since 2013 consistent with the provisions and requirements in SR2 of the ADB’s 2009 SPS and DFAT policy. The provisions of compensations (entitlement and eligibility) in the updated LARP are not lower than what was provided for in the 2013 LARP. The foregoing impacts will be monitored and updated to accommodate changes which could be the result of (i) final alignment of the sewers based on DED that may affect the entrance of the houses or business establishments; (ii) change in the scope of the WCS, and reported (in regular progress reports) during Project implementation.

45. A summary of resettlement impacts is given in the table below:

<table>
<thead>
<tr>
<th>No</th>
<th>Losses</th>
<th>58,230 m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Loss of land</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Loss of structure/house</td>
<td>16 houses + 1 dryer kiln</td>
</tr>
<tr>
<td>3</td>
<td>Loss of Trees</td>
<td>201 Trees</td>
</tr>
<tr>
<td>4</td>
<td>Total no of AHs/APs</td>
<td>27</td>
</tr>
<tr>
<td>5</td>
<td>Severely affected AHs/APs</td>
<td>27</td>
</tr>
<tr>
<td>6</td>
<td>Vulnerable AHs/APs</td>
<td>23</td>
</tr>
</tbody>
</table>

Table 4: Summary of resettlement impacts
IV. SOCIOECONOMIC INFORMATION

A. Affected Persons

46. At the time of the 2013 survey, the proposed WWTP land was occupied by 21 households, which lived in 17 houses, all of them without land title. All of the 17 AHS claimed that they were the owner of the houses. Besides those 17 houses or buildings, there was one sawmill (timber factory), part of the building would also be affected by the project. By 2015 of the 17 houses that had been on the site, 5 structures did not exist any longer, three houses still existed but were not occupied, and 9 AHS were still living in their structures. The households that moved voluntarily, adhering to an agreement with the original owners that they would move out in case the land was needed or sold, are still eligible to compensation. In 2016, the independent assessor established that one structure, occupied by one AH, was outside the boundary of the land acquired and not eligible for compensation. The timber factory was still using the affected building for their daily activity.

47. With the exception of the sawmill/timber factory, all structures within the site boundary will be completely affected. As a result, the 27 AHS, residing (15 AHS) or previously residing (12 AHS), in these structures will be severely affected as all their productive assets will be impacted. These productive assets include 201 productive trees owned by the AHS. Operation of the sawmill will not be affected and the impacted guard shed and dryer kiln can be re-erected at the remainder of its site.

48. The AHS length of stay in the area varied, out of 16 AHS: 9 AHS were staying there for more than 30 years; 3 AHS were there for 20 – 30 years; 3 AHS were there for 10 – 20 years and 1 AH stayed less than 5 years. For AHS living in with their parents, the length of stay of the main household head is used. The number of AHS that still lived in the area was 15 (in 11 houses), and the total number that were not there anymore was 11 (in 5 houses).

B. Profile of the AHS

49. The 2012 IOL and SES covered 24 households, 21 of which were living on the site. The 24 AHS were headed by 16 males and 8 females. Their households had total occupancy of 75 persons, or 3.12 persons per household, comprising 44 males and 31 females. The household members were at varying age levels, with the youngest below the age of 4 years while the eldest was at the range of 71 years old and above.

50. The 2013 IOL and SES update covered 21 households who were living on the site with corrected borders. The 21 AHS lived in 17 structures and were headed by 16 males and 5 females. The households totaled 76 persons, comprising of 34 males and 42 females.

51. In the course of the February 2017 public consultation, demographic information was updated through interviews with APs and confirmed by the Lurah (see Appendix 6). The heads/representatives of the main 16 household heads representing a total of 27 AHS and the owner of the timber factory attended the meeting. Table 2 (Section III.B) shows the household composition data, while the age and gender distribution are shown in Table 5 below.
Table 5: Age and Gender Distribution of APs

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of Main HH Head</th>
<th>Name of HH Head</th>
<th>Age group female</th>
<th>Age group male</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Female</td>
<td>Male</td>
</tr>
<tr>
<td>1</td>
<td>Khusnun</td>
<td>Khusnun</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Iwan Adrianto</td>
<td>Iwan Adrianto</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Romi</td>
<td>Romi</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>4</td>
<td>Abdul Karim</td>
<td>Abdul Karim</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>Talleng</td>
<td>Talleng</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>6</td>
<td>Sulaiman</td>
<td>Sulaiman</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>7</td>
<td>Sophia Alm (Acek Ramah)</td>
<td>Dirmansyah</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>8</td>
<td>Yakub</td>
<td>Yakub</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>9</td>
<td>Tobing</td>
<td>Tobing</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>10</td>
<td>Wancik Teguh</td>
<td>Wancik Teguh</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>11</td>
<td>Abbas Alm (Misran)</td>
<td>Misran</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>12</td>
<td>M. Isa Alm Nisa</td>
<td>Nisa</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Supriyatna</td>
<td></td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>13</td>
<td>Sumanto</td>
<td>Sumanto</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>14</td>
<td>Nora</td>
<td>Yayat</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>15</td>
<td>Samsuri Alm (Turinik)</td>
<td>Samsuri</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Syarudi</td>
<td></td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Apriyandi</td>
<td></td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Robi</td>
<td></td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>16</td>
<td>Hafizah</td>
<td>Jumain</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Totals</td>
<td></td>
<td>52</td>
<td>46</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Totals</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
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<td>4</td>
</tr>
<tr>
<td>5-14</td>
<td>21</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td>15-18</td>
<td>8</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>19-55</td>
<td>52</td>
<td>28</td>
<td>24</td>
</tr>
<tr>
<td>&gt;55</td>
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<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Totals</td>
<td>98</td>
<td>52</td>
<td>46</td>
</tr>
</tbody>
</table>

52. Of the total household members, 60 persons (61.2%) are in the labor force (age range of 15 to 55 years). Except for 12 APs (12.2%), all household members are literate with elementary as the lowest level of education.
53. **Occupations.** According to the 2013 survey data, there were 33.5% of the total AHs members in the labor force engaged in various livelihood occupations which did not depend on the lands they occupy.

54. As summarized in Table 6, in 2013 people 20 worked as laborers, 4 in trading, 3 were tending coffee shops cum restaurant, 3 were security guards, 2 were drivers and another 2 were salesladies. One AHs member worked outside the area as household helper.

<table>
<thead>
<tr>
<th>Occupations</th>
<th>Number</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laborer</td>
<td>20</td>
<td>57.1</td>
</tr>
<tr>
<td>Trading</td>
<td>4</td>
<td>11.4</td>
</tr>
<tr>
<td>Small business</td>
<td>3</td>
<td>8.6</td>
</tr>
<tr>
<td>Security</td>
<td>3</td>
<td>8.6</td>
</tr>
<tr>
<td>Sales Clerk</td>
<td>2</td>
<td>5.7</td>
</tr>
<tr>
<td>Driver</td>
<td>2</td>
<td>5.7</td>
</tr>
<tr>
<td>Housemaid</td>
<td>1</td>
<td>2.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>35</td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

*Source: IOL 2013*

55. Equating the number of people who are in the productive age groups according to the recent updated APs/AHs profile (2017), i.e. people aged 15 to 55 years compared to the non-productive age groups population that are under 15 and above 55 years old, the dependency ratio is 1.6, meaning that two people working in the family have at least one dependent.

56. **Monthly Incomes.** In 2013, the AHs had average incomes of Rp 1,820,000 per month; the lowest is Rp 400,000 while the highest at Rp 3,900,000. Matched against the City’s monthly poverty threshold of Rp 326,670 per person in a household (in 2011), there appear to be 6 AHs with income deficits and another one AH at the risk of falling below the poverty line because their excess incomes are less than Rp 100,000 a month. All AHs are receiving food subsidies from the local government while one AH is receiving additional subsidy for fuel. The three land owners are members of one business family and their household incomes are in excess of Rp. 15,000,000/month.

57. **Access to Social Services.** All AHs have access to social services like, electricity, schools and health services as well as means of communication and sources of information will not be disrupted. Likewise, their access to food and water is secured.

C. **Gender Issues**

58. A basic gender strategy is outlined in Section VIII soliciting for the active participation of men and women in the Project. During the implementation of the updated LARP, the Central Project Management Unit (CPMU) and the LPMU will comply with ADB’s policy and DFAT/IndII policies and strategies to promote equity.

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8 Asian Development Bank, Gender and Development, June 2003
Australian Government Department of Foreign Affairs and Trade, Gender Equality and Women’s Empowerment Strategy, February 2016
Indonesia Infrastructure Initiative, Gender Strategy and Plan, May 2016
D. Vulnerable Households

59. Following the comparison of their monthly incomes vis-à-vis the monthly poverty threshold in the City, 9 AHs have income deficits. Additionally, there are 7 female headed households and 13 elderly headed households that would also be considered as vulnerable\(^9\). Four of these are also below the poverty line and 2 are both elderly and female headed. Therefore, a total of 23 vulnerable households are affected by the Project, see Table 7 below.

Table 7: Vulnerable Households

<table>
<thead>
<tr>
<th>No.</th>
<th>Household Name (2017)</th>
<th>Vulnerability</th>
<th>Family members</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Name of Main HH Head</td>
<td>Income</td>
<td>Elderly</td>
</tr>
<tr>
<td>2</td>
<td>Iwan Adrianto</td>
<td>Yes</td>
<td>2</td>
</tr>
<tr>
<td>4</td>
<td>Abdul Karim</td>
<td>Yes</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>Talleng</td>
<td>Yes (2)</td>
<td>1</td>
</tr>
<tr>
<td>6</td>
<td>Sulaiman</td>
<td>Yes</td>
<td>3</td>
</tr>
<tr>
<td>7</td>
<td>Sophia Alm (Acek Ramah)</td>
<td>Yes</td>
<td>1</td>
</tr>
<tr>
<td>9</td>
<td>Tobing</td>
<td>Yes (4)</td>
<td>3</td>
</tr>
<tr>
<td>10</td>
<td>Wancik Teguh</td>
<td>Yes</td>
<td>1</td>
</tr>
<tr>
<td>11</td>
<td>Abbas Alm (Misran)</td>
<td>Yes (2)</td>
<td>7</td>
</tr>
<tr>
<td>12</td>
<td>M. Isa Alm Nisa</td>
<td>Yes (2)</td>
<td>5</td>
</tr>
<tr>
<td>13</td>
<td>Sumanto</td>
<td>Yes</td>
<td>3</td>
</tr>
<tr>
<td>14</td>
<td>Nora</td>
<td>Yes</td>
<td>1</td>
</tr>
<tr>
<td>15</td>
<td>Samsuri Alm (Turinik)</td>
<td>Yes (4)</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Totals</td>
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<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7</td>
</tr>
</tbody>
</table>

Note: figure in brackets indicates number of households in main household

V. INFORMATION DISCLOSURE, CONSULTATION AND PARTICIPATION

A. Activities Accomplished

60. Public consultation and information dissemination in the project has been an ongoing activity and will continue throughout the project cycle. Households affected by acquisition of land and the communities along the project roads have been fully informed about the project from the beginning of the fieldwork. Starting in October 2012, meaningful consultations and disclosure of information were held to inform the community about the project (see Appendix 3).

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\(^9\) See Definition of Terms, page vi.
61. One of the first activities was the initial Public Consultation and Project Disclosure, held on 2 October 2012 at the BAPPEDA office with environmental and land acquisition issues to discuss and agreement between landowners and occupying households at the proposed WWTP site. This was continued with inventory of losses and socioeconomic survey (IOL/SES) on 14 – 17 November 2012 to obtain data of AHs in the WWTP project area, and dissemination of information about compensation policy, advance notice before displacement and GRM in February 2013.

62. At the end of 2013, further discussions with AHs were held. On 13 November 2013, another public consultation was held at the proposed WWTP site attended by DFAT, LG Palembang, AHs and the consultant. The purpose of the meeting was to discuss the compensation and other allowances that the AHs would be entitled to receive.\(^\text{10}\)

63. The Palembang government and DFAT have been actively supporting and monitoring the progress about the AHs issues. The Counselor for Infrastructure and Economic Governance, Australian Embassy sent a letter to the Mayor of Palembang on 19 November 2013 to assist the process of the community consultations, and ensure that: “… the affected households are fully aware of their resettlement options, informed about how much they will be compensated, aware of how to access a grievance resolution mechanism, and having information about government programs that can assist them with their move.” The copy of the complete letter is shown in Appendix 9. Meanwhile the City of Palembang was also showing its intention to support the project, with the Mayor approving a Letter of Decision about LARP Task Force (SK TK LARP) on December 2013.\(^\text{11}\)

64. Further consultation was carried out in February 2013 with copies of a Public Information Booklet in Bahasa Indonesia provided to the households and several other roadside establishments (see Appendix 10 for an English language translation). Additional public consultations continued throughout the project process cycle. After further planning and clarification of the proposed site occurred, a further public consultation meeting was held at the proposed WWTP site on 13 November 2013 which was attended by DFAT, LG Palembang, AHs and the consultant. The purpose was to further clarify the boundaries of the site and discuss the compensation and other allowances that the AHs would be entitled to receive. Due to changes in the proposed site boundaries, the cut-off date for the project needed adjustment. Consequently, on the 27\(^\text{th}\) November 2013 there was a further meeting initiated by AHs at the site which invited all families that were considered to have a claim for compensation. It was resolved at this meeting that the AHs agreed that the list of AHs produced by the Lurah which has 21 AHs living in 17 houses as the right and latest number of AHs in the area and there would be no additional AH or claim for compensation by any others. The initial LARP document was uploaded to the ADB website in June 2013 to comply with the public disclosure requirements.

65. During the period 2013 until 2015, three further consultations with the Affected Households (AHs) and the local authorities, the head of Sei Selayur kelurahan and the head of Kalidoni Sub district on the status of AHs were carried out. A Baseline Survey of Traffic

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\(^\text{10}\) The minutes of the meeting are attached in Appendix 3, List of Consultation with Community, on the List No. 4.

\(^\text{11}\) A copy of the letter is attached in Appendix 3, List of Consultation with Community, List No. 10. SK TK LARP (in Bahasa Indonesia), 3 December 2013.
Interaction with Business was also carried out in 2015 to obtain people’s perception along the pipeline about the project and to be able to estimate temporary impacts and damage from the construction of the WCS.

66. In addition, IndII contracted another consultant in early 2015 to carry out an assessment of viable options for the relocation of AHs. In discussion with the Palembang LG, the consultant evaluated several options, (i) an off-site option in which the city would be required to find additional land away from the WWTP site within 3 kms of the proposed site, (ii) on-site options for housing, i.e. utilizing an unused part of the land acquired for the WWTP, (iii) cash only. The report concluded that only two options were considered feasible, (i) cash only or (ii) housing with long term lease arrangement. Further consultations between the LG and DFAT resulted in an understanding that cash payment was considered the only viable option.

67. In October 2016, IndII mobilized the Construction Management Consultant team for the project. Among other tasks, the CMC is responsible for assisting the Palembang LG with further updating and finalizing the LARP and monitoring the implementation of the plan. In consultation with the KJPP and the LPMU, the team’s national safeguards specialist adjusted data related to AHs/APs, the value of compensations and overall resettlement budget.

68. ADB and DFAT fielded a mission to Palembang on January 23rd – 24th, 2017 to review the progress of preparation of the LARP revision. The mission team held discussions with the Palembang LG and a consultation meeting with AHs and the Sei Selayur kelurahan administration.

69. Another public consultation was conducted on 14 February 2017. An updated version of the Public Information Booklet prepared by the CMC was distributed to the APs (see Appendix 12). Representatives of DFAT, IndII and the Ministry of Public works and Peoples’ Housing attended the meeting. The LG, assisted by the KJPP, explained the compensation to be paid to each AH based on the recent reassessment carried out by the KJPP. The meeting was used to update the demographic data of each AH to reflect natural changes (births, marriages and deaths) to the composition of the households. All of the AHs agreed with the solution offered and signed a related statement.

B. Future Consultation Activities during Project Implementation

70. During the implementation of this LARP, the CMC will coordinate with the Local Project Management Unit (LPMU) and Local Project Implementation Unit (LPIU) in Palembang City and the Provincial Project Implementation Unit (PPIU) in South Sumatra to meet the city, district, and village officials as well as the project-based stakeholders to inform them about Project implementation. The project-related stakeholders will be provided with an updated Project Information Booklet written in Bahasa Indonesia, and presented with visual aids for recall and further understanding of the project. All project-related stakeholders, including the AHs, will be encouraged to share their thoughts.

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12 See Housing Options – Consultant Report - Draft March 2015 IndII Activity W268.02.
13 See documentation in Appendix 11.
71. During the implementation preparation for the WWTP, the LPIU, assisted by the CMC, will:

(i) monitor and document the realization of compensation payments,

(ii) provide timely information to the AHs about the envisaged commencement of the contractor’s landfill activities,

(iii) update the SES at the moment of compensation provision and verify that AHs have secured new places of residence and are ready to move,

(iv) provide additional (non-monetary) assistance, such as transport and workers to assist with moving household belongings and salvageable building materials, if required.

72. During the implementation phase of the WCS part of the Project, the LPIU, assisted by CMC, will also prepare a Public Relations (PR) and Public Campaign (PC) strategy and programs for effective public consultation and participation. The programs will include continued public consultation meetings, dissemination of information using banners, leaflets, and radio talk shows. Consultations and discussions with residents in the public consultation meetings will be conducted continually during construction. The main topics to discuss in public consultation meetings would be:

- The benefits and impact on society. Documents containing the results of research, if any, on the matter will be translated into the Indonesian language and made available in the kelurahan offices to be easily accessed by residents;

- The description of the scope of the sub-project(s) will be shown in a banner at the entrance of the project;

- A separate Public Information Booklet written in Bahasa Indonesia detailing technical aspects of construction works and (preliminary) schedule, informing on the repair schedule of the roads and other public facilities that are damaged during the pipe installation, and complaint handling procedures;

- How the public can participate in the implementation of the project;

- Potential impacts on roadside occupants (residences and business operations), including temporarily restricted access, potential damage to private properties, and how to access the GRM.

73. Upon concurrence by DFAT, after consultation with ADB, the CMC will inform the LPMU in Palembang City to announce the schedule of Project implementation.

C. Post Project Implementation Activities

74. A follow-up, post-relocation SES for the WWTP will be conducted after six months as a basis for potential corrective actions to be decided by LG in consultation with DFAT. As part of the appraisal, a post implementation evaluation will be conducted to determine how far the objectives of the LARP have been achieved. The City Government of Palembang will coordinate with the districts and village officials to inform the APs and the public to participate in the consultations and interviews that shall be conducted as part of post-implementation evaluation exercise. The inputs from such evaluation would provide valuable feedback for future policy and implementation procedures.
VI. GRIEVANCE REDRESS MECHANISMS

75. Grievance Redress Mechanism means to provide opportunity for APs to express their dissatisfaction and complaints. Complaints may express the discontentment against the project and/or aspects of LARP preparation and implementation.

76. The Palembang City Government acquired the land for the WWTP in 2012 and 2013. The 2013 LARP detailed a grievance redress mechanism based on pertinent Indonesian laws and regulation and ADB’s Safeguards Policy Statement in section V.B. of the document. Land acquisition was completed without complaints from the owners.

77. For the outstanding relocation and compensation of APs, the Palembang City LPMU will ensure that any grievances and complaints are addressed in a timely and satisfactory manner. Complaints can be submitted orally or in writing. Complaining APs will not be charged any fee during the resolution of their grievances and complaints. Nothing in this grievance redress mechanism removes the APs right to pursue the matter through Indonesia’s legal system. The GRM for land acquisition, relocation and compensation shall be implemented by the City Government’s LPMU.

78. As discussed with the LPMU of the City of Palembang and the AHs affected by the WWTP, to the extent possible complaints should be resolved through consultations involving the LPMU and the kelurahan administration to address complaints at the local level and thereby preclude their elevation to higher levels. In case no solution can be achieved, procedures stipulated in Perpres 71/2012 and BPN regulation 5/2012 shall be applied.

- Stage One – Lurah / Camat Level:

79. APs can lodge a complaint orally or in writing to the Lurah and/or Camat. The Lurah and/or Camat shall endeavor to resolve the complaint within a period of fourteen (14) days of receipt of the complaint.

- Stage Two – Mayor Level:

80. If after fourteen (14) days APs do not get a settlement or are not satisfied with the proposed solution, they can submit a complaint to the level of the Mayor, orally or in writing. The mayor will endeavor to resolve the complaint within thirty (30) days. If needed, the Mayor can call the Project Authority to assist in resolving the complaint.

- Stage Three – Province Level:

81. If after 30 days APs do not get a settlement or are not satisfied with the proposed solution proposed by the Mayor, they can forward the complaint, either orally or in writing, to the governor’s office. The Governor shall endeavor to resolve the complaint within thirty (30) days after receipt of the complaint.

- Stage Four - Ministry PUPR Level:

82. If the complaint is not resolved through the Governor, the complaint may be submitted in writing or orally to the Ministry of Public Works and Public Housing. The Ministry shall endeavor to resolve the complaint within thirty (30) days after receipt of the complaint.

- Stage Five (Final) – Court settlement:
83. If after 30 days no decision about the complaint is made or if the complaining AP is not satisfied with the solution offered by the Ministry, he/she may bring the complaint/case to court for adjudication. The court’s decision is final.

84. The LPMU shall be responsible for recording and keeping file of all complaints received including date and place and actions taken, and making the information accessible to the parties involved in an appropriate manner and report on any grievances brought about through the Grievance Redress Mechanism to the CPMU.\(^{14}\)

85. The APs can also ask for assistance from the DFAT/ADB responsible Project Officer in the resolution of their complaints. If these efforts are not successful, APs can also access the ADB’s Accountability Mechanism (2012).

86. As explained in section III.B.2 above, no substantial disruption of business activities and income losses during construction of the sewer network are anticipated. The LPMU will ensure that sufficient information about planned construction activities will be provided to kelurahan administrations and business owners in a timely manner. Nevertheless, a specific Grievance Redress Mechanism shall be established. This GRM shall be elaborated in a separate document.

VII. LEGAL FRAMEWORK, COMPENSATION POLICY AND ELIGIBILITY

A. Objectives

87. The objectives of the compensation and entitlement policy are to see to it that the project provides an opportunity for the APs and to ensure that they should derive benefits from the project so that they are at least equal to or better off than their pre-project situation. DFAT Social Safeguards Policy is similar to ADB’s policy; both follow the “Equator Principles”.

B. The Legal Basis of Compensation and Entitlement

1. Indonesian Laws and Regulations

88. The key law applicable for land acquisition/resettlement is Law 2 of 2012 on Land Acquisition for the Development in the Public Interest (Undang-Undang Republik Indonesia Nomor 2 Tahun 2012 Tentang Pengadaan Tanah Bagi Pembangunan Untuk Kepentingan Umum), promulgated in January 2012 and its implementing regulations. These regulations include:


\(^{14}\) See Appendix 13 for a Grievance Redress Documentation form.


• Indonesia Professional Appraisers Society (MAPPI), Land Acquisition Assessment for Development for the Public Interest (Petunjuk Teknis Penilaian Terhadap Pengadaan Tanah Bagi Pembangunan Untuk Kepentingan Umum [SPI 306], 2015.

89. Other relevant laws and regulations are:

• Regulation of the Minister of Home Affairs No. 72/2012 about Operational and Supporting Funds for Land Acquisition for Development Activities in the Public Interest originating from Regional Government Budgets (Peraturan Menteri Dalam Negeri Republik Indonesia Nomor 72 Tahun 2012 Tentang Biaya Operasional dan Biaya Pendukung Penyelenggaraan Pengadaan Tanah Bagi Pembangunan Untuk Kepentingan Umum yang Bersumber dari Anggaran Pendapatan dan Belanja Daerah).


90. Law No. 2 of 2012 is applicable in projects where the land acquisition has not been completed as of the date of 31 December 2014. While the purchase of the land for the WWTP was carried out in 2012/2013, the related resettlement and provision of other compensation has not been completed, which means that stipulations of the new law and associated regulations are relevant for the finalization of the process.

91. The Land Acquisition Law 2 of 2012 provides clear, time-bound procedures with the objective to accelerate land acquisition for public projects. The objective of the land acquisition law is to ensure: (i) that land acquisition for development for public interests protects the rights of the entitled parties (pihak yang berhak – land rights holders, holders of rights to manage, nadzir for wakaf land, customary communities, owners of former customary right, people occupying state land in a good faith, and owners of buildings, plants,
and other assets relating to land) and (ii) the availability of land and land acquisition funding. Under the law, compensations will be provided for land, plants, buildings, objects relating to land, and other losses that can be valued including job and business losses, moving cost, professional expenses, and remaining property value based on the valuation of the assigned independent appraiser.

92. Key points of the land acquisition law can be summarized as follows:
   a. The availability of land for development for public interests is guaranteed by the state;
   b. The law provides clear procedure and timeline for the land acquisition process;
   c. Land acquisition is to be carried out by the government;
   d. Affected peoples’ rights are respected;
   e. Land acquisition must be carried out in accordance with the spatial planning and other related development planning;
   f. Land acquisition process should involve all stakeholders;
   g. Compensation should be proper and fair; the forms and amount of compensations are based on consensus among parties with reference to Appraisers’ valuation result conducted plot by plot of land.

93. Law 2 of 2012 recognizes non-land rights holders. Elucidation of Article 40 of the Law 2 of 2012 stipulates that in case that buildings, plants, or other objects related to land are owned without a land title, compensation shall be given to the owners of the buildings, plants, or other objects related to land. Article 570 of the Civil Code (KUH Perdata) provides that private property other than land (buildings, plants or any other objects) must be respected as provided under Law 39 of 1999 on Human Rights. Article 29 of Law 39 of 1999 says that every person is entitled to protection of their property right. Article 36 stipulates that property right cannot be taken without due process and against the law. Further, Article 37 provides clear guidance that any property right taken for public use must be compensated. Article 570 of the Civil Code also stipulates that every owner of material property has a right to sue anyone who mater it, to refund the material in such circumstances as before.

2. ADB’s Safeguards Requirement 2 (SR2) and Other Crosscutting Policy Themes

94. The objectives of SR2 of the 2009 SPS are to: (i) avoid involuntary resettlement wherever possible; (ii) minimize involuntary resettlement by exploring project and design alternatives; (iii) enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-project levels; and (iv) improve the standards of living of the displaced poor and other vulnerable groups. The scope of the safeguards includes physical replacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihood as a result of (a) involuntary acquisition of land, or (b) involuntary restrictions on land use or on access to legally designated parks and protected areas. It also stipulates whether the losses and involuntary restrictions are full or partial, permanent or temporary. Resettlement is considered involuntary when displaced individuals or communities do not have the right to refuse land acquisition that result to displacement. This occurs in cases where (i) lands are acquired through expropriation based on eminent domain; and (ii) lands
are acquired through negotiated settlements, if expropriation process would have resulted upon the failure of negotiation. Listed in Appendix 14 are the general policy principles in SR2.

95. The SR2 of ADB’s 2009 SPS adopts a holistic approach in development as it mandates the incorporation of its other crosscutting policy themes, such as the following:

   a. **Gender and Development (1998).** It adopts gender mainstreaming as a key strategy for promoting gender equity, and for ensuring that women participate and their needs are explicitly addressed in the decision-making process for development activities;

   b. **Public Communications Policy (2011).** It seeks the active participation of affected people and other stakeholders during the development and review of safeguard policies on ADB-assisted programs and projects, consistent with ADB’s OM Section F1/OP (March 2010); and

   c. **Accountability Mechanism Policy (2012).** It is part of ADB’s continued efforts to enhance its capacity in responding to and/or resolving the problems associated with the implementation of its policies in all programs or projects it assists. It consists of a consultation phase and a compliance review phase, by which the problems or issues raised by the affected people and/or stakeholders are investigated and resolved.

C. **Analysis of Gaps**

96. The Land Acquisition Law No. 2/2012 and its implementing rules and regulations approximately harmonize with the ADB SPS of 2009 and DFAT policy. The new law grants that persons with no legal title over the land they occupy or utilize are entitled to compensation for improvements found thereon, including compensation for job and business losses, moving cost, etc.16. A land acquisition plan also needs to be prepared by the agency requiring land. People affected by land acquisition are consulted and their complaints heard and resolved in the most expeditious way during the planning and implementation of land acquisition.

97. While there are still some gaps between the Land Acquisition Law and ADB SPS of 2009, such gaps are addressed by provisions of other relevant laws, regulations, and guidance. The main gap is the provision of livelihood recovery programs for severely affected people and vulnerable groups to ensure that their lives will not be worse due to the project, and relocation assistance for physically displaced residents as well as transition allowance. A comparison of ADB SPS 2009 and Indonesian legislation is presented in Table 8 below.

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15 See Law No.2/2012 Elucidation of Article 40.

16 Elucidation of Article 40 of Law No. 2/2012 explains the following provisions: For building rights or rights of use that is above land not his own, compensation is granted to the holder of the right to build or use rights on buildings, plants, or other objects related to land owned by him/her, while compensation for land is granted to the holder of the ownership or management rights.
Table 8: Gaps between Government Land Acquisition Law and Regulations and ADB SPS

<table>
<thead>
<tr>
<th>Principles</th>
<th>Indonesian Regulations: Law No 2/2012 and Implementing Regulations and other relevant laws and regulations</th>
<th>ADB Policy</th>
<th>Gaps</th>
<th>Project Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of compensation and bases of calculation:</td>
<td>Compensation will be provided based on valuation of independent appraiser for a parcel by parcel of land that include (i) land; (ii) over ground and underground spaces; (iii) buildings; (iv) plants; (v) objects related to land and/or; vi) other appraisable loss, such as loss of business, jobs, change of profession, and moving costs. For affected buildings, MAPPI applies <em>solatium</em> (emotional compensation) of 5% - 30% of the total compensation for physical loss.</td>
<td>The rate of compensation will be calculated at full replacement cost that will be based on; (i) fair market value; (ii) transaction cost; (iii) interest accrued; (iv) transitional and restoration cost; and (v) other applicable payment. No deduction on taxes and administrative costs for affected lands, as well as depreciation in the value of the affected structure will be applied.</td>
<td>The law is silent on the issue of whether or not depreciation will be applied when calculating compensation for affected structures. Valuation standards set by the Independent Appraisers Association (MAPPI) indicates that depreciation for physical condition of the affected building is applied in order to meet sense of justice. For affected buildings, MAPPI applies <em>solatium</em> (emotional compensation) of 5% - 30% of the total compensation for physical loss.</td>
<td>Persons who own, control, use and utilize land acquisition object are entitled for compensation. Lack of formal legal title to land is not a bar to entitlement. The principle of full replacement cost will be applied. Capital gains tax and the costs of transferring ownership, including the cost of new land certificates, will not be deducted from the compensation of those who will lose lands. If any structure is to be affected, compensation at full replacement cost for affected structures will be determined based on the replacement cost of a new building with adjustment with physical condition.</td>
</tr>
<tr>
<td>Principles</td>
<td>Indonesian Regulations: Law No 2/2012 and Implementing Regulations and other relevant laws and regulations</td>
<td>ADB Policy</td>
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<tr>
<td>Relocation assistance: Transitional allowance.</td>
<td>Options for relocation shall be deliberated with entitled parties. Moving cost is covered under the compensation elements.</td>
<td>If there is relocation, provide assistance for physically or economically displaced persons including secure tenure to land and housing with comparable access to employment and production opportunities; provide moving and transitional support e.g. land preparation, training, access to credit, civic infrastructure and community services if required.</td>
<td>Law No. 2/2012 and PP No. 71/2012 are silent about transition assistance for physically relocating APs. The Indonesia appraiser standard provides <em>solatium</em> for the building / structure owners including physically relocated AHs.</td>
<td>Transition and moving allowance will be provided for relocating AHs</td>
</tr>
<tr>
<td>High Risk of Impoverishment</td>
<td>Entitled party means any party by whom objects of the acquired land are owned. Entitled party with high risk of impoverishment is not covered in the Land Acquisition Law. However, it is covered under the Law No. 11/2009 on Social Welfare and its implementing regulation Ministry of Social Welfare Decree No. 39/2012.</td>
<td>Particular attention must be given to the needs of poor APs and vulnerable AHs that face the risk of further marginalization and impoverishment.</td>
<td>Law No. 2/2012 and PP No.71/2012 are silent about paying special attention to poor APs, vulnerable AHs and severely affected AHs.</td>
<td>Livelihood / income rehabilitation program will be provided to severely affected and vulnerable APs. Programs for vulnerable groups refer to Law No. 11/2009 and its implementing regulations. In this Law, the regional government is responsible for addressing these issues.</td>
</tr>
<tr>
<td>Principles</td>
<td>Indonesian Regulations: Law No 2/2012 and Implementing Regulations and other relevant laws and regulations</td>
<td>ADB Policy</td>
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<tr>
<td>Monitoring of LARP Implementation</td>
<td>Monitoring and evaluation of the implementation of the LARP shall be carried out by the local government. The National Land Agency shall monitor and evaluate the occupation, ownership, use and utilization of land acquisition results for the development in public interests.</td>
<td>ADB requires monitoring of LARP implementation by the executing agency for resettlement category B projects, and by an independent external organization for resettlement category A projects.</td>
<td>Law No. 2/2012 and PD No, 71/2012 are silent about monitoring on resettlement impact to the entitled parties and external monitoring by independent external party</td>
<td>With less than 200 APs involved, the Project is categorized as B, meaning that an assessment of social impacts is required. The CMC will conduct a socioeconomic survey by interviewing AHs who were relocated from the WWTP site and compare with their pre-resettlement conditions, to assess the success and/or failure of the resettlement program.</td>
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</table>
D. Project Policy Commitments

98. From the Project principles, the DGHS has formulated the following policies for MSMIP and commits itself that it will observe and implement the following in transparent manner:

(i) Permanent or temporary acquisition of land that will result in physical and/or economic displacements of persons or households will be avoided or minimized, as much as possible, by identifying feasible alternatives in Project engineering design, alignment of the pipelines, access roads, and work stations.

(ii) The DGHS, through the IA, will conduct due diligence on the ownership of affected assets, and identify 100% of the APs who are severely and marginally affected by land restriction and/or land acquisition. Severely affected APs are those who stand to lose 10% or more of their economic and important assets while marginally affected APs are those who will lose below 10% of the same.

(iii) A demographic and socioeconomic survey will enable segregation of APs by gender and income as basis for updating the compensation and assistance due to them.

(iv) Joint participatory consultations and meetings with Project-based stakeholders, APs and affected villages and community organizations will be carried out throughout the resettlement planning and implementation phase as well as during the updating and implementation of the LARP. Women, persons with disabilities, and the elderly will be invited to participate in the consultations and meetings. The comments and suggestions of the APs will be recorded and taken into account for consideration in the updating or implementation of the LARP, where legally acceptable and ethically relevant.

(v) APs will be systematically informed and consulted about the Project, the rights and options available to them, the proposed mitigating measures, special assistance measures to vulnerable groups and the need for the preparation of LARP. The LARP will be disclosed in a language largely spoken by the APs and involve them in the decision-making process.

(vi) Compensation on the affected properties of APs will be based on replacement cost, without provisions for deduction of the following: (i) stamp, duties, fees or other payments in case of land; and (ii) depreciation and salvage value of construction materials in case of houses and other structures.

(vii) Payment of compensation to APs will not be differentiated between the male and the female household heads.

(viii) Special assistance measures will be provided to the severely affected APs who shall become vulnerable due to the project, with particular attention to women, children without means of support, disabled, the elderly and landless and people with incomes below the generally accepted poverty threshold for the province.

(ix) The project will strive to improve, or at least restore, the livelihood of all displaced persons through i) land based resettlement strategies when affected livelihood are land based where possible, or cash compensation at replacement cost for land when the loss of land does not undermine livelihood, ii) prompt replacement of assets with access to assets of equal or higher value, iii) prompt compensation at
replacement cost for assets that cannot be restored, and iv) additional measures and services through benefit sharing schemes, where possible.

(x) Appraisal of affected lands will be carried out by duly licensed independent appraiser and replacement cost surveys of other affected assets will be carried out as bases for compensation of APs, based on replacement costs, in compliance with the compensation policy of the GoI, ADB and DFAT.

(xi) All APs whose names are included in the cut-off date of the census established by the head of the district are entitled to receive compensation. APs that do not have land certificate or any recognizable legal rights to land will be provided with assistance and compensation for non-land assets, at replacement cost, so long as they are included in the census. APs residing, working and/or doing business during the DMS for the update of the LARP are entitled to be compensated for their lost assets, incomes and businesses at market prices prevailing at the time of compensation.

(xii) Improve the standard of living of the poor APs and other vulnerable groups with appropriate income/livelihood development program.

(xiii) Project authorities will prepare a land acquisition and resettlement plan (LARP) with detailed description of potential impacts due to land acquisition, entitlements for all types of losses, relocation strategy where affected households are physically displaced, livelihood restoration strategy, effective institutional arrangements and human resources for consultation, liaison, land acquisition, resettlement and monitoring to ensure the efficient implementation of LARP.

(xiv) An effective mechanism for arbitration of grievance redress will be established. One of the members of the grievance and redress committee will either come from the project-based stakeholders, APs, or women’s organization.

(xv) Adequate budgetary support for payment of compensation, assistance, and resettlement will be allocated in the annual budget and released to APs during LARP implementation.

(xvi) A reliable and efficient database system will be established for the internal monitoring of LARP implementation.

(xvii) The DGHS, upon compliance of the foregoing policies, including the resolution of all grievances and complaints raised prior to implementation of the WWTP, will request DFAT for its “No Objection” for the award of civil works contract/s.

E. Eligibility

99. Affected persons (APs) are those who are economically displaced (loss of land, assets, access to assets, income sources, or means of livelihood) 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. APs in a project area can be categorized in three types; (i) persons with formal legal rights to land lost in its entirety on in part (ii) persons who lost the land they occupy in its entirety or in part who have no legal rights to such land, but

17 Safeguard Requirement 2: Involuntary Resettlement, footnote 1
who have claims to such lands that are recognized or recognizable under national laws; and (iii) persons who lost the land they occupy in its entirety or in part who have neither formal legal rights nor recognized or recognizable claims to such land. The involuntary resettlement requirements apply to all three types of displaced persons.

100. The eligibility of the WWTP APs/AHs is based on the: (i) Project Policy Commitment, (ii) Law 2 of 2012 about Land Acquisition Process for Public Interest and its supporting regulations, and (iii) ADB SPS SR2 about Involuntary Resettlement. The APs eligible to receive compensation and/or assistance are: (i) 16 AHs owning the houses on the WWTP site and other 11 AHs that are living with their parents or relatives, so in total there are 27 AHs; and (ii) the Timber Factory which building and business would be partially affected by project. The cut-off date for the WWTP is 27 November 2013, when in the consultation meeting the AHs agreed that the individual names in the list made by the head of Sei Selayur Village (Lurah) would be the last AHs names, with one addition for the Timber Factory. Households or persons who established their houses, structures, business or planted crops after 27 November 2013 therefore were considered not eligible to receive compensation. In the course of the recent reassessment of entitlements and compensation amounts, eligibility for compensation has been updated to present demographic conditions and (house) construction prices so as to not deprive APs of adequate compensation.

F. Land Acquisition Process

101. The payment for the landowners for the WWTP site occurred during 2012 and 2013 as explained above and the land is now owned by Palembang City.

102. A budget for compensation payments to the AHs at the WWTP site had been secured in 2013. However, due to several circumstances, payments could not be carried out. Based on the recent revision of compensation data, payments will be made as soon as possible. The AHs are entitled to allowances and benefits in accordance with the Law 2 of 2012, and the project’s policy commitment above.

VIII. ENTITLEMENTS, ASSISTANCE AND BENEFITS

A. Objective

103. The DGHS, through the CPMU, will ensure that the Project provides adequate opportunities for the APs to derive benefits from the Project so that their livelihoods are stable, potentially better, and not worse off during and after implementation, and that vulnerable people see an improvement in their livelihoods. Section IV above details the APs on the WWTP site who are eligible for compensation.

B. Entitlement Matrix

104. Guided by the Project policy commitments, the Entitlement Matrix (EM) in Table 9 below summarizes the entitlements of APs based on the impacts of land acquisitions.
<table>
<thead>
<tr>
<th>Type of Loss</th>
<th>Application</th>
<th>Eligible Person</th>
<th>Project Entitlement and/or Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Entitlements:</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Compensation will be paid in cash or in kind, at replacement cost, based on the appraisal by an independent appraiser/s.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• In case of partial loss of land, if the remaining land is no longer viable for its use, full acquisition of the land with corresponding compensation based on the appraisal by an independent appraiser/s.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• The land appraisal will only be valid for a year.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Exemption from paying tax on compensation and administrative cost for the affected land.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Land replacement for agricultural land as per provisions in the Law No. 41/2009 on Agricultural Land for Sustainable Food Protection</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Assistance:</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• The City or District Government will shoulder the reconstitution of land ownership document of the residual of affected land</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Priority for employment of a household member on a project-related job.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Entitled to participate in the Livelihood Restoration Program</td>
</tr>
<tr>
<td>1. Permanent loss of land</td>
<td>Lands partially or fully affected by WWTP and associated facilities.</td>
<td>AP or AH with certificate (formal legal rights) or recognized as a full title.</td>
<td></td>
</tr>
<tr>
<td>2. Loss of House and Other Structures</td>
<td>All houses and other structures in the defined WWTP site boundaries recorded in the joint inventory of losses and socioeconomic survey (IOL/SES) questionnaire.</td>
<td>Owners of the houses and/or other structures who were recorded in the IOL/SES.</td>
<td><strong>Entitlement:</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Right of information 90 days before the schedule of relocation or dismantling of house or structure before the start of land clearing.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Compensation for house and/or structure at replacement cost based on actual market price of material and cost of labor for dismantling, transfer, and rebuild</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• No deduction of depreciation or the remaining values of salvageable materials, or.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• If the impact on the main house/structure is more than 50% or less than 50% but will affect to the stability of the main house/structure, the project will acquire the entire house/structure at full replacement cost.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Assistance:</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Provision of transportation assistance, equivalent to a lump sum amount of Rp. 600,000 to relocating AH for the transfer of houses and belongings.</td>
</tr>
<tr>
<td>Tenants of the houses who were recorded in the IOL/SES.</td>
<td></td>
<td></td>
<td>• Assignment of personnel from the city or district government to assist the AP or any member of the AH who are elderly, pregnant woman about to deliver a child, person with disability, etc.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Subsistence allowance of 10 kg of milled rice per person in the household for 3 months or lump sum amount of Rp. 80,000/person/month.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Priority for employment of any member of the AH in Project-related job.</td>
</tr>
<tr>
<td>Tenants of the houses who were recorded in the IOL/SES.</td>
<td></td>
<td></td>
<td><strong>Assistance:</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Three months rental assistance.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Provision of transportation assistance to relocating AP and/or AH for the transfer of houses and belongings.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Assignment of personnel from the city or district government to assist the AP or any member of the AH who are elderly,</td>
</tr>
<tr>
<td>Type of Loss</td>
<td>Application</td>
<td>Eligible Person</td>
<td>Project Entitlement and/or Assistance</td>
</tr>
<tr>
<td>-------------</td>
<td>-------------</td>
<td>-----------------</td>
<td>---------------------------------------</td>
</tr>
</tbody>
</table>
|             |             | pregnant woman about to deliver a child, person with disability, etc.  
|             |             | • Subsistence allowance equivalent of lump sum amount of Rp. 80,000/person/month for three months.  
|             |             | • Priority for employment of any member of the AH in Project-related job.  
|             |             | AHs living with their parents or with permission of their parents | • Provision of transportation assistance to relocating AP and/or AH for the transfer of houses and belongings.  
|             |             | | • Assignment of personnel from the city or district government to assist the AP or any member of the AH who are elderly, pregnant woman about to deliver a child, person with disability, etc.  
|             |             | | • Subsistence allowance equivalent of lump sum amount of Rp. 80,000/person/month for three months.  
|             |             | | • Priority for employment of any member of the AH in Project-related job.  
| 3. Loss of Small Business | All small businesses in the defined WWTP site boundaries recorded in the joint IOL/SES questionnaire. | Eligible AP or AH with or without certificate to the land they occupy, and who were recorded in the IOL/SES. | **Assistance:**  
|             |             | | • Compensation for loss of Business income equivalent to three (3) months’ income.  
|             |             | | • Assistance in locating a new site for business equivalent to or better than the previous location, in consultation with the AP or AH.  
|             |             | | • Automatic inclusion in livelihood development programs sponsored by the City Government.  
|             |             | | • Transport/shifting allowance.  
| 4. Loss of Trees and/or Crops | All fruit trees in the defined WWTP site boundaries recorded in the joint IOL/SES questionnaire. | Eligible AP or AH with or without certificate to the land they occupy, and who were recorded in the IOL/SES. | **Compensation for Fruit trees and crops:**  
|             |             | | • Compensation for fruit trees will be based on the age, productivity and type, as established by the Governor of South Sumatra (PerGub 19/2014). APs will be allowed to continue to harvest until the land is needed for clearance and handing over for civil works.  
|             |             | | • Compensation for crops will be based on the volume of harvest multiplied by unit price prevailing at the time of compensation, as per recommendation of KJPP.  
| 5. Assistance to vulnerable AHs | Vulnerable AHs recorded in the joint IOL/SES questionnaire. | Eligible AP or AH with or without certificate to the land they occupy, and who were recorded in the IOL/SES. | • Vulnerable allowance equivalent of Rp. 80,000/person/month for three months.  
|             |             | | • Priority for employment of any of their adult household members in Project-related jobs, and/or  
|             |             | | • Inclusion in the livelihood development programs being sponsored by the City Government.  

## II. For APs Affected by WTC

<table>
<thead>
<tr>
<th>Type of Loss</th>
<th>Application</th>
<th>Eligible Person</th>
<th>Compensation and/or Assistance</th>
</tr>
</thead>
</table>
| 1. Temporary limitation of use of land. | Land for temporary work stations, storage of equipment and sewer pipes. | AP or AH with certificate (formal legal rights) or recognized as a full title. | **Compensation:**  
|             |             | | • Project contactor will pay lease or rent to the owner on the agreed period for using the land based on prevailing rental cost and agreement with the land owner.  
|             |             | | • For productive land, rental fee will not be less than net income obtained from the said productive land.  
|             |             | | • Restoration of the land to its original condition, or better, prior to its return to the land owner.  
|             |             | | **Assistance:**  
|             |             | | • On behalf of the land owner, the LPIU will check if the land has been restored to its original condition, or better.  


<table>
<thead>
<tr>
<th>Type of Loss</th>
<th>Application</th>
<th>Eligible Person</th>
<th>Project Entitlement and/or Assistance</th>
</tr>
</thead>
</table>
|                              |                                                  | AH and individual or institutional AP (public or private). | **Compensation:**
|                              |                                                  |                                                      | • Payment of compensation by the contractor for any properties lost or damaged based on replacement costs, including cost of labor for dismantling and restoration thereof.  
|                              |                                                  |                                                      | • Restoration of the land to its original condition, or better, prior to its return to the land owner. |
|                              |                                                  |                                                      | **Assistance:**
|                              |                                                  |                                                      | • LPIU will inform the public at least 45 days before the start of digging activities.  
|                              |                                                  |                                                      | • Digging of lands will be scheduled, one at a time, by the Project contractor for the systematic and continuous flow of traffic by motorists.  
|                              |                                                  |                                                      | • LPIU will check if the lands besides the pumping stations and lands impacted by installation of sewer pipes have been restored to their original condition, or better. |
| 2. Damage to structures.     | Affected structures like fences, gates and other development made on the land. | Owner of the affected structure (AP or AH with or without certificate to the land). | **Compensation:**
|                              |                                                  |                                                      | • Contractors are responsible for restoring affected structures to their original condition at no cost to the owner.  
|                              |                                                  |                                                      | • Re-installation of affected utilities in the structure like electricity, telephone, and/or water connections. |
| 3. Temporary loss or limitation of access | Closure of traffic in some road sections during the installation of sewer pipes. | Motorists | **Assistance:**
|                              |                                                  |                                                      | • Project contractor to provide signage that inform the public and motorists of safety precautions and rerouting schemes.  
|                              |                                                  |                                                      | • The LPIU will check if the lands in the affected road sections impacted by installation of sewer pipes have been restored to their original condition, or better. |
|                              | Limitation of access to and from the business shops. | Pedestrians, buying public and shop owners. | **Assistance:**
|                              |                                                  |                                                      | • Contractor will be advised to provide planks in strategic places to facilitate temporary access by pedestrians, buying public and shop owners.  
|                              |                                                  |                                                      | • The LPIU will check if the lands on the affected road sides have been restored to their original condition, or better. |
| 4. Disruption of business    | Small business occupying the sidewalks.           | APs doing their business on the sidewalks.           | **Assistance:**
|                              |                                                  |                                                      | • The contractor will utilize construction methods that avoid or minimize disruptions to informal/small businesses.  
|                              |                                                  |                                                      | • In consultation with the APs, the LPIU will assist in temporary relocation of small business operations and facilitate their transfer before the digging of the lands.  
|                              |                                                  |                                                      | • The LPIU will check if the lands on the affected road sides have been restored to their original condition, or better. |

**C. Gender Strategy**

105. The LPMU, with assistance from CMC, will carry out the following specific actions to address gender issues in the Project:

a) During the updating of this LARP, both men and women were invited to participate in the discussions during public meeting and providing inputs.

b) A male representative and a female representative of the AHs will be invited to participate in the resolution of grievances and complaints.
c) Gender issues will be included in the training on Project implementation by CMC to concerned personnel of the CPMU, PPIU, and the LPMU and LPIU in the City Government of Palembang.

d) Gender segregated data for socio economic survey and resettlement monitoring report.

D. Assistance to Vulnerable Households

106. The 23 AHs (residing in 12 houses) who were noted to have income deficits and/or female or elderly headed households, will be provided with additional assistance, under the Project. These households are identified in Table 5 and Appendix 7. Consistent with the provisions in the EM, such assistance will include: (i) vulnerable allowance of 10 kg of milled rice per member of the household for 3 months OR a lump sum amount of Rp. 80,000/person per month for three months; (ii) priority for employment of any of their adult household members in Project-related jobs, and/or (iii) inclusion in livelihood development programs being sponsored by the City Government. While they are given food subsidy, the CPMU, on behalf of the DGHS, will request the City Government of Palembang to grant them additional subsidy for fuel and health care.

107. Details related to relocation of housing and settlements, income restoration and rehabilitation are provided in sections IX and X.

IX. RELOCATION OF AHs

108. As regulated and agreed in the Project Policy Commitment, “Project authorities will prepare a land acquisition and resettlement plan (LARP) with detailed description of potential impacts due to land acquisition, entitlements for all types of losses, relocation strategy where affected households are physically displaced…” The first attempt was to include the AHs to be relocated at the ongoing housing program for low-income communities (MBR) nearest to the Kalidoni District in the program initiated by the City Government two years ago in cooperation with the Ministry of Housing. Apparently, the only available low-income housing was situated in Kertapati Sub District, approximately 19 km from the WWTP site. The houses were developed in a wetland area on a concrete platform and of around 100 houses in the proposed area only 30 were occupied and were in poor condition. The rest were in a very poor state of repair and/or empty with broken windows and no doors. This made clear the option was not viable to apply. Another possible housing location closer to the WWTP site was in Sub District Sei Selincah in Kalidoni District, with distance from the site was about 3.3 – 4 km but since it was private sector commercial housing, the price was considerably higher than the affordable budget of the AHs.

109. Another option for housing discussed with the City of Palembang was the use of a location at the front of the IPAL site (on site); on the northwestern corner of the site adjacent to the Police station and the PUSRI access road for the resettlement site. It was agreed that this option was not viable due to environmental safeguards requirements which stipulate a distance of houses/settlements of no less than 500 meters from a wastewater treatment installation. Another option considered was to approach the provincial government for use of the adjoining provincial land, which is already a de facto residential area with an estimated 800 households, located on the land without building permission of the City.
110. The updated situation about the housing options was as reported in the housing options report prepared by the IndII consultant in March 2015. Generally, the report concluded that there were two options to be offered to the 17 AHs whose houses were affected by the project, Option 1: Cash only, and Option 2: Housing with a long-term lease arrangement. The report was discussed with DFAT in April 2015. Consultations between the LG and DFAT resulted in an understanding that cash payment was considered the only viable option. During the public consultation on February 14, 2017, the AHs were informed about potential subsidized housing options through APERSI (Asosiasi Pengembang Perumahan dan Perumkiman Seluruh Indonesia) as well as contact information (see Appendix 11, Minutes of Meeting).

111. Physically relocating APs will be provided with relocation assistance, transitional support, subsistence allowance, and priority for employment of any member of the AH in Project-related job set forth in the above entitlement matrix.

X. INCOME RESTORATION AND REHABILITATION

112. Income restoration will be provided to the severely affected AHs and vulnerable groups. The two AHs owning small eateries cum coffee shops already had moved their businesses by the time of the February 2017 consultation. Nevertheless, they are still entitled to business compensation amounting to the equivalent of 3 months’ previous income.

113. The 23 vulnerable AHs (6 falling in multiple categories) in the project (see Table 7), which are 7 female-headed AHs, 13 elderly AHs and 9 AHs under the poverty line will be provided additional assistance. Consistent with the provisions in the EM, such assistance will include: (i) subsistence allowance of 10 kg of milled rice or a lump sum amount of Rp. 80,000 per member of the household per month for 3 months; (ii) priority for employment of any of their able-bodied household member in Project-related jobs; and (iii) inclusion in livelihood development programs being sponsored by the City Government.

114. The City Government in its 5-year plan (RPJMD Palembang City 2013-2018) has a poverty reduction program (Program Keluarga Harapan), which is an ongoing program and consists of the training and education as listed in Table 10 below. Six of the AHs have expressed interest in being provided with Training as indicated in Table 11. The exact timing of the programs is not yet determined. LPMU is committed to provide eligible APs with the opportunity to participate in the training and education.
Table 10: Poverty Reduction Programs

<table>
<thead>
<tr>
<th>Name of Program and Target</th>
<th>Responsible Authority</th>
<th>Budget (million IDR)</th>
<th>Eligible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business skill training for poor families (1 KUBE activity, with 60 person target participants in 3 batches)</td>
<td>Palembang City LG through Dinas Sosial</td>
<td>497</td>
<td>APs categorized as poor under the regional government threshold</td>
</tr>
<tr>
<td>Technical assistance for street vendors and shifting sellers (with 60 target participants)</td>
<td>Palembang City LG through Dinas Perdagangan dan Kooperasi</td>
<td>50</td>
<td>APs, who want to run small business categorized as street vendors or shifting sellers</td>
</tr>
<tr>
<td>Assistance for business place management of street vendors (1 time, throughout the City)</td>
<td>Palembang City LG through Dinas Perdagangan dan Kooperasi</td>
<td>950</td>
<td>APs, in particularly 2 APs who currently have small businesses (coffee shop and eatery)</td>
</tr>
<tr>
<td>Training and education for job seekers (300 participants in 30 training classes/batches)</td>
<td>Palembang City LG through Dinas Tenaga Kerja</td>
<td>1,200</td>
<td>APs, who still categorized as in labor force age group (15-55 years old), particularly youth group before 30 years old?</td>
</tr>
<tr>
<td>Assistance on preparation of ready to use man power or penyiapan tenaga kerja siap pakai (25 target participants)</td>
<td>Palembang City LG through Dinas Tenaga Kerja</td>
<td>130</td>
<td>APs, who have interests and selected for the assistance</td>
</tr>
<tr>
<td>Facilitation and training for community independence business or usaha mandiri kerakyatan (25 target participants)</td>
<td>Palembang City LG through Dinas Tenaga Kerja</td>
<td>210</td>
<td>APs, who have interests and selected for the assistance</td>
</tr>
</tbody>
</table>

Source: RPJMD Palembang City 2013-2018 (Perda No. 5/2014)

Table 11: AH Interest in Training

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of Main HH Head (2017)</th>
<th>Name of HH Head</th>
<th>Interested?</th>
<th>If Yes, What kind of Training?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Khusnun</td>
<td>Khusnun</td>
<td>Yes</td>
<td>Small Business</td>
</tr>
<tr>
<td>2</td>
<td>Iwan Adrianto</td>
<td>Iwan Adrianto</td>
<td>Yes</td>
<td>Sewing / Farming</td>
</tr>
<tr>
<td>3</td>
<td>Romi</td>
<td>Romi</td>
<td>Yes</td>
<td>Mechanical / Electrical</td>
</tr>
<tr>
<td>4</td>
<td>Abdul Karim</td>
<td>Abdul Karim</td>
<td>Yes</td>
<td>Small Business</td>
</tr>
<tr>
<td>5</td>
<td>Talleng</td>
<td>Talleng</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Sulaiman</td>
<td>Sulaiman</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Sophia Alm (Acek Ramah)</td>
<td>Dimansyah</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Yakub</td>
<td>Yakub</td>
<td>Yes</td>
<td>Small Business</td>
</tr>
<tr>
<td>9</td>
<td>Tobing</td>
<td>Tobing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Wancik Teguh</td>
<td>Wancik Teguh</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Abbas Alm (Misran)</td>
<td>Misran</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>M. Isa Alm Nisa</td>
<td>Nisa</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Sumanto</td>
<td>Sumanto</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Nora</td>
<td>Yayat</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Samsuri Alm (Turinik)</td>
<td>Samsuri</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Hafizah</td>
<td>Jumain</td>
<td>Yes</td>
<td>Small Business</td>
</tr>
</tbody>
</table>

Totals: 6
XI. RESettlement BUDGET

A. Replacement Cost Rates

115. Land. The replacement cost rate used for the affected lands was based on the negotiated rate of Rp 400,000/m² at which the compensation has been paid to the land owners for the land already acquired. The agreed rate is higher than the rates based on the tax value (Nilai Jual Obyek Pajak, NJOP) and fell within the market price-range (low price was Rp 360,000/m² and the high price was Rp 500,000/m²) suggested by the professional appraiser in their report. Compensation payments amounted to Rp. 23,292,000,000. (See Appendix 7).

116. House and Structures. The affected houses are made mainly of timber with galvanized iron roofs. All structures are semi-permanent or temporary in nature. The KJPP (Kantor Jasa Penilai Publik) valued the compensation (without depreciation) for houses at Rp. 1,614,590,780.

117. Crops and Trees. There is no standard practice for appraising the value of fruit trees in Indonesia. The KJPP valued the compensation for trees and crops, based on the inventory taken in 2016 and the Peraturan Gubernur Sumatera Selatan 19/2014. The compensation for trees/fruit crops is assessed at Rp. 23,193,608.

B. Allowances & Assistance

118. In addition to the compensation for land, structures and crops and trees, the following allowances and assistance is proposed for the affected households:

- **Solatium.** Defined as a form of compensation for emotional rather than physical or financial harm, solatium ranges from 5% to 30% of the value of the structure according to the length of time it has been occupied by the household.

- **Transportation Allowance.** A lump sum transport/relocation allowance of Rp. 600,000 is provided for each relocating household.

- **Business loss.** Two households stand to lose business incomes due to the physical displacement. These households are provided with an assistance allowance equivalent to three (3) months’ income. This is estimated at Rp. 12,000,000 in total.

- **Waiting Period.** Compensation for the time taken to process the payment equivalent to 3 months’ interest at a rate of 7% pa.

- **Subsistence Allowance.** The relocating households are entitled to a subsistence allowance of 10 kg of milled rice per person in the household for 3 months. In lieu of the rice, a lump sum amount of Rp. 80,000/person/month for 3 months is provided for each relocating household.

- **Vulnerable Household Allowance.** Vulnerable households, those below the poverty line or facing the risk of falling below poverty line, and female or elderly headed households, are provided additional assistance equivalent to 10 kg of milled rice per person in the household for 3 months. In lieu of the rice, a lump sum amount of Rp. 80,000/person/month for 3 months is provided.
C. Administration and Internal Monitoring

119. The budget for the administration of the LARP is equivalent to 5% of the total costs of compensation to AHs. From this total, there are allocations for the following expenses:

(i) Administration (60%), including the administration costs already incurred for the acquisition of the land for WWTP Sei Selayur.
(ii) Sensus / survey (5%) for affected structures & trees / fruit crops in areas of the sewer network where land excavation will take place.
(iii) Meetings and consultations (20%) that will be undertaken with people in the communities in areas that will be affected by excavation for the sewer network.
(iv) Grievance resolution (15%) for the resolution of disputes that may arise related to compensation.

120. Excluded from the administration costs of LARP are the salaries of personnel of the CPMU, PPIU, and the LPMU and LPIU at the City Government of Palembang since they are already receiving regular salaries from their respective office. The expenses related to the inputs of the resettlement experts are part of the CMC contract and excluded from this budget.

D. Damage during Construction of Sewer Network

121. Given the working widths and coverage of the sewers on some narrow streets, it is possible that there are properties that could be damaged or affected like gates, fences or walls, or trees. This may also happen during the connection of sewers to the households. For any damage to private properties during the construction period, the contractors will be liable and are contractually obliged to have Third Party Insurance. The contractors are responsible to assess and restore the affected parts in accordance with the provisions of the works contracts. Contractors are contractually obliged to provide record of the assessment and conduct consultation with the owner of affected properties.

E. Compensation Payments

122. The individual compensation of the AHs will be paid in full in the form of a cheque issued in the joint name of husband and wife or transfer to a designated joint bank account (rekening tabungan). Cheques can be encashed at the bank designated by the City Government of Palembang. The APs/AHs, or his/her authorized representative, must pick up the cheque (or transfer receipt) personally at a designated office. The individual compensation of the APs and the AHs is provided in Appendix 7.

F. Summary and Financing of Resettlement

123. As summarized in Table 12, the overall cost of updating and implementing the LARP was estimated at Rp 29.019 billion (AUD 2.902 million) for inclusion in the Project investment. The City Government of Palembang will ensure timely provision of funds and will meet any unforeseen obligations in excess of the resettlement budget in order to meet the social safeguards objectives of the Project.
<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Amount</th>
<th>AUD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Rp.</td>
<td>AUD</td>
</tr>
<tr>
<td>1.</td>
<td>Compensation for WWTP</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Land</td>
<td>23,292,000,000</td>
<td>2,329,200</td>
</tr>
<tr>
<td></td>
<td>Houses and structures</td>
<td>1,614,590,780</td>
<td>161,459</td>
</tr>
<tr>
<td></td>
<td>Solatium</td>
<td>113,639,310</td>
<td>11,364</td>
</tr>
<tr>
<td></td>
<td>Trees &amp; crops</td>
<td>23,193,608</td>
<td>2,319</td>
</tr>
<tr>
<td></td>
<td>Interest</td>
<td>11,621,312</td>
<td>1,162</td>
</tr>
<tr>
<td></td>
<td>Sub</td>
<td>25,055,045,108</td>
<td>2,505,505</td>
</tr>
<tr>
<td>2.</td>
<td>Allowances &amp; Assistance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Transport</td>
<td>16,200,000</td>
<td>1,620</td>
</tr>
<tr>
<td></td>
<td>Subsistence allowance</td>
<td>23,520,000</td>
<td>2,532</td>
</tr>
<tr>
<td></td>
<td>Vulnerability allowance</td>
<td>18,240,000</td>
<td>1,824</td>
</tr>
<tr>
<td></td>
<td>Business loss</td>
<td>12,000,000</td>
<td>1,200</td>
</tr>
<tr>
<td></td>
<td>sub</td>
<td>69,960,000</td>
<td>6,996</td>
</tr>
<tr>
<td></td>
<td>Sub</td>
<td>25,125,005,010</td>
<td>2,512,501</td>
</tr>
<tr>
<td>3.</td>
<td>Administration and Monitoring</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>60% Administration</td>
<td>753,750,150</td>
<td>75,735</td>
</tr>
<tr>
<td></td>
<td>5% Census</td>
<td>62,812,513</td>
<td>6,281</td>
</tr>
<tr>
<td></td>
<td>20% Public Consultations</td>
<td>251,250,250</td>
<td>25,125</td>
</tr>
<tr>
<td></td>
<td>15% GRM</td>
<td>188,437,538</td>
<td>18,844</td>
</tr>
<tr>
<td></td>
<td>sub</td>
<td>1,256,250,251</td>
<td>125,625</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>26,381,255,261</td>
<td>2,638,126</td>
</tr>
<tr>
<td></td>
<td>Contingencies</td>
<td>2,638,125,526</td>
<td>263,813</td>
</tr>
<tr>
<td></td>
<td>Grand Total</td>
<td>29,019,380,787</td>
<td>2,901,938</td>
</tr>
</tbody>
</table>
XII. INSTITUTIONAL ARRANGEMENTS

A. Overall Arrangement

124. The DGHS is the Executing Agency of MSMIP while the implementing agencies at the Project level are two units working together, the *Satuan Kerja* (SATKER) for South Sumatra Province as the Provincial Project Implementation Unit (PPIU) and the Palembang City Local Project Management Unit (LPMU). The DGHS will be responsible for the management of LARP and social issues which shall be updated by the CMC and implemented by SATKER and the LPMU. The DGHS has established the CPMU. The CMC is supported by two qualified and experienced resettlement specialists; one international resettlement expert, the other is a national resettlement specialist. The LAC will be also involved in this institutional arrangement for the Project. Their responsibilities are detailed in the following subsection.

B. Delineation of Responsibilities

125. **The CPMU and SATKER.** Acting on behalf of the DGHS, they will: (i) provide overall management and coordination of the Project; (ii) liaise with City Government to carry out the Project in Palembang City; (iii) support the LPMU in updating the LARP; and (iv) prepare Project progress reports including on land acquisition and resettlement submitted by the LPMU for information of MPWPH, and DFAT. Upon advice by the LPMU, request to DFAT its “No Objection” for the award of all civil works to the contractor/s. The CMC’s international resettlement consultant will prepare the compliance report, supported with photographs, for endorsement by DGHS to DFAT.

126. **The LPMU.** Acting on behalf of the City Government of Palembang, LPMU will: (i) provide adequate budgetary support to carry out the updating and implementation of the LARP; (ii) provide the main workforce in the updating and implementation of the LARP; (iii) engage the services of a duly licensed independent property appraisal firm or land valuation team for the appraisal of affected properties/assets as basis for setting up the unit replacement cost for affected lands and assets; and (iv) assist in the expeditious and judicious resolution of complaints of APs. The LPMU will coordinate with the LAC and work closely with the staff of the PPIU and CPMU.

127. **Project Implementation and Supervision Consultants.** Related to LARP updating and implementation, the CMC has recruited two resettlement consultants; one International Resettlement Expert, and one National Resettlement Specialist. The International Resettlement Expert will: (i) establish the baseline data; (ii) assist the BAPPEDDA in conducting consultations in communities that will be affected by the pipelines; (iii) update the RPs based on detailed engineering design and if necessary, prepare corrective action plan; and (iv) train the national expert for the succeeding activities. The National Resettlement Expert will: (a) assist the International Resettlement Expert on establishment of baseline data, (b) assist the BAPPEDDA in conducting consultations in communities that will be affected by the pipelines, update the LARP based on the DED, (c) conduct internal monitoring on LARP implementation, and, (d) upon completion of resettlement, inform the CMC Team Leader to notify the Office of the Mayor that will then advise the DGHS to request the issuance of “No Objection” by DFAT for the award of the WWTP civil works construction contract to the contractor/s.
128. **The Land Acquisition Committee (LAC).** As provided for in Regulation No. 5 of 2012 issued by the National Land Agency, the LAC is tasked with: (i) giving clarification or socialization to the APs; (ii) conducting research and inventory of land, building, plants and other assets relating to the affected lands; (iii) verifying the legal status of lands; (iv) announcing the results of verification and inventory of land; (v) receiving price valuation for lands, and/or buildings, and/or plants, and/or other assets from Land Valuation Agency or Land Valuation Team and official responsible for the valuation of other assets on the affected lands; (vi) conducting deliberation meetings with the owners and government institution requiring land to decide on the nature and/or amount of compensation; (vii) setting the amount of compensation for the affected lands and other assets; (viii) witness the payment of compensation, allowances and other assistance; (ix) preparing release of land title; (x) administering and documentation of all land acquisition files for submission to the government institution requiring lands and City Land Affairs Office; and (xi) submitting the complaints and the proposed solutions on land acquisition to the Mayor or Governor if no agreement is reached during the deliberation meetings.

### XIII. IMPLEMENTATION SCHEDULE

129. As envisaged, the LARP shall be implemented within seven months starting as of June/July 2017, including (i) approval of the budget by LG (done), (ii) approval of the LARP by DFAT/ADB, (iii) issuance of No Objection by DFAT, (iv) disclosure of the updated LARP and issuance of public notice on the implementation of the LARP, (v) award of civil works contracts, (vi) compensation payment, update of SES, inventory of housing arrangements made by the AHs and resolution of grievances filed by APs and/or AHs affected by the WWTP construction, (vii) clearing and handover of the WWTP site. The CPMU, in close coordination with PPIU, LPMU and the LAC, will implement the LARP upon receipt of official approval from DFAT. It will only award the civil works contracts to the civil works contractors after the LARP has been approved. Figure 2 shows the detailed activities and schedule in implementing the LARP related to the award of civil works contracts. Internal Monitoring and Reporting shall be carried out throughout all phases.
**XIV. MONITORING AND REPORTING**

**A. Internal Monitoring and Reporting**

130. The CPMU, PPIU and LPMU will have joint responsibilities in the internal monitoring of LARP implementation with results to be reported to DFAT (and at DFAT’s discretion to ADB) on a monthly basis. All activities are time bound and the progress of implementation will be obtained by the CMC from the field on a monthly basis and forwarded to the CPMU for assessment, and adjust the work program if necessary. Indicators for the internal monitoring will be those related to process and immediate outputs and results, such as the following: (i) further consultations with APs if required; (ii) resolution of complaints (iii) status of payments of compensation; (iv) relocation of AHs; (v) monitoring and reporting on income restoration. A reporting template is included as Appendix 15.

**B. Social Impact Assessment**

131. The ADB Safeguards Policy Statement defines the following categorization of projects:\(^\text{18}\)

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\(^\text{18}\) [http://www.adb.org/site/safeguards/safeguard-categories](http://www.adb.org/site/safeguards/safeguard-categories)
i. **Category A:** Significant involuntary resettlement impacts (significant if 200 or more persons will experience major impacts), which are defined as (i) being physically displaced from housing, or (ii) losing 10% or more of their productive assets (income generating). A resettlement plan, including assessment of social impacts, is required.

ii. **Category B:** Involuntary resettlement impacts that are not deemed significant. A resettlement plan, including assessment of social impacts, is required.

iii. **Category C:** No involuntary resettlement impacts. No further action is required.

132. With less than 200 APs involved, the Project is categorized as B, meaning that an assessment of social impacts is required.

133. The key objectives of post-relocation social impact assessment are to: (i) assess whether resettlement objectives have been met; (ii) assess resettlement efficiency, effectiveness, impact and sustainability, drawing lessons as guide to future resettlement policy formulation for forthcoming DFAT-assisted projects in DGHS; and (iii) the need for further mitigation measures. The CMC will conduct a post-relocation socioeconomic survey six months after the relocation by interviewing AHs who were relocated from the WWTP site. as a basis for potential corrective actions to be decided by LG in consultation with DFAT. The CMC will then compare with their pre-resettlement conditions, to assess the success and/or failure of the resettlement program.
APPENDICES

PALEMBANG CITY OFF-SITE WASTEWATER COLLECTION AND TREATMENT SYSTEM

Land Acquisition and Resettlement Plan

Appendix 1: Project Map
Appendix 2: IOL/ETS Questionnaire
Appendix 3: List of Consultations 2012 – 2014 & Records and Notes
Appendix 4: WWTP Site Selection Boundary and Design Plans
Appendix 5: Copies of Land Acquisition Documents
Appendix 6: Status of Households 2017
Appendix 7: Settlements and Alternatives WWTP Site Selection
Appendix 8: Results of Public Meeting Survey
Appendix 9: Copy of Letter from Australian Embassy Jakarta to Palembang Mayor
Appendix 10: Copy of 2017 Public Information Brochure
Appendix 11: Consultations on February 2017 Public Consultation
Appendix 12: Copy of 2017 Public Information Brochure
Appendix 13: Grievance Removal Forms
Appendix 14: Copy of All General Policy Principles
Appendix 15: Outline of Monitoring Report
### Appendix 2: ICL/SES Questionnaire

ADB TA 7993 – INO METROPOLITAN SANITATION MANAGEMENT INVESTMENT PROGRAM
(For lands to be Acquired for Wastewater Treatment Plant)

#### Cycle No.

Introduction: We were assigned by the City Government for the inventory of properties that will be affected by land acquisition for the proposed wastewater treatment plant now in your area. Land acquisition shall be carried out for this laying down of sewer pipes between the selected nodes of the City. The reason for the inventory is to determine the budget for the compensation and settlement of persons that will be affected by land acquisition, permanent or temporary. Based on the initial list of the property of the affected property, shall be affected. However, the impact on your property is not yet set that may be changed during Project Implementation. May I remind you to answer the questions in this survey?

A. PROJECT COMPONENTS: [ ] Wastewater Treatment Plant  [ ] Sewer Pipe


I. GENERAL INFORMATION ON AFFECTED PERSON

#### A. DEMOGRAPHY:


5. If you are not the household head (HH), who is the household head: ____________________________  6. Age: ______


10. Occupation of the HH: ____________________________

11. Household membership:

<table>
<thead>
<tr>
<th>Household Member</th>
<th>Age</th>
<th>Male</th>
<th>Female</th>
<th>Physical Condition</th>
<th>Main Occupation</th>
<th>Monthly Income [thp]</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Husband</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child No. 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child No. 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child No. 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child No. 4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child No. 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child No. 6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child No. 7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child No. 8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

12. Average household expenditures per month:

- [E] Food: ______  
- [W] Health: ______  
- [C] Communication: ______  
- [T] Transportation: ______  
- [O] Water: ______  
- [C] Clothing: ______  
- [G] Gas: ______  
- [R] Recreation: ______  
- [E] Electricity: ______  
- [F] Rent and Fees: ______  
- [N] Net/Lease: ______

B. LENGTH OF RESIDENCY AND ASSISTANCE FROM GOVERNMENT

1. How long have your family been living in this place? ______ years.
2. Is your family a transferee to this project? [Y] Yes [N] No
3. Has your family been rounded with violence? [a] Yes [b] No
4. Indicate the subareas that your household received. [a] Food [b] Health care

II. THE AFFECTED PROPERTIES

A. LAND
1. Location of the affected land: [a] urban [b] rural
2. What is the total area of affected land: ______ m²
4. Which of the following gave you the rights to occupy or use the land:
   (a) right to purchase [Pok Ame]
   (b) right to use (Pok Ame Bangunan)
   (c) ______ Right of occupation [Pok Guna Lahan]
   (d) right to rent (Pok Ame Bangunan)
   (e) ________ Other type of rights (specify)
5. If the household possesses any of the rights, when did that right begin? ______
6. If this household has no right to the land, who is the legal owner of the land? ______
7. Area to be acquired from the affected land: ______ m²
8. If yes, which is the total area of that land: ______ m²
9. What is the total area of the affected household: ______ m² (This is calculated as total area of affected land
   possessed by the household).

B. AFFECTED HOUSE
1. Location of the affected house: [a] inside the proposed KAWP [b] above the street line
2. Floor area of affected house: ______ m²
3. Height of the house: ______ feet
4. Type of construction materials used in the house: [a] permanent [b] semi-permanent [c] light materials
5. Status of household occupancy in the house: [a] owner of the house [b] with permission from the owner
   [c] renter
6. Is the owner of the house, is there any tenant in the house? [a] Yes [b] No
7. If yes, how many? ______
8. If with permission from the owner or renter, who is the name of the renter? ______
9. If renter, how much is paid for the monthly rent? Rp ______

C. AFFECTED STRUCTURE
1. Types of affected structures (these structures are separate from the house)

<table>
<thead>
<tr>
<th>Other Affected Structure</th>
<th>Area (m²)</th>
<th>Length (m)</th>
<th>Height (m)</th>
<th>Material</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Small business shop</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b</td>
<td>Office</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c</td>
<td>Room</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d</td>
<td>Developmental yard</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

D. SMALL BUSINESS SHOP
   [f] None
2. Is the shop of affected business can be moved? [a] Yes [b] No
3. How much is the average sales per day? Rp ______
4. How many persons are employed in small business? ______
5. Where are they employed? ______

E. TREES AND CROPS
1. Types of wood trees owned by API: ______
### A. Food Security
1. Number of times the family eats dinner in a day: [ ] Hotel [ ] Fast Food [ ] Both of These.
2. What is the staple food of the household: [ ] Rice [ ] Bread [ ] Pizzas [ ] None.
3. Is the household able to sustain its food needs: [ ] Yes [ ] No.
4. How many times in a month does the household find it difficult to buy food: [ ] Never [ ] Once [ ] Twice [ ] More than twice?
5. What makes it difficult for the household to buy food: [ ] Lack of money [ ] Other [ ] Insufficient stock in the store.

### B. Health and Physical Condition
1. Number of household members who are employed: [ ] Male [ ] Female.
2. If there was any which of the following diseases have affected the household member: [ ] Cough [ ] Pneumonia [ ] Diarrhea [ ] Dysentery [ ] Fever [ ] Malaria [ ] Tuberculosis [ ] Others (Specify).
### C. WOMEN CONCERNS
1. Has your household experienced any woman’s health issues in the household where flows occur and treat with difficulties: [ ] difficulty in using the toilet; [ ] difficulty in buying milk for the baby; [ ] difficulty in washing their body; [ ] difficulty in cooking food; [ ] difficulty in washing and taking the child to and from the school; [ ] difficulty in cleaning clothes; [ ] difficulty in going to work place; [ ] inconvenience encountered.

### D. FINANCIAL SUPPORT
1. How would you rank your household compared with the households in your neighborhood? [ ] very poor; [ ] poor; [ ] fair; [ ] good; [ ] very good.
2. If you rank your household as poor or very poor, do you receive financial support from relatives or any member of your household? [ ] Yes; [ ] No.
3. Is your monthly household income enough to cover your monthly expenses? [ ] Yes; [ ] No.
4. If no, do you borrow money in order to meet your monthly expenses? [ ] Yes; [ ] No.
5. If yes, how often do you borrow money in a month? [ ] once; [ ] twice; [ ] thrice; [ ] more.
6. Do you pay your debt on time? [ ] Yes; [ ] No.

### E. ACCESS TO INFORMATION
1. Which of the following utilities do you have in your household? [ ] radio; [ ] television set; [ ] telephone; [ ] computer with internet.
2. Do you read newspaper? [ ] Yes; [ ] No.
3. Do you read magazine? [ ] Yes; [ ] No.

### F. ACCESS TO SOCIAL SERVICES
1. Distance of the house to the nearest road: ______ kilometers.
2. If the household has school children, what is the distance of the school from the house: ______ kilometers.
3. Distance of the house from the nearest public market: ______ kilometers.
4. Distance of the house from the health clinic: ______ kilometers.
5. Is your community served by garbage collectors? [ ] Yes; [ ] No.
6. Is your community provided with water service connection? [ ] Yes; [ ] No.

### G. FOR VULNERABILITY
1. Do you have a house other than in this place? [ ] Yes; [ ] No.
2. In what place are you planning to move?
3. What type of livelihood/education program do you need after leaving this place?

THANK YOU VERY MUCH

<table>
<thead>
<tr>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>
Appendix 3: List of Consultations 2012 - 2016 & Reports and Notes

List A: Consultations with Communities and Other Engagement Activities

List B: Consultations with Communities and Other Engagement Activities
# PUBLIC CONSULTATION

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Name of Place for Workshop</th>
<th>Description of Stakeholders</th>
<th>Number of Participants</th>
<th>Specific Issues and Concerns Raised</th>
</tr>
</thead>
</table>
| 01. | October 02, 2012 | GAUPODK Office            | Village heads: 7, General: 1, Officers: 6, Landowners: 2, Farmers: 3, Local Society: 1 | 15                     | • Documentation issues  
• Land acquisition  
• Agreement between land owners and acquiring households |
| 02. | November 19- 27, 2012 | GAUPODK | 20 AKIs | 23 | • Objections of the project  
• Land Acquisition for Town  
• Physical Displacement of Art  
• Compensation for losses |
| 03. | February 2012 | Information dissemination to AJAY | Affected Households | 10 | • Compensation policy  
• Actionreative before displacement  
• IRRM |
| 04. | February 2013 | Project meeting organized by the WES Component | Randomly selected households (20) | - | • Restitution impact on property  
• Loss of access  
• Loss  
• Reparation |
MINUTES OF THE INITIAL PUBLIC CONSULTATION AND SUBPROJECT DISCLOSURE HELD AT BAPPEDA OFFICE IN PALEMBAANG CITY, SOUTH SUMATRA PROVINCE, 2 OCTOBER 2012

Persons Present:
- BAPPEDA of Palembang
- Department of Public Works
- Sri Supriyatna
- Department of Public Works
- Sri Mulyani
- Department of Public Works
- Sri Dharma Setiawan
- Department of Public Works
- Yanti T. Rosita
- Department of Public Works
- Syahdil
- Department of Public Works

INSIDIA TA Consultants
- Andrianto N. Cipto, International Social Safeguard Specialist
- Rini Jandek, International Environmental Specialist
- Kurniawati, International Social Development Specialist
- Antras Day Aditut, National Environmental Specialist
- Supriyatna, National Social Safeguard Specialist
- Santri Setiyabudi, National Development Specialist
- Suhartono, National Gender Specialist

1. The following is a summary of the initial public meeting and consultation concerning the proposed Off-site Wastewater Collection System and Treatment in Palembang City.

A. Introduction to the Meeting
- The joint subproject disclosure and public consultation was started at 9:40 a.m. by Sri Supriyatna, Chief of BAPPEDA, who opened the gathering and expressed his appreciation to the participants that the objective of the public consultation is to inform the public about planned wastewater and sewage treatment plant in Palembang City.

B. Presentation of the Subproject
1. Sri Supriyatna disclosed to the participants that Palembang is among the five cities selected for BAPPEDA as a recipient of technical assistance (TA) from Asian Development Bank (ADB) to support the WWTP's construction. Phase I, which will cover the initial land for the proposed WWTP in Si Anak, is the first phase of the project. The project will be implemented in phases, and the WWTP will be developed in stages. Stage I will cover the initial land for the proposed WWTP in Si Anak, which is close to Pasar Anak. The infrastructure aspect of the facility is being prepared with PDDU, which will take charge of the operation. Mr. Supriyatna presented a powerpoint outlining the scope of the subproject. He assured the participants that the WWTP would not generate unpleasant odor, which has already been proven in Seven Dials (Yogyakarta).

C. Questions and Concerns
- During the open forum, the participants raised several issues and concerns, which were clarified by BAPPEDA, with assistance from TA Consultants. These are summarized in the following matrix:

<table>
<thead>
<tr>
<th>No</th>
<th>Issues and Concerns</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Low Efficacy of PU Pipe and PSCA</td>
<td>Domestic wastewater will be collected via open drainage with supporting structure such as manholes, pipe maintenance, and later reclaimed for irrigation or used for industrial purposes.</td>
</tr>
</tbody>
</table>
3. Fakir M. Jinnahwala M.L., Land Owner:

There is no problem on land. We have an agreement with people to maintain the land and that they would move if the land is acquired by the owner. The village head also knows about this agreement, but if they move, we will provide humanitarian help.

Our agreement states that (a) if the land is used for commercial purposes, (b) if the land is used for commercial purposes, (c) if the land is used for commercial purposes, (d) if the land is used for commercial purposes, (e) if the land is used for commercial purposes, (f) if the land is used for commercial purposes, (g) if the land is used for commercial purposes, (h) if the land is used for commercial purposes, (i) if the land is used for commercial purposes, (j) if the land is used for commercial purposes.

4. Adin Grewal, Staff of Civil Administration Authority:

Slum settlement is necessary, the affected communities are concerned about the impacts.

5. Participant from Cool Nuts:

It is necessary to return the local communities that the treated water can be used for washing motorcycles or for washing the plants, as is Tutubala.

6. Participant from Cool Nuts:

Slum settlement is necessary, the affected communities will be compensated. It is the policy of ACGL that the project should be compensated. It is the policy of ACGL that the project should be compensated.

7. Captain Tariq, Head of Military:

The areas to be served by the project are not so populated. Therefore, a new project is needed. However, they are not covered.

8. Captain Tariq, Head of Military:

Slum settlement will be adopted as much as possible. In certain places, this method may not work. Pumps will be installed there. Accordingly, when reaching the water, the maximum depth of the pipe and bucket is 7 m, pumps must be used.

9. There, with no other topics to be discussed, the public consultation and subsequent disclosure was adjourned at 11:00 a.m.

Attended by:

Riaz Ismail
International Environmental Specialist
Anwar Durrani
National Environmental Specialist
Angelo N. Corpuz
International Social Safeguards Specialist
Anwar Durrani
National Environmental Specialist
Reynald "Dush" Tumapay
National Social Safeguards Specialist

54
Discussion with Community: 9 November 2013

Name of the Informant: Timo
Contact number: 09135-10369

- Timo is originally from Java, he has been married to his wife, who is originally from Bali. Both families had been living in the area years before. The land and family are living there since year 2000.
- Most of the people in the area are originally from Java. It is well-known that Java people are good sailors and fishermen, and since the place is nearby the Musi River, their activities were coming and living in the area. The people that live there now are typically the next generations.
- There are approximately fifteen households that live in the area now, from the police post up to the bridge, and most of them are Java.
- Timo lives in a house that rented from his wife’s aunt. Their business is open a stall selling snacks and coffee for truck drivers that pass by the road as they way to or from the transport company. Beside him there are two other stalls around the area that being managed by other families.
- Near the house where the discussion was held, there is one particular slum-hamm house. The owner of the house is living around the area. The house was bought but due to the condition and the noise that there would be a development in the area, the owner doesn’t renovate the house.
- Up to now, the authority from the village and sub-district has been coming for three times, usually they were visiting the houses individually. There never has been any meeting held to explain about the project; especially recently, since the head of both offices are new. There has not been any measurement activity of the property done by the authority either.
- Hopes there would be a meeting (more) with all APIs and the authority that explain about the project, the site that managed by these families would be still decided to open in the original place. If the APIs would be placed at the planned component by the local government, the place is not big so they still could manage to come frequently to the stalls in a reasonable time.
Name of the informant: Wawen
Contact number: 0410 3775381

- Rus/Wawen is originally from Bugis, whose family has been living in the area years before. She has been married to a Palimbang man. She inherited the house that she and another family are living now from her mother. The mother has been passed away some years ago and the father is now living in Palimbang, Mindanao and only occasionally visits the family. She has been living there since 1984.

- Rus/Wawen's house before was a stil house, since the place was usually flooded during rainy season or when Bugis flood the area came. Now the house is a semi-permanent one that is built on the ground. They don't remove the house because they know that the land doesn't belong to them, the owner of the land is the family of the first governor of South Cotabato. They don't have to pay for using the land but they are required to not build a permanent house and ready to be moved once the owners would use the land for other purpose.

Note: On year 2003 people lived in the area were asked by the one of the owners to sign an agreement, which content is on mentioned above.

- Pak Yoko, Rus/Wawen's husband, works as a non-formal worker. Rus/Wawen operates a stall selling snacks, noodles, coffee and other drinks for additional income.

- To date, the authority from the village and sub-district has been coming for three times, usually they were visiting the houses individually. The village head has been any meeting held to explain about the project, especially recently, since the head of both offices are new. Even once the head of the village visited Rus/Wawen about the project and the development until now. There has not been any measurement activity at the property done by the authority either.

- Hope there would be a meeting with the others with all AP's, and the authority that explain about the project so that they all get a clear information about the plan and if there would be a letter or agreement to be signed. The letter or agreement would be signed by all AP's and the authority. The authority will sign a letter to the owner of the house to take ownership of the house. The house will be used as medical clinic by the local government. This is not too far so they could manage to come frequently to the stalls in a considerable time.

- Impression of the informant; open and talkative, can be used as the AIP's contact person
List No 4. Public Consultation – Waste Water Treatment Plan (WWTP), Nov 2013

Day/Date: Wednesday, 13 November 2013
Hour: 09.00-11.00
Place: Site of WWTP, Seti Selayar Kecamatan Kaldon
Agenda: Public Consultation – WWTP development

1. The meeting was opened by Camat Kaldon, and say thanks for participants who come to the meeting. Pak Camat said all of AHs (14) already know of the project

2. Participants are:
   a) Dienis PU, Gita Karya dan Perumahan Kota Palembang (PU, Department of Human Settlements and Housing)
   b) Dienis Kesehatan Kota Palembang (PD healthy Office)
   c) Dienis Pendidikan Kota Palembang (Education Office)
   d) Kepala Agraria Kota Palembang (Agrarian Office)
   e) Polres Kaldon (Police Office of Kaldon)
   f) Koramil (Military Office of Kaldon)
   g) Camat Kaldon
   h) Lurah Sel SELayar
   i) AutAD
   j) PD
   k) AHs

3. Pak Fahmi (Head of Agrarian Office) of Palembang said:
   a) Land acquisition of the site of WWTP with the land owner already finished. It is 5.8 ha
   b) The Government will develop the WWTP in this location
   c) The land acquisition will impact to social and economic of the people who live in this site
   d) Government of Palembang want input from people or AHs for minimize negative impact to people. The impact are to occupation, business, education of children
   e) Local Government will give compensation (using kenderaan or Tasi Ahi) to AHs.

4. Bu Anna (Head of Gita Karya dan Perumahan Kota Palembang)
   a) Government will pay compensation to AHs December this year
   b) Please AHs tell what far of compensation will be used?

5. Sus-Ellen (AutAD)
   a) Thanks for people (AHs) to come to the meeting
   b) We (AutAD) come here as observer
   c) Hope all of AHs choose the options for compensation. The option not necessary today, debate discuss with your family
   d) If the information today still not value, please contact the formal editor
   e) If you have questions, we are happy and will answer it

Discussion:
1. Pak Fahmi: All of us do not have land, is it possible we still stay around WWTP? Thanks a lot if government allows us to stay around here.
2. Mr. B: We are ready to be moved, but give us eligible compensation, or help us to get the house. We know that all this time we have this land no pay

Answers:
1. Pak Fahmi (Head of Agrarian Office): (i) All of AHs agree to move; (ii) the government will give compensation or Uang Kerohman, the value of compensation according to the value of buildings and crops owned; (iii) also the AHs will receive transfer cost and livelihood recovery assistance for 3 months; (iv) all of AHs have no house; (v) if AH want to get house, PU, Gita Karya dan Perumahan will cooperate with SP23 (Sarana Pembangunan Palembang Jaya) and get the MBP (low income community houses, or Ruskimwana) in Kintapal; (vi) Local government will aid for business location; (vii) there are some some children study still. Education Office will help the relocation study for children; (viii) POKJA will continue to be monitoring the relocation process of AHs.
2. Su Amea (Head of Disaster, PU DAPTAN Perumahan Kota Palembang) said: we will make many the education process. If compensation money is enough for DP of the house, there is a threat to human, there is settlement with big tilt in function.
3. Pu Amea (Church) said: we need the input and action from ARA, because there are some victims. We will provide information from Social Affairs, but the information is not clear, because the settlement program has been discussed with the family and the local official before you received the settlement.
4. Education Office of Health Office, Center, in Palembang City, have a strategic plan of AR2H (Health Palembang Card) and CPMR (Health Palembang Card) if want to get the AR2H, go to AR2H or AR-2H Card and do AR-2H Card. and AR-2H Card has been received as an AR-2H. Community Health, within a year.
5. Education Office of Health Office, Center, in Palembang City, have a strategic plan of AR2H (Health Palembang Card) and CPMR (Health Palembang Card) if want to get the AR2H, go to AR2H or AR-2H Card and do AR-2H Card. and AR-2H Card has been received as an AR-2H. Community Health, within a year.

Discussion:
1. Pu Amea (Center, in Palembang City, have a strategic plan of AR2H (Health Palembang Card) and CPMR (Health Palembang Card) if want to get the AR2H, go to AR2H or AR-2H Card and do AR-2H Card. and AR-2H Card has been received as an AR-2H. Community Health, within a year.)

But Amea answered: I was not authorized to answer.
List No 5. Brief Field Report November 2013

Field visit: Palembang
Date of Visit: 24 – 28 November 2013
Reported by: Christine Sega, Social Sagarad Consultant

The aim of the visit was mainly to assist the government of Palembang for the implementation of social safeguard policies for the Palembang City Sewerage Project, and in detail to ensure that all consultations with the AKs which include:
- affected households are fully aware of their resettlement options;
- are informed about how much they will be compensated;
- are aware of how to access a grievance resolution mechanism;
- have information about government programs that can assist them with their move;
- are undertaken before compensation is paid.

Specific tasks to do during the visit:
- To introduce self as one of the social safeguard team for the project;
- To find out the status of the AK task force, including arranging meetings with important stakeholders to map out the next development in the proper implementation of social safeguards;
- To collect information about government programs that can be applied to the AKs especially for the low price housing program.

Key Findings/Learning/Results:
- The Mayor’s Decree to form a resettlement working group (TK LAP) has been submitted to the mayor's desk. The Mayor himself has signed the letter the following week after the visit. In the decree, the head of the OPKA is the head of the resettlement working group while the deputy is from the district office. (The copy of the signed decree is attached at the end of this visit).
- The Palembang OPKA is very supportive in giving information about what they have been doing in relation to the land acquisition of the project, and the Mayor Decree would be an advantage for the social safeguard implementation.
- In a meeting with the community, it appears that there were a letter being circulated amongst the AKs by the head of the village, in which they were asked to make a statement, the letter made the AKs feel uncomfortable. The circulation has been stopped, and later the resettlement consultant will visit the AKs one by one in order to explain to each AK about their choices of the government programs package and the compensation that they would receive.
- From the meeting it was also accepted that there is 17 AKs in the list, rather than 20 AKs as mentioned in the earlier LARIP. The representatives of the AKs joining the meeting agreed that the changes in the list would be for future and would not change, so that the meeting could be considered as an informal cut-off date for the list of the AKs from the community perspective.
- The SP2J (Sarana Pembangunan Palembang Jaya) is a local government-owned enterprise (UGM) which one business is low price housing for informal sector. The company basically provides the payment for labor work, specialty issue, and give a guarantee of low income sectors. Because their operation is under the city supervision, they would arrange the work when the City orders them to do so, since they are not permitted to do direct business with community. The company would make a credit plan according to the arrangement approved by the city, for instance for its location, the down payment and monthly, weekly or daily installment, and the above credits interest with the bank (Samudra Bank) which is 7.25% per year at the moment.
### Contact Details

<table>
<thead>
<tr>
<th>No</th>
<th>Name</th>
<th>Agency Position</th>
<th>Contact Details</th>
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<tbody>
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<td>8</td>
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<td>9</td>
<td>Wan</td>
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</tr>
<tr>
<td>10</td>
<td>Among</td>
<td>Susana Pembangunan Palungbang Jaya Company – Contact person</td>
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### Notes of the Meeting with Community (Ahs) 27 November 2013

Date: 27 November 2013  
Place: Sen Soksyah, Palungbang  
Event: Meeting with Community

#### Key Participants
- Mr. Ahmad Badir, Lauh Rai Soksyah (ph: +62 853 673 09105)  
- Mrs. Wivek, Ahs representative (ph: +62 8212 705 1636)  
- Mr. Yudhi, Ahs representative  
- Mr. Romy, Ahs representative  
- Mr. Badir, Ahs representative  
- Mr. Darm, Sen Soksyah Reserve (ph: +62 826 370 2034)  
- Mrs. Christine Setia, Social Service consultant (ph: +62 8212 705 1636)

#### Notes of the Meeting

1. The original aim of the meeting was for the Lauh and consultant to meet Mrs. Wivek as Ahs representative in the Ahs TK LAIP in her house. During the visit, some Ahs and community members were coming so then the meeting was held.

2. One concern raised by the Ahs was a circular letter sent to each Ahs to sign. The letter is being circulated by the Lauh, asking each Ahs to sign the compensation, whether they like to get cash or to put it as part of a down payment of a housing program. Some Ahs don’t feel comfortable about the content of the letter that doesn’t explain about the amount of the compensation, and the format of the letter that was not clear in defining the options. They were afraid that they might get in some trouble if they sign the letter, since they have to sign it with legal stamp. Meanwhile there were also some Ahs that have signed and submitted it back to the Lauh, (Copy of the letter is in Indonesian is attached below).

3. The Ahs also wanted to know about the amount of the compensation that each Ahs would receive.
4. Pak Jusoh explained that the letter has been circulated to get information about the program that might be needed by AIs, in case they choose to put their compensation money as a down payment in the housing program.

5. The social consultant suggested that if the letter makes all AIs too expensive, then the consultation should be better stopped. Meanwhile, the amount of each Ai’s compensation would be varied, depending on the size of buildings they have, the condition of the building, and other measurement. The office responsible for the measurement is PUSPA Palangkaraya. The AIAs said that the measurement has been done previously.

6. The consultant explained about the RP process and row, which were:
   - The TKLARP’s role was being signed and will be signed by the mayor.
   - The TKLARP team will sit together and discuss about the compensation issues.
   - The team will draft an assistance package for AIs.
   - The representative of the team will discuss the package with each Ai and the amount of the compensation the respective Ai would receive.
   - The process would take 6-7 weeks approximately.

7. The AIs expected that they would get the compensation directly, without any middlemen involved. Meanwhile, the AIs agreed that the list of AIs produced by the team as the right and sole AIAs in the area and there would be no additional Ai nor complaints about that. Based on the AIs statement, the consultant announced to the AIs that the list consisted of 17 AIs would be used as the updated Ai’s for the next RP program. This can be considered as the reference list for the AIs’ activities. Below is the name list, and copy of the original paper signed by the AIs:

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<td>8</td>
<td>M. Abdo</td>
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<td>9</td>
<td>Bunga Suprihat</td>
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Number of structures: 18 (Yaka – Whiek has two separated buildings)

Number of AIs: 17 (plus that is a member in the next AIs’ list
List of the Aids as agreed on the meeting on 27 November 2013

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No Kak. 2

Total: 1,000
Example of a scrawled letter that A is reluctant to sign.

TheIndiiconsultantsteam(DouglassMottz, ChristineSeta, Supriya)visitedPalimbangfrom9Dec to 15 Dec 2013. The first meeting of the Tim Kep LARP was held on the 10th December 2013 at the PACUK meeting room.

The main issues and requested action items are set out below.

Issues:

1. Entitlement matrix and other commitments

   i. Payments are presently being calculated by Bp Sapi for qualified APIs. Which include building assets and all other entitlements set out in the draft LARP.

   ii. It is important to understand the entitlement matrix and other commitments in the draft LARP, as these are commitments by Kota Palimbang. There are other allowances, which do not necessarily include payments for buildings. Figures calculated to date by Bp Sapi from Agama only include building assets.

   iii. Once the calculations are complete the final estimates will be submitted to Bp Sapi, Bn Ani & Bn Pahol.

   iv. Seven of the original houses on the IPAL site have been demolished and the APIs have already moved. The local knows their present location and these households are still eligible for project entitlements.

   v. At a subsequent meeting with BP Sapi head of BAPPEDA, it was agreed that all compensation payments to affected households APIs would be deferred until all other committed entitlements (i.e. income housing arrangements from the LARP) were agreed with Kota Palimbang and the APIs.

Action Indii Consultant to submit estimates by Jan 15

2. The housing commitments

   i. Christine Seta will need authority to discuss the housing program in more detail because of the APIs interviewed (75%) requested more information particularly on location. There will be a need for involvement of both types of housing programs - formal (apartments with ongoing salary) and informal sector (apartments without guaranteed salary). Bp Among the manager of 2SPU (the informal housing program) reported that he needs a request from either BAPPEDA or PACUK with sites identified and a brief report before he can start processing any applications through 2SPU.

   ii. Detailed Design Coordination to check relocation requirements

   ADS Pooler states that the program should minimize the displacement of APIs to the extent possible through strategic design changes. One option for housing would be to locate it at the front of the IPAL site. Approximately 2000m2 would be required which is about 4% of the total area of the site. Possible relocation within the detailed design area may be possible with the remaining land for the HP and certificates after the end of the repayment period for the APIs.

   iii. It may be more efficient to rehabilitate the three houses on the boundary, which were not included in the previous draft LARP. The locations of these houses needs to be checked to ensure that they are located on the IPAL Site. The buildings could actually be located on the land adjoining (i.e. the timber company).
iv. Possible use of Provincial Government land next to the vicinity, which is already being used by two of the AHs. Another option would be to use the Provincial Land adjoining the IPAL Site. At least two of the AHs have already moved to this land and reused the materials from the IPAL site.

v. Possible use of three parcels of land searched by Lurah and/or Wiwiek’s relatives. There have been other properties identified by the Lurah and also Ibu Wiwiek, which need to be evaluated.

Action Requested: Kota Palembang BAPPEDA & PUCK jointly prepare a brief housing site identification and evaluation report by 30 Jan 2014.

3. Confirmation of the commitment of the Dinas Perdagangan to provide needs assessment and training for all Vulnerable AHs and Businesses affected by the proposed IPAL

i. Dinas Perdagangan agreed to carry out needs assessment and training for vulnerable households and affected businesses at the first meeting of TK LARP.

Action requested: Dinas Perdagangan to prepare a brief report by Jan 30, 2014 to the Chairman of TK LARP outlining the process and timing for initiating the above needs assessment and training so that it can be explained to the AHs.

4. Next meeting with TK LARP in January 2014
   Action requested:
   i. The Head of TK LARP to arrange the next TKLARP meeting to address the above action items
List No 7: Progress Report Yish Palambah February 2014

February 3-6, 2014

The field consultation team (Douglas Martin, Christine Steket) visited Palambah on Feb 3-6, 2014. The purpose of the visit was:
1. To attend a coordination meeting organized by the Central Government involving the DEO team as well as the LAIP Team on 4 Feb 2014.
2. To attend a second meeting of the REKAP LAIP which was to be held on the 7th Feb, 2014 which would be organized by FIDC.
3. To visit the IPAL site and finish baseline interviews.

The main issues and requested action items are set out below:

New Option for Route of WCO

On the 1st February, the team met with Lt Sapi, Bn Alia & Bn Fauzi (Ampati). The meeting discussed the revised option of Component 2 (WCO) along the bank of the Motuan river which was described as "the one that runs through" the city is interested in. We discussed the new route, road which would connect the downtown area to the island within the Musi which has the Banyan Pucapola (temple) to improve transit development.

The meeting also discussed the need to confirm the boundaries of the IPAL site, as the various maps are not clear or consistent. More.

Completion of All Personal Baseline Data Interviews – IPAL, 3rd February 2014

Following the meeting the team traveled to the site accompanied by the Lutak of Hukuran or Selok for and met with all affected households who had not yet been interviewed personally.

All of these households have moved off the site because of a warning made by the police and other authorities (Gajapit FF) in August of 2013 that they should demolish their houses and evacuate the site within a week. All of the demolition sites were inspected and recorded and all were found to be within the site boundaries.

The result of the interviews means that the total number of households affected by the proposal has increased to 21 because one house was found to contain three households from within the same family and another house was with two families. The number of families to be compensated for the loss of their building assets remains at 17 and the number of households who would receive the transitional allowances increases to the total of 21. It should be emphasised that a member of every family is living within the site (i.e. all families with a building structure did attend the consultation meeting in Dec 2013 that was attended by the DEO representatives)

Preparation of Final revised List – Independent Appraisal of Lost Building Assets

The team is currently preparing a revised list of the households so that an independent appraisal of the value of the building asset losses can be performed by an appraiser registered in the City of Palambah.

On the 4th February, the team attended a coordination workshop in which the LAIP Team made a presentation concerning various aspects of the status and schedule of the LAIP and matters arising from the coordination with the DEO consultants.

The main outcomes of the meeting of the coordination meeting included with LAIP were:
- Timing of DEO A staging and evicition of the Final RIP
- To continue to coordinate closely with the DEO consultants for both components of the project
- To prepare the proposed revised budget for the LAIP as soon as possible for the Deputy DEO (PA)
- Discussion of housing site options
- Need to start capacity building and awareness campaign on the benefits of implementation of the IPAL project.
Timing of DED & Staging and Completion of Final RP

- Compensation packages will be negotiated with each of the eligible householders.
- The DED committee completed until the demolition completion date (DCS) component has been addressed.
- A consultation program carried out in the affected households.
- More compensation payments will be allowed by the City.
- Once the DED design is completed, the DED RP will need to discuss on AP’s and implemented in the affected area.
- Implementation of the DED can then be finalized.

Close Coordination with DED consultants to Continue

The team visited the DED consultants prior the regular TLABP meeting the following day.

Preparation of Revised Budget estimates

The team will discuss the revised budget as soon as possible and can include in the Nola Waterberg 2014 budget estimate and to ensure that all compensation payments are made within the 2014 budget year.

Due to a misunderstanding of DPTAR’s policy the estimates of costs for building areas previously excised is a reasonable allowance, but the value of the houses were calculated to be lower than the DED policy, standard of replacement costs. Also levy estimates were not subject to independent approval that shows a mixture of both DPTAR’s policy and GO legislation.

Discussion of Housing Site Options

The team agreed to ODA’s to not be in the office, request to expedite payments in June when putting out the need for the City to urgently specify a proposed location for the proposed public housing scheme. This is necessary so that compensation packages can be agreed upon and a settlement is reached in relation to whether the householders wish to join the public housing scheme being proposed by the City. An agreed upon payment of a specified proportion of the compensation due can then be negotiated. Such a clause is a difficult one for the affected householders if they do not have information about the proposed location of the scheme.

Need for Capacity Building and Awareness Campaign

The City of ELC (Domestic) and Department of Human Settlements (National Office) emphasized the need for improved public awareness of the benefits of having an off-site manufacturing system in the City to both boost the number of connections but also to offset some of the costs of the short-term construction impacts of the project. The people in the service areas need to understand why they may be subject to noise, quality, and possible traffic disruption while the project is being built.

It was agreed that the capacity building component of the project would need to be closely coordinated with the DED, MNDAL, and LAP5 activities.

On Wednesday 5 February, there was a scheduled meeting of the TLABP. Team visited the DED consultants to join in the meeting because it was more informal meeting between the DED, the LAP5 team, and the officials including Sip Sipho, the Arts, and Sip Syath (the newly appointed Head of the TLABP Information Office).

The main issues discussed were as follows:
- Need to confirm the PAL boundaries and discuss observed industrial use of the site by the neighbouring timber factory
- Further discussion of the various site options for the WCS
- Use of a small portion of the PAL site for the resettlement housing site

PAL5 Boundaries

The Combined Teams discussed the use of the site by a neighbouring timber factory. The DED teams suggested it might be possible to build on part of that portion of the site. If the timber factory uses were removed, there may be additional compensation payments made for the uses of the property just opposite the PAL site. PAL site officials will consider applying to the owner of the factory so that they can discuss how to best integrate with the operation of the PAL.
WC5 Route Options
The combined team further discussed a number of route options for the WC5 and the DEF team agreed to carry out a comparative evaluation of the options by the end of February with further discussions and planning with the Tim Teiken to be arranged for the middle of March 2014. The main options discussed were:

- Along the road system as originally planned
- A combination of roads and a route through the PUSIB site complex
- Along the Musi river waterfront combined with a tourist access road

Housing Site Options
The combined team discussed the use of the southwestern corner of the site adjacent to the Police Station and the PUSIB access road for the resettlement site. It was agreed that there is enough area in that sector of the site (7300 m²) of which more than 5900 m² (4% of the site area) would be needed for housing the affected households.

It was agreed by all parties including the City officials that this area was a viable option but would be subject to prior approval by the Mayor.

The other option would be to approach the provincial government for use of the adjoining industrial area with an estimated 1500 households, located on the land without building permission of the City.

Following the combined meeting on the 8th February with the City, the team visited the POMM of Kota Palembang and then conducted another site visit accompanied by the ESPO process engineer.

The meeting with the POMM requested data on water use within the service area and also sought advice on possible locations for pumping stations along the WCS route, which could possibly use land controlled by the POMM. The POMM Head of Technical Department (Mr. Syamsudin) was very helpful and agreed to join the next meeting of the Technical teams (Tim Teiken).

At the site, the combined team briefed the community representatives (Bob Colok) on the present status and information about the various issues. The Teams also discussed in more detail the proposed on-site housing options which may require transitional housing or for the people currently living on the site to stay in their homes whilst housing on the site could be built.

Follow up Actions by the City

On February 6, the LAIP office attended a brief wrap-up meeting with the City BAPPENNAS team (Mr. Bagas, Mr. Tub). Some points from the meeting:

- The City committed to continuation of the IFAL site and to make informal approaches to the timber company
- To further consider the further development of proposed locations for resettlement housing options so that compensation packages can be negotiated with clear choices for the affected households
- To consider setting up implementation of the training programmes for vulnerable households which were agreed to by Dinas Perlindungan at the December 2013 meeting of Tim LAIP
- The LAIP team is currently preparing a revised list of the households so that an independent approval of the value of the building asset losses can be prepared by a company registered in the City of Palembang. The City of Palembang will follow up after the list is prepared.

Field Visit: Paksebong
Date of the Visit: 19 – 20 June 2014
Persons on Visit: Christine Bosi (Community Development Specialist)

Issues to clarify during the visit:
1. Progress of the LARP
2. Progress of AMDAL Process
3. Other issues

Result of the Visit
1. Progress of the LARP
   • Independent Valuation of Non Land Assets of ANIs
     The City has hired an institution for doing the work, which has done the measurement and now they are doing the valuation of the buildings. The result should be available in approximately two weeks.
   • Boundary Inversion IPAL site by Timber Factory & Access Road Entry Point
     Timber Factory
     The respective Camphal and Laham have talked with the owner, who has agreed to move the road and activities to their own land without any complaint to the project. A letter would be prepared according to agreement.
     Access Road Entry Point
     The issue has been noted by the City and will be addressed. It is anticipated that more budget will be allocated to purchase any small pieces of land necessary for completing the access road alignment.
   • Resettlement Housing and Finance Mechanism
     The topic is yet to be discussed in detail. There is a possibility to relocate the ANIs in the provincial land ministry the site. If such a proposal were contemplated the process to ask permission from the province may not be initialed with the project schedule.
     During this trip, the consultant visited the low income housing in Kietappal, which was mentioned many times by several City officers as a possible place to relocate the ANIs. During the visit it was found that the place was approximately 19 km from the WVTP site. The houses were developed in a wetland area on a concrete platform. From around 100 houses in the proposed area, only 30 were occupied and were in poor condition. The rest were in a very poor state of repair and/or empty with broken windows and no doors.
     Another possible location closer to the WVTP site was in Sub District Bes Sebouah in Kalbous District. There were a number of housing compounds in the area, and the distance from the site was about 3.3 – 4 km. The developer of Cyna Paka Sebouah was offering a newly opened 120 house with the size of 30 m² with the price of Rp. 145 million (not subsidized by government) – means also better quality and Rp. 115 million (be built next year, subsidized by government).

2. Progress of AMDAL Process
   There was conversation from the PUCK Paksebong about how to address queries from the general public during the time between the public announcement and public consultation. It was originally planned that the PUCK address and phone number would be put in the announcement. PUCK is concerned that the Department don't have any qualified people to answer questions especially if the question is a technical one about AMDAL process. This issue has delayed the appointment of the proponent of the project.
Two options were proposed to resolve the issue:

- The responsible AMDAL consultant has to visit Palembang and support the City during the designated time period
- In the advertisement the consultant put their phone number, fax and/or email address to address any calls and queries that might appear

Another issue was that Tim Teknis raised the need to have a revision of the SK Tim Teknis, since they thought that the current letter (SK) had only assigned the Tim Teknis for DED issues only. After a thorough reading of the SK, the issue was resolved since it is written in the SK that one of the Tim Teknis tasks is to assist both DED and AMDAL consultants on the WWTP – WCS project, so a revision of the SK wouldn't be necessary.

3. Other Issues
   • Result of 30% DED Discussion
     There were some questions about the update of the 30% Design Report
     - Number of pumping stations required that would be developed; the Team request to reduce the number of the pumps in relation to the land to be purchased and the operational cost of maintaining the pumps
     - Equipment for the pumping stations; the Tim requested to use materials that would be easy to purchase in Indonesia
     - The analysis for the effluent discharge parameter BOD level showing the differences in the operational cost for 50 Mg/L and 20 Mg/L, so that the City can decide on what BOD level is considered cost effective for the City.

   • DED Schedule
     Since the last meeting sat the end of May 2014 the City has not received any progress on the DED and/or any report from the Consultants. The Tim Teknis would definitely like to receive a clear revised DED schedule
List No 9  Field Report – Palembang August 2014

Field Visit: Palembang
Date of the Visit: 13 – 16 August 2014
Persons on Visit: Christine Seta (Community Development Specialist)

Issues to clarify during the visit:
4. Progress on the LARP
5. Progress of AMDAL Process
6. Weather Station Location

Result of the Visit
4. Progress of the LARP

Independent Valuation of Non Land Assets of Arts
The City has hired an institution for doing the work, which has done the measurement, and now they have been doing the valuation of the buildings. But since the valuation was still using depreciation, the LARP consultant has asked them to re-do the calculation without depreciation. The result should be available in approximately two weeks.

Meanwhile, since the valuation done by the independent appraiser only for the houses (12 houses) that were demolished, the five demolished houses will be valued using the data from the PUCK. This confirmation was coming from the head of the Rappero on the meeting on 13 August 2014.

Boundary Inclusion PAL Site by Ember Factory

The head of the Rappero has instructed the responsible office (Agrarian Office, respective Council and Lapp) to talk with the owner(s). During this visit, the Sub Head Lapp, the Regent Agrarian Office, and the LARP consultant have met one of the owners (Mustafa Ramadhan) and discussed about moving their property that is located in the project site to the other location.

He agrees to discuss the matter with his brother (H. Zainal) who is also another owner later and have a meeting with the City afterward.

Meanwhile the City has ordered the independent appraiser to value the affected buildings and other facilities owned by the factory. Once the valuation done, the City will have a meeting with the owner(s) to discuss about the reinstatement of the assets. The budget for the reinstatement would be input in the year 2015 budget.

5. Progress of AMDAL Process

- The proponent has been agreed. PUCK is the office responsible for the process of the AMDAL Public announcement has been done during the end of July, and the public consultation would be done around mid-August or early September.

- Secondly, the AMDAL consultant has drafted a letter for PUCK to ask assistance from the BPH Kota Palembang for the AMDAL process. The letter has been approved and signed by the Head of PUCK but will be delivered to the BPH Office.

- There is still the need and difficulty of making communication with BPH Kota Palembang which resulted in the delay of the doing the AMDAL process.

6. Weather Station Location

The location that has been advised by the City was the Police Station, meanwhile during the communication with City’s officers there was a strong recommendation for the consultation to send letter to BPH Kota for assistance about the issue. On the visit the head of Rappero has been giving input about the form of the letter. The draft letter is attached below and would be sent to Walkeba soon.
Lihat No.15. SK.TK. LARP (in Bahasa Indonesia); 2 December 2013.

This assignment letter for the LARP Task Force with one of the Aids: Would Brahamaski listed on a

maxilla.
Appendix 4: WWTP Sel Selayur Boundary and Design Maps

Original land acquisition map (SK Wabkofo No. 426/2012)

Adjusted site map.
APPENDIX 5: COPIES OF LAND ACQUISITION DOCUMENTS
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