External Social Monitoring Report

Project No. 47037-004
Quarterly Report
March 2017

Sri Lanka: Green Power Development and Energy Efficiency Improvement Investment Program - Tranche 1 (Moragolla Hydropower Project)

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EXTERNAL MONITORING AND EVALUATION TO ASSESS THE OVERALL OUTCOME OF RESETTLEMENT ACTIVITIES OF MORAGOLLA HYDROPOWER PROJECT

Quarterly Report

MARCH 2017

Submitted to
Ceylon Electricity Board

Submitted by
Consulting Engineers and Architects Associated (Pvt.) Ltd.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>AP</td>
<td>Affected Person / People</td>
</tr>
<tr>
<td>CEA</td>
<td>Consulting Engineers and Architects Associated (Pvt.) Ltd</td>
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<tr>
<td>CEB</td>
<td>Ceylon Electricity Board</td>
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<tr>
<td>DP</td>
<td>Displaced Person / People</td>
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<tr>
<td>DS</td>
<td>Divisional Secretary</td>
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<tr>
<td>EA/IA</td>
<td>Executive Agency / Implementation Agency</td>
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<tr>
<td>EED</td>
<td>Energy and Environment Division</td>
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<tr>
<td>FGD</td>
<td>Focus Group Discussion</td>
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<tr>
<td>GND</td>
<td>GramaNiladari Division</td>
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<tr>
<td>GoSL</td>
<td>Government of Sri Lanka</td>
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<tr>
<td>GRC</td>
<td>Grievance Redress Committee</td>
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<td>GRM</td>
<td>Grievance Redress Mechanism</td>
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<tr>
<td>HH</td>
<td>Households</td>
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<tr>
<td>IP</td>
<td>Indigenous People</td>
</tr>
<tr>
<td>IR</td>
<td>Involuntary Resettlement</td>
</tr>
<tr>
<td>KII</td>
<td>Key Informant Interview</td>
</tr>
<tr>
<td>LAA</td>
<td>Land Acquisition Act of 1950</td>
</tr>
<tr>
<td>MFF</td>
<td>Multi-tranche Financing Facility</td>
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<tr>
<td>MHP</td>
<td>Moragolla Hydropower Project</td>
</tr>
<tr>
<td>MLLD</td>
<td>Ministry of Land and Land Development</td>
</tr>
<tr>
<td>MoPE</td>
<td>Ministry of Power and Energy</td>
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<tr>
<td>NEA</td>
<td>National Environment Act</td>
</tr>
<tr>
<td>NIRP</td>
<td>National Involuntary Resettlement Policy</td>
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<tr>
<td>PIU</td>
<td>Project Implementation Unit</td>
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<tr>
<td>PMU</td>
<td>Project Management Unit</td>
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<tr>
<td>RF</td>
<td>Resettlement Framework</td>
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<tr>
<td>RoW</td>
<td>Right of Way</td>
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<td>RP</td>
<td>Resettlement Plan</td>
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<tr>
<td>SIA</td>
<td>Social Impact Assessment</td>
</tr>
<tr>
<td>SPS</td>
<td>Safeguard Policy Statement</td>
</tr>
<tr>
<td>TL</td>
<td>Transmission Line</td>
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EXECUTIVE SUMMARY

Scope and Process of External Monitoring

Considering the significance of Involuntary Resettlement impact, the EA/IA (CEB) has engaged the services of Consulting Engineers and Architects Associated (Pvt.) Ltd (CEA), as the independent Consultant Agency, which is not associated with project implementation to undertake the task of External Monitoring. CEA being the external monitor has engaged in monitoring and verifying of the RP implementation to determine whether resettlement goals have been achieved, livelihood and living standards have been restored and making recommendations for improvement.

The External Monitoring Agency (EMA) is to review implementation process as per set policies in the RP and assess the achievement of resettlement objectives, the changes in living standards and livelihoods, restoration of the economic and social base of the affected people, the effectiveness, impact and sustainability of entitlements, the need for further mitigation measures if any, and to learn strategic lessons for future policy formulation and planning.

EMA shall monitor aspects of the various components of the Project while the Project is being implemented and in parallel to the internal monitoring system administered by the Project.

This Quarterly External Monitoring Report is the second document comprising the recognized monitoring aspects of the project implementation stage as of end March 2017, (first Quarter Report of 2017).

Recommendations

1. By March 2017, the approval for conditional EIA has been granted to MHP, as such the project authority should take speedy action to commence project implementation, leading to early resettlement of affected people, to their satisfaction.

2. Now with the completion of processes relevant to land acquisition and resettlement viz. designing, planning, consultation, GRM and the awarding of the housing construction contract, the resettling work need to be expedited fulfilling expectations of all APs.

3. Considering the fact that APs who are losing their present land plot have not practiced any meaningful land use as a livelihood except for a few who have established plant nurseries, their livelihood issues and concerns need to be addressed by PMU, as and when they are resettled.
4. The consultation and information disclose process of the project has proved very effective and people have kept their confidence in the project personnel continuously and as such the identified entitlement need to be attended early.

5. Timely coordination of project performance among all project stakeholders at DS and village level calls for more streamlining and strengthening as means to attain continued support and consent of the affected community.

6. The Quarterly Internal Monitoring process seems to be satisfactory as it is informative and comprehensive enough, but its timely availability to external monitors is essential for providing its inputs for the EMR on quarterly basis.

7. The External Monitoring process is started with effect from October 2016, and it need to be more comprehensive as and when Resettlement Process will gather momentum with the relocation and resettlement process get off the ground.

8. As of March 2017, the progress of MHP as a whole is satisfactory in terms of accomplishing formal planning and designing work and making legal provisions for all project components, but this hitherto-made intangible progress need to be made tangible at least by early construction of resettlement houses, in particular.
1. INTRODUCTION

1.1 SCOPE OF EXTERNAL MONITORING

The Internal Monitoring of Resettlement Plan (RP) of Moragolla Hydropower Project (MHPP) is the responsibility of the EA/IA (CEB), as the close monitoring of RP implementation is made an operational requirement of Implementation Agency. These regular monitoring activities are carried out internally by PMU /PIU and the Project Management Consultant (PMC). RP implementation is closely monitored by the EA/IA through its PMU and PIU.

Considering the significance of Involuntary Resettlement impact, the EA/IA (CEB) has engaged the services of Consulting Engineers and Architects Associated (Pvt.) Ltd (CEA), as the independent Consultant Agency, which is not associated with project implementation to undertake the task of External Monitoring. CEA being the external monitor, has engaged in monitoring and verifying of the RP implementation to determine whether resettlement goals have been achieved, livelihood and living standards have been restored and making recommendations for improvement. External Monitor will also evaluate the performance of PMU/PIU related to resettlement issues. The external agency will report its findings simultaneously to the EA/IA/PMU and to ADB quarterly, starting from October 2016 for a period of 24 months (2 years), until end of 2018. Additionally, ADB will monitor projects on an ongoing basis until a project completion report is issued.

The external monitor shall submit independent monitoring and appraisal reports of RP implementation. At any of these stages, if any significant issues are identified, a corrective action plan will be prepared to address such issues by the concerned PIU and PMU and submitted to the ADB. In addition, the external monitor shall document the good practices as well as the difficulties encountered in resettlement plan implementation, which shall provide lessons on the subject for subsequent projects.

The present Quarterly External Monitoring Report is the second document comprising the recognized monitoring aspects of the project implementation stage as of end March 2017, which may regarded as 1st Quarter EMR of 2017.

The External Monitoring Report contains five chapters, including project summary, monitoring perspectives, current status of the project area, performance monitoring of RP, and recommendations.

1.2 PROJECT SUMMARY

The project titled ‘Green Power Development and Energy Efficiency Improvement Investment Program ‘is intended to finance a series of investments via Multi-tranche Financing Facility (MFF) of Asian Development Bank (ADB). Moragolla Hydropower Project (MHP) is one of several hydropower projects identified by the Government of Sri Lanka (GoSL) to reduce the role of fossil-fuelled power generation, which has
outstripped hydropower over the past 30 years as readily exploitable locations have been utilized. Returning hydropower to greater prominence would promote sustainable development and reduce greenhouse gas emissions in line with the National Climate Change Policy, and limit exposure to fluctuating international fuel prices. The Executing Agency is the Ministry of Power and Renewable Energy (MoPE) and the Implementing Agency is the Ceylon Electricity Board (CEB).

The project will be located in the upper reaches of the Mahaweli Ganga in the Central Highlands of Sri Lanka, approximately 22 km south of Kandy City and 130 km north-east of Colombo, the capital of Sri Lanka.

The project involves construction of a 37m high, 236 m long concrete gravity dam (crest at 550 masl), to create a 38.5 ha, 1.98 MCM reservoir with a Full Supply Level (FSL) at 548 masl. The concrete spillway contains 5 radial gates (13 x 15m) designed to pass a 10,000 year flood (6,700 m³/s) with no increase in FSL, or with a 2m increase if one gate was non-operational and closed. Water will be diverted by an intake just upstream of the dam, into a 2.7 km, 4.7m Ø underground headrace tunnel, surge tank and penstock on the left bank, to an above-ground powerhouse and 28m open-channel tailrace outfall, through which water will return to the river. A 500m transmission line (TL) with two towers will connect the switch-yard to the existing 132kv transmission line from Kiribathkumbura to Polpitiya.

Moragolla Hydropower Project (MHP) is designed as a run-of-river scheme, with an installed capacity of 30.2 MW (2 x 15.1 MW) and it will operate as a “peaking” station, generating power in the daily peak demand period (5-9 pm), and at other times if there is sufficient water (mainly in the monsoon season). The dam includes a pipe to discharge a constant “Environmental Flow” (E-flow) of 1.5 m³/s, which will pass through a micro-hydro plant on the right bank generating an additional 360 kW.
Quarterly Report - External Monitoring and Evaluation to Assess the Overall Outcome of Resettlement Activities of Moragolla Hydropower Project

Figure 1: Location Map of Moragolla Hydropower Project
2. EXTERNAL MONITORING PERSPECTIVES

2.1 OBJECTIVES OF EXTERNAL MONITORING

The primary objective for engaging an independent external monitor is to review the efficacy of internal monitoring, design and conduct periodic third party monitoring and feedback CEB and ADB on policy improvement and enhancement of implementation process. The External Monitoring Agency (EMA) will review implementation process as per set policies in the RP and assess the achievement of resettlement objectives, the changes in living standards and livelihoods, restoration of the economic and social base of the affected people, the effectiveness, impact and sustainability of entitlements, the need for further mitigation measures if any, and to learn strategic lessons for future policy formulation and planning.

Internal monitoring will be carried out by the Environmental Management Office (EMO) of the Project. Under the EMO, aspects such as land acquisitions, payment of compensations and other entitlements to land owners, implementation schedule, budget, benefits and grievances of the affected people will be internally monitored. Deficiencies and issues reported in internal monitoring reports will be rectified by the Project Office (PO). Internal monitoring will find these gaps in fulfilling requirements of National Involuntary Policy (NIRP) of 2001 and ADB’s Involuntary Resettlement Safeguard Policy Statement.

The present proposal of establishing an external mechanism through an independent external monitor is focused on carrying out to fulfil the conformity to requirements of National Involuntary Resettlement Policy (NIRP) / Involuntary Resettlement Safeguard Policy Statement of 2009 during the implementation of the present project.

Within the framework of National Involuntary Resettlement Policy (NIRP) / Involuntary Resettlement Safeguard Policy Statement, 2009, external monitoring and evaluations will be done with the main objective of the smooth implementation of the Resettlement Plan. Within this main objective framework, responsibilities of the External Monitoring Consultant shall have four components. These are;

1. Verify results of internal monitoring being implemented by the EMO.
2. Assess whether resettlement objectives have been met; especially whether livelihood and living standards have been restored and enhanced.
3. Assess the efficiency and effectiveness of resettlement and impact sustainability.
4. Ascertain whether the resettlement entitlements were meeting the objectives appropriately and adequately.

Thus, the External Monitoring Agency (EMA) will review implementation process as per set policies in the RP and assess the achievement of resettlement objectives, the changes in living standards and livelihoods, restoration of the economic and social base of the affected people, the effectiveness, impact and sustainability of entitlements, the need for
Quarterly Report - External Monitoring and Evaluation to Assess the Overall Outcome of Resettlement Activities of Moragolla Hydropower Project

further mitigation measures if any, and to learn strategic lessons for future policy formulation and planning.

2.2 **SCOPE OF EXTERNAL MONITORING**

To achieve these objectives, it is expected that the External Monitor shall monitor following aspects of the various components of the Project while the Project is being implemented, and in parallel to the internal monitoring system which is implemented by the Project. Under this, there are 10 aspects that the External Monitor will work at during the external monitoring period of 24 months. These aspects are;

1. Rights and entitlements of the affected persons.
2. Construction of houses / building, infrastructure and public facilities.
3. Allocation of houses, business premises and alternative lands.
4. Restoration/enhancement of income and living standards of affected persons.
5. Rehabilitation of vulnerable groups.
6. Occupational skills development training.
7. Receipts and disbursement of funds.
8. Participation and consultation.
9. Level of satisfaction of the affected persons.

The level of achievement of each of these 10 aspects during and at the end of the project has to be monitored by the External Monitor, of which level of achievements, with special attention of at least restoring and also enhancing the level of standard of living, especially livelihood at sustainable level, are stipulated in above documents of the ADB, i.e., National Involuntary Resettlement Policy (NIRP) / Involuntary Resettlement Safeguard Policy Statement, 2009.

2.3 **EXTERNAL MONITORING METHODOLOGY**

The general approach used by the external monitor is to monitor activities and evaluate impacts ensuring participation of all stakeholders especially including women and vulnerable groups. As monitoring tools both quantitative and qualitative methods were used to the extent possible and practical.

The external monitor covered five areas as the methodology and a number of steps for collecting information, which are presented in Table 2-1.
Table 2-1: Steps used for Information Collection by Identified Monitoring Areas

<table>
<thead>
<tr>
<th>Monitoring Areas</th>
<th>Steps used for Information Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) APs who had property, assets, incomes and activities severely affected by Project works and had to relocate or whose source of income was severely affected</td>
<td>1) Conduct discussions with the client – At head Office of the CEB and Project Office as well as with the relevant staff of the area.</td>
</tr>
<tr>
<td>2) Persons who had property, assets, incomes and activities marginally affected by Project works and do not have to relocate;</td>
<td>2) Collect and study the Internal Monitoring Development Report prepared by the EMU, RAP, data base &amp; other literature of the CEB.</td>
</tr>
<tr>
<td>3) Those affected by off-site project activities by contractors and sub-contractors, including employment, use of land for contractor’s camps, pollution, public health etc.</td>
<td>3) Study Internal Monitoring Report of Environment Monitoring Office.</td>
</tr>
<tr>
<td>4) Conduct information gathering system to verify the prevailing situation vs. internal monitoring system, supplemented by Focused Group Discussions (FGD), Key Informant Interviews (KII), and other qualitative &amp; quantitative methods, which would facilitate the monitors to consult a range of stakeholders (local government, resettlement field staff, NGOs, community leaders, and most importantly APs).</td>
<td>4) Study RP report &amp; procedures/methodologies/systems of the implementation of RP</td>
</tr>
<tr>
<td>5) Identification and application of indicators to identify and evaluate the resources and facilities that are get affected due to the project</td>
<td>5) Obtain information on the progress in resettlement implementation of RP from EMU and project staff.</td>
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<td></td>
<td>6) Conduct FCDs with families to be resettled / resettled.</td>
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<td></td>
<td>7) Conduct interviews with 3 household owners, whose houses are to be acquired and payments to be made.</td>
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<td></td>
<td>8) Conduct FCDs with owners of acquired lands, cattle and goat sheds, structures to be / already demolished, owners of licensed sand mining sites to be disbanded / disbanded, on the prevailing consultative process and delivery of compensations / replacements.</td>
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<td></td>
<td>9) FCDs with women of affected families on gender related aspects.</td>
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<td></td>
<td>10) Conduct KIIs with the Contractor, Divisional Secretary, Grama Niladhari and community leaders.</td>
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<td></td>
<td>11) Conduct individual interviews with selected affected people.</td>
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<td></td>
<td>12) Survey the social and economic conditions of the APs, comparing the standards of the conditions, before and after the service deliveries.</td>
</tr>
<tr>
<td>Monitoring Areas</td>
<td>Steps used for Information Collection</td>
</tr>
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<td>---------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------</td>
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<tr>
<td>Implementation and prepare a check list, which would be applied in measuring/ weighing the intensity of the negative effects and the level of influence that would be reflected in outcomes and outputs.</td>
<td>13) Observe physical progress of constructions, and effects of the construction activities on each and every AP, on regular basis, through field visits.</td>
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<td></td>
<td>14) Identify the categories of impacts and evaluate quality &amp; timeliness of delivering entitlements (compensation and rehabilitation measures).</td>
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<td>15) Review results of internal monitoring and verify claims through sampling check at the field level to assess whether RP objectives have been generally satisfied and whether it achieve the criteria given in the NIRP/ ADB guidelines.</td>
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<td></td>
<td>16) Participate at grievance committee meetings as an observer.</td>
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<td>17) Study the types of conflicts, if any, and grievances reported and resolved.</td>
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<td></td>
<td>18) Verify expenditure and adequacy of budget for resettlement activities from PMU, once in three months.</td>
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<td></td>
<td>19) Draw the attention of the client any outstanding actions that are required to bring the resettlement activities in line with the safeguard policy and further mitigation measures needed to meet the outstanding needs of any affected person or families, once a month.</td>
</tr>
</tbody>
</table>

### 2.4 Expected Indicators for External Monitoring

By following the above process in collecting information, the Consultant Team has developed a set of indicators to be utilized, in order to identify the level of outcomes / outputs of the project. This set of information on indicators is useful to the team to weigh and evaluate the effectiveness of the internal monitoring system. The expected indicators to be utilized for the external monitoring areas are shown in the Table 2-1.
Table 2-2: Monitoring Indicators and Possible Input and Output Indicators

<table>
<thead>
<tr>
<th>Activities Monitored</th>
<th>Basis for indicators / Checklist</th>
<th>Possible input and output Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Houses</strong></td>
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</tbody>
</table>
| 1) Basic information on AP households | • Location  
• Demographical data (composition, age structure)  
• Educational and skill levels  
• Gender of HH / Ethnic group  
• Access to services (health, education, & other utilities)  
• Housing type  
• Occupations and employment patterns  
• Income sources and levels  
• Participation in neighborhood or community groups  
• Value of all assets forming entitlements and resettlement  
• Entitlements | Output indicator  
• Completed evaluation to undertake an end line survey for post project evaluation.  
• Complete monitoring and progress reporting. |
| 2) Compensation Payments and entitlements | • Was compensation as described in the RP paid on time?  
• Were other entitlements distributed on time, relocation grants, loss of income support?  
• Were there additional costs AP’s had to bear?  
• Were adequate funds available to meet the costs of resettlement? | Output Indicators:  
• The difference /delay of resettlement activities compared to the original time frame.  
• The difference of cost of resettlement activities per PAHs compared to the original budget. |
| 3) Restoration of living standards | • Were income restoration activities appropriate to restore or improve living standards?  
• Were vulnerable groups adequately assisted to improve living standards?  
• Are the livelihood schemes as described in the RP being implemented satisfactorily? | Input Indicators:  
• Number and type of income and livelihood restoration trainings and other activities being implemented.  
Output Indicator  
How many APs adopted new income generating activities?  
How many APs became members of micro finance system and obtained credit.  
Outcome Indicator  
Number of PHS who answer that their income has increased after re-location, compared to the total number of PAH’s relocated. |
<table>
<thead>
<tr>
<th>Activities Monitored</th>
<th>Basis for indicators / Checklist</th>
<th>Possible input and output Indicators</th>
</tr>
</thead>
</table>
| 4) Levels of AP Satisfaction | • How much do AP’s know about resettlement procedures and entitlements?  
• Do APs know their entitlements?  
• Do they know if these have been met?  
• How do APs assess the extent to which their own living standards and livelihoods have been restored?  
• How much do APs know about grievance procedures and conflict resolution procedures?  
• How many AP’s/households were impoverished as a consequence of resettlement? | Outcome Indicator  
• Number of the grievance redress procedures filed.  
• Number of the conflicts resolved, compared to the number of the grievance redress procedures filed. |
| B. Land | | |
| 1) Ownership / type of lands | • Value of all assets forming entitlements and resettlement  
• Entitlements  
• Land and other resource owning and land use patterns | Output indicator  
• Completed evaluation to undertake an end line survey for post project evaluation.  
• Complete monitoring and progress reporting |
| 2) Compensation Payments and entitlements | • Was compensation as described in the RP paid on time?  
• Were other entitlements distributed on time, relocation grants, loss of income support?  
• Were there additional costs AP’s had to bear?  
• Were adequate funds available to meet the costs of resettlement? | Output Indicators:  
• The difference /delay of resettlement activities compared to the original time frame.  
• The difference of cost of resettlement activities per person compared to the original budget. |
| 3) Restoration of living standards / livelihoods | • Were income restoration activities appropriate to restore or improve living standards?  
• Were vulnerable groups adequately assisted to improve living standards?  
• Are the livelihood schemes as described in the RP being implemented satisfactorily? | Input Indicators:  
Number and type of income and livelihood restoration trainings and other activities being implemented.  
Output Indicators  
How many APs adopted new income generating activities?  
How many APs became members of micro finance system and obtained credit. |
### Activities Monitored

<table>
<thead>
<tr>
<th>Activities Monitored</th>
<th>Basis for indicators / Checklist</th>
<th>Possible input and output indicators</th>
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| 4) Levels of AP Satisfaction | • How much do AP’s know about resettlement procedures and entitlements?  
• Do APs know their entitlements?  
• Do they know if these have been met  
• How do APs assess the extent to which their own living standards and livelihoods have been restored?  
• How much do APs know about grievance procedures and conflict resolution procedures?  
• How many AP’s/households were impoverished as a consequence of resettlement? | Outcome Indicator  
Number of PHS who answer that their income has increased after re-location, compared to the total number of persons relocated.  
Outcome Indicator  
• Number of the grievance redress procedures filed.  
• Number of the conflicts resolved, compared to the number of the grievance redress procedures filed. |

### C. Structures

#### 1) Ownership/ type of lands/ assets

| | • Value of all assets forming entitlements and resettlement  
• Entitlements |  
| Output indicator | • Completed evaluation to undertake an end line survey for post project evaluation  
• Complete monitoring and progress reporting |

#### 2) Compensation Payments and entitlements

| • Was compensation as described in the RP paid on time?  
• Were other entitlements distributed on time, relocation grants, loss of income support?  
• Were there additional costs AP’s had to bear?  
• Were adequate funds available to meet the costs of resettlement? |  
| Output Indicators: | • The difference /delay of resettlement activities compared to the original time frame.  
• The difference of cost of resettlement activities per person compared to the original budget. |

#### 3) Restoration of living standards / livelihoods

| • Were income restoration activities appropriate to restore or improve living standards?  
• Were vulnerable groups adequately assisted to improve living standards?  
• Are the livelihood schemes as described in the RP being implemented satisfactorily? |  
| Input Indicators: | Number and type of income and livelihood restoration trainings and other activities being implemented.  
Output Indicators  
• How many APs adopted new income generating activities  
• How many APs became members of micro finance system and obtained credit. |
### Activities Monitored

<table>
<thead>
<tr>
<th><strong>Basis for indicators / Checklist</strong></th>
<th><strong>Possible input and output indicators</strong></th>
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<tbody>
<tr>
<td><strong>Outcome Indicator</strong></td>
<td>Number of PHS who answer that their income has increased after re-location, compared to the total number of persons relocated.</td>
</tr>
<tr>
<td><strong>Outcome Indicator</strong></td>
<td>Number of the grievance redress procedures filed.</td>
</tr>
<tr>
<td><strong>Outcome Indicator</strong></td>
<td>Number of the conflicts resolved, compared to the number of the grievance redress procedures filed.</td>
</tr>
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<tr>
<th><strong>Activities Monitored</strong></th>
<th><strong>Possible input and output indicators</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4) Levels of AP Satisfaction</strong></td>
<td><strong>Outcome Indicator</strong></td>
</tr>
<tr>
<td>• How much do AP’s know about resettlement procedures and entitlements?</td>
<td>Number of PHS who answer that their income has increased after re-location, compared to the total number of persons relocated.</td>
</tr>
<tr>
<td>• Do APs know their entitlements?</td>
<td></td>
</tr>
<tr>
<td>• Do they know if these have been met?</td>
<td></td>
</tr>
<tr>
<td>• How do APs assess the extent to which their own living standards and livelihoods have been restored?</td>
<td></td>
</tr>
<tr>
<td>• How much do APs know about grievance procedures and conflict resolution procedures?</td>
<td></td>
</tr>
<tr>
<td>• How many AP’s/households were impoverished as a result of resettlement?</td>
<td></td>
</tr>
<tr>
<td><strong>D. Social/Community Facilities</strong></td>
<td><strong>Outcome / Output indicators:</strong></td>
</tr>
<tr>
<td><strong>1) Types of facilities / infrastructure got negatively affected.</strong></td>
<td></td>
</tr>
<tr>
<td>• Number of community members negatively affected on livelihood activities.</td>
<td>Facilitation of the continuity of community activities.</td>
</tr>
<tr>
<td>• Community activities affected during the construction stage and implementation stage.</td>
<td></td>
</tr>
<tr>
<td>• No. of individual community members got affected during the construction stage and implementation stage.</td>
<td></td>
</tr>
<tr>
<td><strong>2) Restoration of social facilities</strong></td>
<td></td>
</tr>
<tr>
<td>• Was restoration of facilities adequate?</td>
<td>Number of community members who used earlier systems are engaged under present context</td>
</tr>
<tr>
<td>• Was restoration of facilities satisfactory?</td>
<td></td>
</tr>
<tr>
<td>• What is the level of sustainability of these restorations?</td>
<td></td>
</tr>
<tr>
<td><strong>3) Levels of APs’ &amp; community leaders’ satisfaction</strong></td>
<td></td>
</tr>
<tr>
<td>• Any complaints/grievance made by community leaders?</td>
<td>Information on grievances from community leaders</td>
</tr>
<tr>
<td>• Percent of people satisfied with the package of facilities / compensation offered?</td>
<td></td>
</tr>
</tbody>
</table>

The above monitoring inputs were initially applied on pilot basis during the first period of external monitoring (final quarter of 2016), as actual resettlement and relocation
activities have not taken place and even though the salient requirement of land acquisition is made with legal provisions.

In summary, the main steps followed for establishing External Monitoring System are six-fold:

1. Desk Review on project literature (Resettlement Plan, Internal Monitoring Reports),
2. Formal Discussions with Project Management and Implementation Staff of CEB
3. Key Informant Interviews with Government Stakeholders (DSs, GNs, ADPs/Dos)
4. Focus Group Discussions with selected groups of affected persons (sample of 17 families, women groups, livelihood groups), and with indirectly affected persons
5. Field Observations in the affected area (both households and land plots)

External Monitor (CEA) commenced its monitoring related field studies in early October 2016, and visited project area on monthly basis, executing the above mentioned steps. This second EMR, need to be considered as a cumulative report comprising information gathered during first quarter of 2017 as well.
3. PROJECT IMPACT AREA

3.1 Socioeconomic Setting

Being located in the Kothmale River Basin, the project area predominantly has a rural agricultural background, which is characterized mostly by homestead gardens with mixed cultivations. Tea cultivation is one source of income for some of the affected people who operate as smallholders, and in most cases household labour is used for weeding, maintaining of Tea lands and harvesting of Tea. It was observed that hired labour is seldom used for Tea plucking. While no paddy lands exist in the project affected area, vegetable cultivation is also not very popular as a livelihood or a supplementary income source.

It was found that land ownership status is not uniform, and all the people in the area do not possess freehold land ownership. Some of the land lots have been alienated by the Vishnu Devalaya (Temple of God Vishnu) at Hanguranketa on annual lease. However, at present the occupants of these lands do not pay any lease to the Devalaya. While some families are encroachers to the state lands, a few others are annual permit holders under State Land Ordinance. Industries, except for a blacksmith workshop are not significant in the area. Livestock husbandry too is not very popular. Sand mining along the Mahaweli River within the reservoir area and in the downstream of proposed Dam is taking as a livelihood place at present, and it provides employment to a significant number of unskilled labourers. There are 19 licensed sand miners operating within the affected area.

3.2 Scope of Acquisition and Resettlement

Keeping in line with the ADB’s Social Safeguard Policy Statement of 2009 policies and NIRP, the project has developed the resettlement policy which provides for allocation of alternative houses, commercial establishments and lands in lieu of those affected by the project.

The project-affected area is located in the downstream of Kothmale Dam within Ulapane North, Ulapane South, Ethgala and Weliganga Grama Niladhari Divisions falling to two divisional secretariat (DS) divisions of Kandy District., namely Udapalatha and Ganga Ihala Korale Divisions. Due to the expected construction activities and related requirements of the implementation of the project as well as for resettlement of 17 families that will get displaced for facilitating construction and maintenance activities of the project, it has become necessary to acquire lands, in addition to other necessary requirements under the resettlement process.

According to the RP, 3 households out of 17 have opted to obtain cash compensations for houses that will be acquired for the project. Balance 14 households will receive replacements for houses that they will be losing. Thus, family resettlement lands for 14 families will be acquired from Udapalatha DS Division and lands for project components will be acquired from both Udapalatha and Ganga Ihala Korale Divisions.
For project purposes, further lands of 93.58 hectares of the area are to be acquired on permanent basis, out of which 63.09 ha are state lands and the balance 30.49 ha of private lands owned by 96 different individuals. Out of these, 26.97 ha are of home gardens, with vegetables, spices fruits tea and timber. In addition to above lands, 6.36 ha of private lands will be within the restricted land use area, during the period of construction. Ownership of these lands may be of different types, such as “owner with legal rights”, “Government land with permits”, “Non-titled dwellers” or “Encroachers in to state lands, before cut-off date”.

In addition to above 17 households, cattle shed and goat shed are within these lands to be acquired. In addition to houses, there are 42 structures to get affected and these are belonged to 26 individuals. It is observed that most of these structures are of temporary / semi-permanent types. Balance 16 structures are community buildings and government/local authority-owned ones.

Infrastructure facilities also will get affected due to the project. These include Atabage Road below the MSL 550, water supply line for the communities as well as one for a private venture.

3.3 Impact on Involuntary Resettlement

As described in the RP, Impact Areas of the project are classified as Direct Impact Area and Indirect Impact Area from the social impact point of view. Direct Impact Area is the area within which project activities will be carried out and these will be considered as affected area which requires land acquisition, compensation, resettlement and relocation etc. However, Indirect Impact area is set around 10m outside of the direct impact area, downstream impact area, de-watering area, and related GN Divisions which will not be covered under the scope of resettlement plan. The Direct Impact Area includes following physical units:

1. Dam Area
2. Powerhouse Area
3. Reservoir and Buffer Zone
4. Surge Tank Area
5. Transmission Line (TML) Area
6. Diversion Road
7. Access Road 1
8. Access Road 2
9. Camp Area
10. Quarry Area
11. Disposal Area
12. Disposal Area 2
13. Work Area
14. Disposal Area 3
15. Existing road to Powerhouse
16. Resettlement Area, and
17. Ulapane Buffer Zone

It identified in the RP, present project has impact on involuntary resettlement in terms of a number of aspects ranging from home and land acquisition to loss or change of livelihoods of vulnerable families. A quantitative account of these impacts on APs and their assets through land acquisition are summarised in Table 3.1:

<table>
<thead>
<tr>
<th>Serial No.</th>
<th>Impacts</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total land requirement (Hectare)</td>
<td>112.94</td>
</tr>
<tr>
<td>1.1</td>
<td>Total Government Land (Hectare)</td>
<td>64.94</td>
</tr>
<tr>
<td>1.1.1</td>
<td>Total private land for permanent land acquisition (Hectare)</td>
<td>14.76</td>
</tr>
<tr>
<td>1.1.2</td>
<td>Total Government Land for temporary impacts (Hectare)</td>
<td>50.18</td>
</tr>
<tr>
<td>1.2</td>
<td>Total Private Land (Hectare)</td>
<td>48.00</td>
</tr>
<tr>
<td>1.2.1</td>
<td>Total Private Land for permanent land acquisition (Hectare)</td>
<td>38.24</td>
</tr>
<tr>
<td>1.2.2</td>
<td>Total Private Land for temporary impacts (Hectare)</td>
<td>3.40</td>
</tr>
<tr>
<td>1.2.3</td>
<td>Total Private Land for permanent land restrictions (Hectare)</td>
<td>5.86</td>
</tr>
<tr>
<td>1.2.4</td>
<td>Total Private Land for temporary land restrictions (Hectare)</td>
<td>0.50</td>
</tr>
<tr>
<td>2</td>
<td>Number of Trees</td>
<td>2310</td>
</tr>
<tr>
<td>3</td>
<td>Number of economic displaced households for permanent land acquisition (only land)</td>
<td>86</td>
</tr>
<tr>
<td>4</td>
<td>Number of economic displaced households for temporary land impact (only land)</td>
<td>03</td>
</tr>
<tr>
<td>5</td>
<td>Number of residential houses for displacement and relocation</td>
<td>17</td>
</tr>
<tr>
<td>6</td>
<td>Number of physically displaced households</td>
<td>17</td>
</tr>
<tr>
<td>7</td>
<td>Number of Other small structures (small business/wall/fence/shed etc.)</td>
<td>126</td>
</tr>
<tr>
<td>8</td>
<td>Number of impact on sand miners</td>
<td>19</td>
</tr>
<tr>
<td>9</td>
<td>Number of impacts on sand mine labourers</td>
<td>39</td>
</tr>
<tr>
<td>10</td>
<td>Number of impacts on agricultural labourers</td>
<td>09</td>
</tr>
<tr>
<td>11</td>
<td>Number of agricultural sharecroppers/tenants</td>
<td>07</td>
</tr>
<tr>
<td>12</td>
<td>Number of agricultural encroachers</td>
<td>03</td>
</tr>
<tr>
<td>13</td>
<td>Number of agricultural squatters/ non-title holders</td>
<td>06</td>
</tr>
<tr>
<td>14</td>
<td>Number of vulnerable households</td>
<td>24</td>
</tr>
</tbody>
</table>

*Source: Census and Socio economic survey, April 2013-June 2013 (CEB)*

### 3.4 Component-wise Impact of the Project

As recorded in the Resettlement Plan and Internal Monitoring Reports, the impact of the project are of several categories as described below:

1) **Impact on Residential Houses:**

Implementation of the project will entail social and economic impacts within parts of the Grama Niladhari Divisions of Ulapane North, Ulapane South, Sinhapura, Gampolawela and
Weliganga, Main social and economic impact will be due to displacement of seventeen (17) households from Sinhapura, Weliganga and Ulapane South. Out of these fourteen (14) households will be resettled at a location closer to the existing residences. A suitable resettlement site has been identified in consultation with the affected households.

2) Project Impact on Lands:
Other significant impact identified is due to acquisition of lands for different project activities. Land acquisition will result in loss of homestead gardens, agriculture land, including lands under Tea cultivation etc. Census Survey has identified 30.49 hectares of private land owned by 96 different individuals, to be acquired for project activities including re-aligning of the diversion road at certain sections and widening in other sections as necessary. The total extent of land required for the project has been identified as 93.58 hectares out of which 63.09 hectares are state owned lands.

3) Impact on Structures other than Residential Houses:
The Census Survey has identified that a total of 42 structures owned by 26 individuals will be affected by the project.

4) Impact on Homestead Gardens
Out of the total extent of 30.49 hectares of private lands are affected, of which 26.97 hectares account for homestead gardens. Homestead gardens are covered with crops such as spices, small beds of vegetable, fruits, tea and different types of trees of timber value.

5) Impact on Livestock Husbandry
Of total affected households, only one cattle shed and a goat shed have been identified to be affected by the project. There is no other animal husbandry related structures like poultry sheds have been identified as affected due to project activities.

6) Impact on Infrastructure
Major impact on infrastructure will be due to submergence of 548masl stretch of Atabage road and shifting of three electricity lines due to inundation and improvement of existing roads to the Power House and the Surge Chamber. Also, existing water line along the Ethgala-Dunhinda road will be affected due to road improvements. Water intakes of Dunhinda irrigation canal and the water supply scheme of the Crysbro Poultry Farm will be affected due to reduction of the level of water in the downstream of the river with the construction of the Dam. However, the project has already agreed with the farmers and the management of the Crysbro Farm to make arrangements to supply of water without any interruption.

It is also recorded that the existing water line along the Ethgala-Dunhinda road will be redesigned.
7) Impact on loss of income and livelihoods

A significant impact on sand mining will be resulted due to construction of the Dam. The Census Survey has identified 19 licensed sand miners currently engaged in sand mining. They have employed 39 labourers on daily wage basis. Sand mining is a restricted activity as licenses are issued only for three days a week.

Additionally, 9 number of agriculture labourer will be affected who are working in the tea garden. Further to this, 7 numbers agricultural sharecropper/tenant, 3 numbers of agricultural encroachers and 6 numbers of agricultural squatters will be affected.

8) Gender Assessment (Role of Women)

The baseline studies and RP have revealed that women are mostly involved in multi-faceted activities with prime focus on household chorus. Apart from their reproductive roles such as household cooking, cleaning, fetching water, feeding children and helping in children’s studies, women across the subproject areas also make a significant contribution to the household economy. Women would also collect firewood from the surrounding forests and take a lead role in livestock farming and take care of the feeding of their cattle, goats and poultry.

Home gardening is another important economic activity of women, produce of which is used for both household consumption and marketing. Other forms of economic activities conducted by women include agricultural labour work, running food outlets, etc. More educated women are employed in both government and private sector jobs. Women are generally engaged in dress-making, plucking tea leaves, and animal husbandry. Some women and girls work at shops in Gampola and Nawalapitiya Towns.

It is found that there is discrepancy in wage rate between and women. The incomes they earn from such economic activities are used to supplement the households’ consumption needs, to repay their past debts or else to cover the expenses connected with children’s education.

Apart from the instances of alcoholism of husbands and occasional violence at the domestic level, and theft, no major threats to the lives of women were reported. In general, both men and women would make joint decisions on household matters and women would also have more authority in making decisions related to children’s education, family health matters and children’s marriage. Women also perform a significant role in managing the household assets despite the key immovable assets like land and house are owned by men.

Most of the girls would stop their education after GCEOL and AL and try to find employment because their families are unable to meet the expenses of the higher education.
It is also reported that HHs with low incomes and school going children are unable to send their daughters who have completed school education to enrol in skills development training because they cannot afford to pay for such training courses. With regards to health, there is no major chronic diseases are observed among women. Health facilities available around the locations are good. Ulapane hospital and 3 other private medical clinics are located only 500 meters away. Monthly clinics are also conducted for pregnant mothers and children. Distance to Ulapane hospital is 3 – 5 km to Gampola teaching hospital; and 4 km to Nawalapitiya hospital. There are private medical clinics at Mawathura and Ulapane (2 km away). Maternity clinics are conducted twice a month. Family Health Worker visits HHs once a month and examines pregnant mothers and children.

Over 80 percent of the ownership of land and houses is in the name of males. Land is given by the Mahaweli Authority.

9) Impact on Public Health and HIV/AIDS

Another important impact identified in the RP/IMR, is the impact on health sector. Accordingly, during the construction period of the project workers in large numbers will migrate into the project area and the expected number of around 1000 workers will engage in the construction work. They might carry chronic and socially contemptible diseases such as HIV/AIDS (People in Sri Lanka consider HIV/AIDS in contempt). However, spread of HIV/AIDS in the project area might be less likely as almost all the persons who will migrate to the area will be male workers and their sexual contacts with the local female cannot be expected; as such relationships are considered social taboos. In highly cultured village societies of Sri Lanka, sexually transmitted diseases are unheard or isolated incidents. Nonetheless, the project will take all precautionary measures to arrest a slightest possibility of spreading, HIV/AIDS within the project area. The contractor will also be advised to take all precautionary measures in this respect.
4. MONITORING OF RESETTLEMENT PROCESS

4.1 PROGRESS OF LAND ACQUISITION AND RESETTLEMENT

As reported in the Internal Monitoring Report, the status with regard to the land acquisition and resettlement process is that preliminary and essential actions have been made as summarized in Table 4-1:

Table 4-1: Progress of Land Acquisition and Resettlement

<table>
<thead>
<tr>
<th>Serial No.</th>
<th>Component</th>
<th>Progress Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Land Acquisition</td>
<td><strong>Udapaltha DS Division:</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Possession of 40 Nos. lots (Out of 45 lots) has been taken over by CEB from DS division. Section 38;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Direction was issued for all lots and balance lots to be taken over; taking over is delayed due to a land issue with one landowner.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Section 5 Direction was received for the all lands.</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Ganga Ihala-Korale DS division:</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Possession of 54 Nos. (Out of 59 lots) have been taken over by CEB from DS division.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• For balance 05 lots possession to be taken over.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Section 5 Direction was received for some sections of lands.</td>
</tr>
<tr>
<td>2</td>
<td>Resettlement Land</td>
<td>• Possession of the new resettlement land was taken over.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Section 5 Direction was received.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Survey order was given to the Survey Department to prepare preliminary plans.</td>
</tr>
<tr>
<td>3</td>
<td>Construction of Resettlement Village</td>
<td>• Contract was awarded to Ms. Sierra Construction Co. Ltd. on 21-03-2016.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Preliminary design work is on going</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Construction work to be commenced with the approval for conditional EIA granted in March 2017</td>
</tr>
</tbody>
</table>

Source: 1) Adopted from Internal Monitoring Report, December 2016  
2) Discussion with Project Officials in March 2017

4.1.1 LAND ACQUISITION:

Basically, the resettlement effects are generated mostly by conducting the process of land acquisition for the project. Immediate land acquisition is necessary for the construction activities under different project components. Acquisition of land for relocation of affected households and providing of alternative land lieu of those affected by the project has been treated as a top priority requirement.

When implementing the Land Acquisition process, it has been divided into three processes by project proponents, as listed below:
1) Lands acquired for the resettlement in the Udapalatha DS Division
2) Lands acquired for the project components in the Udapalatha DS Division
3) Lands acquired for the project components in the Ganga Ihala-Korale DS Division

4.1.2 CONSTRUCTION OF RESettlement VILLAGE

As per the ADB’s Safeguard Policy Statement of 2009 and National Involuntary Resettlement, the PMO has developed a resettlement policy which provides land for allocation of alternative houses, commercial establishments and lands in lieu of those affected by the project.

For this effect, bids have been floated and evaluated for the Construction of Resettlement Houses. MPC approval was received and the contract was awarded to Ms. Sierra Construction Co. Ltd. on March 21, 2016, and accordingly the Contractor has commenced the preliminary design work of the Resettlement village.

4.2 LEGAL AND POLICY REQUIREMENTS

It is recorded that the establishment of the Resettlement Policy of the Moragolla Hydropower Project, legal framework, resettlement principles and entitlements in the resettlement plan are guided by the GOSL’s Land Acquisition Act (LAA), 1950, National Environmental Act (NEA) No. 47 of 1980, National Involuntary Resettlement Policy (NIRP) of 2001 and ADB’s, Involuntary Resettlement Safeguard Policy Statement of 2009 (SPS).

4.3 CONSULTATION AND INFORMATION DISCLOSURE

As identified by the RP, several steps are being conducted for continued consultations as well as for information disclosure, which are envisaged as prerequisite for the project:

1) Consultation

The steps taken for continued consultation include the followings:

- CEB to organize public meetings and to apprise the communities about the progress in the implementation of resettlement, social and environmental activities.
- CEB to organize public meetings for informing the community about the compensation and assistance to be paid; regular update on the progress of the resettlement component of the project will be placed for public display at the CEB offices.
- All monitoring reports of the resettlement components of the project are disclosed in the same manner as that of the RP.
- Key features of the entitlements are displayed along the project corridor.
• CEB to conduct information dissemination sessions at major locations and solicit the help of the local community leaders to encourage the participation of the DPs/APs in RP implementation.
• Attempts are being made to ensure that vulnerable groups understand the process and to take their specific needs into account.

2) Information Disclosure

Another important aspect of the project is to keep more transparency in planning and for further active involvement of DPs/APs and other stakeholders. For this purpose, the project information is disseminated through disclosure of resettlement planning documents. Resettlement information containing information on compensation, entitlement and resettlement management adopted for the project are made available in the local languages (Sinhalese and Tamil) in addition to the English version to DPs/APs in the form of leaflets. CEB will keep the DPs/APs informed about the impacts, the compensation and assistances proposed for them and facilitiate addressing any grievances. The information will also be made available at a convenient place, such as CEB’s site office, Grama Niladhari office, Divisional Secretary’s office etc. which shall be easily accessible to the APs. A copy of the RP will be disclosed on ADB’s website and on CEB’s website. The updated RP will also be disclosed in the similar manner. CEB has already initiated the process of disclosure to the local people as part of resettlement planning. An entitlement matrix prepared and approved by CEB’s board of directors has been disclosed to the local people in the local language on 27 December 2013 and affected people were made aware about their entitlement as per CEB’s provision. Details on the consultations and disclosure of the CEB’s entitlement matrix are given in RP).

4.4 Grievance Redress Mechanism & its Implementation

Similar to any other construction project, involuntary resettlement might give rise to grievances among affected (APs) persons in implementing Resettlement Polices despite the fact that relevant policies are developed taking into consideration the safeguard measures of the APs including their entitlements and improving living standards. Grievances may be related to eligibility criteria, location of resettlement sites, quality of services at those sites, allocation of houses, livelihood issues and social and cultural issues etc. Grievances are surfaced and brought mostly at the time of implementation of the Resettlement Plan. The grievances may be different in nature.

Some of the grievances have been solved by the implementing agency within the accepted policies and the legal framework. There are two committees titled ‘Resettlement Committee’ and ‘Housing Committee’ established under the project, at which the APs can raise their common and personal grievances. Most of the grievances brought up at the meetings of these committees could be solved by the implementing agency. However, there may be certain grievances that are more complex and cannot be
solved by the implementing agency. For solving such grievances, a Grievance Redress Committee (GRC) has been established under the project.

Even though some grievances brought up before GRC may not be bona fide cases, it is imperative to have a mechanism in place to examine and find solutions to the grievances in a most transparent manner to convince the people that their grievances are well examined and attended to.

The grievance redress mechanism is essential for smooth implementation of Resettlement Plan (RP). It is inevitable to resolve the grievances and disputes at the community level and as and when they are brought up. The Safeguard Policy Statement 2009 of the Asian Development Bank (ADB) emphasizes the need for grievance redress and dispute resolution mechanisms in the implementation of development.

Initially, the tentative nominations for the GRC were received by the PMO and formal setting up of the committee was done. Formation of the GRC was notified to the general public by publication of a notice in national newspapers in three languages i.e., Sinhala, Tamil and English. The local community was also informed about the grievance handling procedures of the project through GramaNiladharis of the area and displaying notices at important public places within the Divisional Secretariat Divisions of Udapalatha and Ganga Ihala-Korale.

A GR committee was appointed, with 7 members comprising Additional District Secretary (Lands) of the Kandy District (to function as the Chairperson of the GRC), 2 Priests of the local Temples, and 2 others to represent APs of Udapalatha DS Division and Ganga Ihala-Korale DS Division, Civil Engineer of the PMO, nominated by the Project Director of the MHPP to serve as the Secretary to the GRC. An honorarium is to be paid to the members of the GRC, and the required funds for operation of the GR Care borne by CEB.

The first meeting of the GRC was held on January 04, 2016, followed by the second meeting in early July, with the appointment of new Chairman to discuss the scope and the Terms of Reference of the GRC, in detail and it was proposed to call for a stakeholder meeting with the PAP’s to aware among themselves and to discuss their issues.

During this reporting period, only effective social activity in progress is the land acquisition process, and some requests and grievances have been received to PMU. Some issues were sorted and others need some further actions for a formal solution.

Six grievances/complaints by 5APs have been made during the 1st reporting period as listed below (Detail list of grievances/complaints reporting period is given in IMR):

1) Fear of scarcity of water due to impact to the water table by drilling the tunnel

2) Proposed acquired land has a natural water source. Object to release the land area having the natural water source, in order to use for future agricultural purposes.
3) Object to release the land for Project purposes since this is the only land he has for living.

4) Error in boundary points of his land when doing the surveying of adjacent land.

5) Requested to arrange an awareness program of the project and grievance committee for the affected people.

4.5 Entitlement, Assistance and Benefits

The MHPP has worked out sufficient amount of entitlements, assistance and benefits for APs of different categories identified under the RP. These entitlements, assistance and benefits particularly relevant to resettlement are summarised in Table 4-2:

<table>
<thead>
<tr>
<th>Application</th>
<th>Definition of Entitled Person</th>
<th>Description on Entitlements</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Residential house in the project affected area existed as at the cut-off date</td>
<td>a) Owner with legal right b) Non titled dweller c) Encroacher as at the cut-off date</td>
<td>a) House for house with more space and facilities decided by CEB will be provided based on the floor area of the affected house, built in a land not less than 15 perches in extent. b) The alternative houses will be constructed in following types based on the floor area of the affected houses. Type A – for floor area less than 650ft² Type B – for floor area greater than 650ft² and less than 750ft² Type C – for floor area greater than 750ft² and less than 950ft² Type D – for floor area greater than 950ft² and less than 1100ft² Type E – for floor area greater than 1100ft² and less than 1360ft² Type SP – for floor area greater than 1360ft² and less than 1800ft² c) If a Project affected person is willing to construct his house by himself according to the designed prepared by the project. Arrangement will be made to release funds through the Divisional Secretary in stages based on the progress of the construction d) In case where the residential land is in excess of 0.25acres and less than one acre, an alternative land in similar extent including the extent of land on which the alternative house is built will be provided. If an alternative land cannot be provided due to scarcity of suitable lands, cash compensation based on the valuation</td>
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<tr>
<td>Application</td>
<td>Definition of Entitled Person</td>
<td>Description on Entitlements</td>
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<td>determined by the Valuation Department will be paid for the lands for which legal possession can be established.</td>
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<td></td>
<td></td>
<td>e) In case where the land in which the affected house located is in excess of 15 perches but less than 0.25 acres or more than one acre, cash compensation in respect of the land in excess of 15 perches or in excess of one acre will be paid based on the valuation by the Valuation Department for which legal possession can be established.</td>
</tr>
<tr>
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<td>f) Encroachers on the state land will be entitled only to compensation to meet the cost incurred for the development of the excess land.</td>
</tr>
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<td>g) In case where an alternative house cannot be provided due to unavoidable circumstances, compensation based on replacement cost will be paid.</td>
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<td></td>
<td></td>
<td>h) Households residing in rented houses will not be entitled for alternative houses. However, they will be entitled for an exgratia payment not exceeding Rs. 90,000/= paid only once.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>i) Shifting allowance up to a maximum of Rs. 50,000/= or transportation of goods and materials will be provided by the Project.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>j) Subsistence allowance of Rs. 30,000/= will be paid for the first month upon resettlement.</td>
</tr>
<tr>
<td>2) Business Places affected by the project, existed as at the cut-off date</td>
<td>a) Owner with legal right</td>
<td>a) An alternative business place will be provided with improved facilities at a suitable location.</td>
</tr>
<tr>
<td></td>
<td>b) Non titled business owners</td>
<td>b) In case where the land in which the affected business place located is in excess of the land on which the alternative business place will be constructed, cash compensation in respect of the market value for the excess land will be paid based on the valuation determined by the Valuation department if the legal possession for the land can be established.</td>
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<tr>
<td></td>
<td></td>
<td>c) If an alternative business place cannot be provided before removal of the affected building, a temporary place to carry out the business will be provided by the project or a cash payment will be made, to rent a suitable place to continue with the business.</td>
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<td></td>
<td></td>
<td>d) Any loss of business income occurred during the interim period will be compensated by the project subject to a maximum of three months.</td>
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<tr>
<td>Application</td>
<td>Definition of Entitled Person</td>
<td>Description on Entitlements</td>
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<td>period based on the average income of the preceding three months.</td>
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<td>e) Transport of goods and materials will be attended to by the project or a cash payment depending on the volume of goods and materials to be transported will be paid to the owner for the purpose.</td>
</tr>
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<td></td>
<td></td>
<td>f) Those, who are running businesses in rented buildings, will not be entitled for alternative business places. However, they will be entitled for an ex-gratia payment not exceeding Rs.90,000/= paid only once</td>
</tr>
<tr>
<td>3) Informal Business affected by the Project</td>
<td>Owner of the Informal Business</td>
<td>Once and for all payment (an income restoration allowance) of Rs.40,000/= to rebuild the informal business.</td>
</tr>
<tr>
<td>4) Land situated in the project affected area</td>
<td>a) Owner with legal right b) Government land (permit holder) c) Non titled dweller d) Encroachers into the state land before cut-off date</td>
<td>a) An alternative agricultural land similar to the extent of the land to be acquired will be given, at a suitable location or</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b) Cash compensation based on the valuation determined by the Valuation Department will be provided.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>c) Alternative land will be prepared by the project to suit the anticipated cultivation or a cash payment will be made for the purpose.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>d) Once and for all cash payment will be made to purchase seeds and fertilizer.</td>
</tr>
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<td></td>
<td></td>
<td>e) Encroachers who have abandoned the agricultural activity will not be entitled to an alternative agriculture land.</td>
</tr>
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<td></td>
<td></td>
<td>f) In case where, alternative land cannot be provided due to scarcity of suitable lands, cash compensation based on the valuation determined by the Valuation Department will be paid for the lands for which legal possession can be established.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>g) If there is a time lag between allocation of an alternative agriculture land and taking over of the land for the project, a cash compensation for loss of income subject to a maximum of three years will be paid to the cultivator based on assessment obtained from the relevant DS.</td>
</tr>
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<td></td>
<td></td>
<td>h) Those, who are without legal rights will be entitled only to development cost of the land.</td>
</tr>
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<td></td>
<td></td>
<td>i) Agricultural extension services to increase the productivity in collaboration with the Agriculture Department will be organized.</td>
</tr>
<tr>
<td>Application</td>
<td>Definition of Entitled Person</td>
<td>Description on Entitlements</td>
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</tbody>
</table>
| 5) Land situated in the project area | a) Owner with legal rights  
b) Non-title holders  
c) Encroachers into the state land before cut-off date | a) If the affected land does not exceed one acre or not less than 0.25 acre an alternative land in similar extent will be provided by the Project.  
b) Where the lands to be acquired are larger than one acre or less than 0.25 acre, cash compensation in respect of such lands will be paid based on the valuation determined by the Valuation Department, provided that the legal ownership is established.  
c) Alternative land will be prepared by the project to suit the anticipated cultivation or a cash payment will be made for the purpose.  
d) Once and for all cash payment will be made to purchase seeds and fertilizer.  
e) In case where, alternative lands cannot be provided due to scarcity of suitable lands, cash compensation based on the valuation determined by the Valuation Department will be paid for lands for which legal possession can be established.  
f) If there is a time lag between allocation of an alternative agriculture land and taking over of the land for the project, a cash compensation for loss of income subject to a maximum of three years will be paid to the cultivator based on assessment obtained from the relevant Divisional Secretary.  
g) Encroachers who have abandoned the agricultural activity will not been titled to an alternative agriculture land.  
h) For those who cannot establish legal ownership or encroachers in to state lands will be titled only for the development cost of the land |
| 6) Affected(Acquired) by the project | Owners with the legal rights | Compensation based on the valuation determined by the Valuation Department will be paid. |
| 7) Trees and perennial crops affected by the project | People who own the land in which the trees and perennial crops exist | Cash compensation determined by the Valuation Department will be paid (in determining the compensation; type, age and the productivity of the trees and perennial crops will be taken in to consideration). |
| 8) Affected vulnerable groups of people requiring special assistance | All APs requiring special assistance | a) Special livelihood restoration programs will be organized.  
b) Preference will be given when allocating alternative houses.  
c) Special ex-gratia payment of Rs. 40,000/= will be paid only once. |
<table>
<thead>
<tr>
<th>Application</th>
<th>Definition of Entitled Person</th>
<th>Description on Entitlements</th>
</tr>
</thead>
<tbody>
<tr>
<td>9) Common amenities affected due to the project</td>
<td>Local community</td>
<td>Replacement will be done at the earliest possible time</td>
</tr>
<tr>
<td>10) Affected by the Project</td>
<td>Owners with legal rights</td>
<td>Cash compensation based on the replacement cost will be paid.</td>
</tr>
<tr>
<td>11) Public utilities affected due to the project</td>
<td>Owners of the public utilities</td>
<td>Relocation of utilities will be done at proper time.</td>
</tr>
<tr>
<td>12) Affected by the project</td>
<td>Owners of the shrines and tombs</td>
<td>a) Relocation will be done by the project. Cultural properties will be conserved through special measures such as relocation in consultation with the community or b) Cash compensation will be paid for relocation.</td>
</tr>
<tr>
<td>13) Affected by the project</td>
<td>Communities receiving benefits from infrastructure</td>
<td>Restoration will be done by the project in consultation with affected communities</td>
</tr>
<tr>
<td>14) People losing employment due to acquisition of properties and project activities</td>
<td>People who will lose wage employment in the private enterprises affected due to acquisition of properties</td>
<td>An allowance not exceeding Rs. 20,000/= per month will be paid for the period of losing employment subject to a maximum of three month period</td>
</tr>
<tr>
<td>15) a) People losing livelihood as a result of Displacement due to land acquisition for the project b) Sand mining locations affected by the Project</td>
<td>a) People whose self-employment ventures will be disturbed b) People who will lose income from sand mining</td>
<td>a) Once and for all allowance of Rs. 50,000/= will be paid to re-established the livelihood. b) Assistance will be given for alternative source of income opted by the affected sand miners. c) Payment of cash compensation will be arranged for loss of income for the period from the date on which the sand mining will be disturbed and the start of the new source of income, subject to a maximum of six (06) months as determined by the Divisional Secretary.</td>
</tr>
<tr>
<td>16) Places of livestock husbandry affected by the Project</td>
<td>People whose livestock husbandry activities are disturbed due to the Project</td>
<td>a) Will be provided alternative place for livestock husbandry with improved facilities. b) Will be provided extension services to improve the income from livestock husbandry.</td>
</tr>
</tbody>
</table>
Application | Definition of Entitled Person | Description on Entitlements
--- | --- | ---
**Note:**
a). The responsible agencies for the provision of most of the entitlements are the relevant Divisional Secretary and CEB itself. Dept. of Agriculture will hold the responsibility for Agriculture Extension service
b). Regarding the Compliance Status most of the entitlements are being compiled and construction of houses of the relocated families have been awarded to Ms. Sierra Construction Co. Ltd. With the approval for conditional EIA granted in March 2017, the house construction can commence early.

*Source: Adopted from Entitlement Matrix of the IMR, December 2016 and monthly field visits (2017)*

### 4.6 Relocation and Income Restoration

As emphasized in the RP, Moragolla Hydropower Project has planned to implement different programmes to enhance the income levels and improve the standards of the affected people. As a first step, the project has identified the losses that would lead to impoverishment of affected people in order to introduce appropriate rehabilitation measures. The MHP considers that rebuilding of the lost livelihoods of the APs is its obligation and responsibility. Therefore, project has plans in place to rebuild their income bases and to enhance their income level to be better than that of the pre-project situation.

With this objective in mind, MHP has identified a few livelihood opportunities as well as a number of skill development training areas as potential sources of income restoration for the relocated families. The identified livelihood opportunities are:

1) **Mushroom cultivation** – A promising income source which has an encouraging ready demand from both urban and rural areas; demand for mushroom is ever increasing not only for its nutritional value but also for its relatively low price.

2) **Livestock Farming** - there is a great potential for developing livestock farming in the project affected area, which is a traditional area for dairy farming with high potential for expansion of other forms of livestock (Poultry, Goat etc.) as well,

3) **Cement Block Making** – Project has identified, cement blocks making as the most appropriate source of income for these APs. Already there are a number of cement blocks making places within the project area. Raw materials required for cement blocks making, such as sand and quarry dust can be found without difficulty

4) **Light Engineering Works** -being a major livelihood of some of the APs, and many of the APs currently living in the area affected by the project, has the skill and experience in this trade; a few of the APs are still engaged in light engineering work (black smith work).
As skill development training areas, the project has identified the following areas of skills development training that would be suitable for the APs, since there is an immense demand for skill labour of this nature within the project area and from the close-by urban centres:

1) Electric wiring  
2) Electric welding  
3) Masonry  
4) Carpentry  
5) Plumbing  
6) Heavy equipment maintenance  
7) Tailoring/Dress making  
8) Computer literacy  
9) Driving  
10) Language skills

4.7 FIELD SURVEY FINDINGS OF THE EXTERNAL MONITORING

As explained in the Section 2 of this EMR, External Monitor (CEA) conducted its monitoring related field studies starting from early October 2016, and visited project area on monthly basis, executing the identified monitoring tools, and the present EMR, comprises cumulative information gathered during past 6 months including field visits made in first quarter of 2017.

Accordingly, an update on findings as an outcome of these field studies / surveys is presented as first-hand information collected at the field level. The information collected is categorized into two sections based on the type of stakeholders.

- Findings of Key Informant Interviews with Project Staff and Govt. Officials  
- Findings of Focus Group Discussions with APs  
- Findings of monthly visits to affected households and observations

1) Findings of Key Informant Interviews with Project Staff and Govt. Officials

While some of these findings may already be presented derived from the recorded information of the PMU/CEB (RP & IMR), others are most updated information in the conduct of the External Monitoring process.

Constructions: Constructions of the dam and houses for APs needing resettlement have not been commenced yet, as there were amendments to be done to the EIA of the Dam Project. This initial report on the amendments has been approved by the Ministry of Mahaweli, and approval process was planned to complete within the last quarter of 2016.
Report of the NBRO: Report of the NBRO has been obtained on the construction of houses for people to be resettled.

Land acquisitions: A total of 53 ha of lands are scheduled to be acquired, and the acquisition process has been commenced and action on Section 38 of the Act is completed. Possessions are to be gazetted, once the surveying, which is underway, is completed. Once the surveying is completed, valuations by the Government Chief Valuer have to be done. Until this requirement is accomplished, constructions especially of houses for resettlement cannot be commenced.

Re-settlers: All the 14 re-settlers (+3 cash receivers) are still in their original houses, and they are waiting for over 7 years since the original notification was done in 2008.

Compensations for 14 houses: As also mentioned under entitlements, each house-owner, who will be resettled under the project, will receive minimum of 15 perches from the new land, and compensations for the crops within their residing land will be paid.

Cash compensations – (3 houses): Three affected house owners, who have opted for cash payment compensations, will be paid, once the Chief Government Valuer sends the amount.

New location of houses: Land block to construct new houses (replacement for 14 resettling families) is of the extent of 10 ha, which is an abandoned LRC land. Every house/land will be provided with a motorable road, supply of electricity and pipe-born water from a new scheme to be constructed, which is to be utilized by the official residences / units of the CEB, who will be at the new powerhouse. At present, there is no such a pipe borne water system for the settlers, at their present locations, presently, they use well water. Community centre will be built on the new resettlement site, with services, shops and a children’s park. The new road section (0.8 km) to be built under this project will traverse alongside this new housing location. The lay-out plan of the new housing site has not been finalized yet.

Compensations by lands only, no houses: No compensations entitled for temporary permit holders, owners of lands without proper deeds and for those who are having Devalegam (Vishnu Devalaya) lands. Amount of compensations is to be decided by the relevant Divisional Secretary. There are 10 affected people under this category, according to the project officers. There are 4 landowners with tea small holdings, and they will be compensated. Others are entitled for lands of the extents of 40 perches and above depending on the acquired extent of land.

Main road: A section (0.8 km) of the existing main road will get submerged with the filling and this section will be relocated. This road section will be constructed by CEB, and once the project is completed, the road will be handed-over to the RDA for O&M.
Livelihood Activities: It is reported that currently the residents (APs) of the houses are not involved in significant or permanent livelihood activities. According to project officers, blacksmith is the only person living on an enterprise and sand mining people who are from outside communities are engaged in sand mining, based on 6 month-long permits. Sand mining has to be terminated along the upstream area along with the filling of the reservoir, once the dam is constructed. Further, different type of people gets the relevant permits, once in six months and thus no responsibility of the project to compensate these sand miners. This has to be checked independently, preferably before the residents are re-located). However, substitute livelihoods opportunities by way of new livelihoods and skill training may provide for deserved affected people, under the project as mentioned in section 4.6.above.

Employment under the project: since there will be requirement / demand of the project for both skill and unskilled labour, members of the affected families could be considered for such vacancies

ICT Training: ICT training will be given to suitable 10 members (youths) of the families affected, and already 3 members are being given training on ICT.

Animal Sheds maintained in home gardens: Compensations for livelihoods will be granted as stipulated in the entitlement Matrix of RP.

New supportive income generating activities: In spite of above, affected people will be provided with orientation on tea nurseries. This has already been commenced and one plot of a nursery was observed in the field. Under this scheme, tea plants and training will be provided by the project for APs, to establish nurseries within new land plots with new houses. In addition to tea plants, they will be provided with planting materials on minor export crops, such as pepper, cloves etc.

Tea nursery under the project: A separate nursery will be maintained by the project, of which, if requested by the APs, tea plants will be given free of charge.

Forest restoration: Forest stands that are affected by the project will be restored under the project, once the project constructions are completed.

Industrial Zone – Ulapane: The project activities will not affect the Industrial Zone of Ulapane, which is located on the upper reach of the left bank of the project.

Grievance Redress Committee (GRC): Seven-member Grievance Redress Committee has been appointed under the chairmanship of the Additional Secretary (Lands) of the Ministry, and two nominees from each of the Divisional Secretaries (Ganga Ihala-Korale and Udapalatha.) EMU Engineer shall function as the Secretary of this GRC. Hitherto, 20 grievances have been received starting from year 2014 (already mentioned under section 4.4.)
**Internal Monitoring:** Internal monitoring activities of the EMU have already been commenced, and they produce Quarterly Reports since year 2015, which are subsequently uploaded to ADB Web Site. (Re. Chapter 2– section 2.1)

**Findings of Focus Group Discussions with APs**

The findings presented under this section are most updated information gathered based on FGDs and household discussions conducted by the External Monitoring Team in Early December 2016, and March 2017, respectively. To gather these qualitative information, 4 FGDs with APs of losing houses (including a women group), losing land only, indirect beneficiaries and small-enterprise owners, random visits to few households, and 2 KII with vehicle operator (3-wheel driver) and Land Acquisition Officer of the DS office (Re. Table 4.3).

**Table 4.3 - FGDs held with APs during the period from October 2016 to March 2017**

<table>
<thead>
<tr>
<th>No.</th>
<th>Date of FGD</th>
<th>Location</th>
<th>No. of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>12th September 2016</td>
<td>Ganga-Ihala GND</td>
<td>9 APs</td>
</tr>
<tr>
<td>2</td>
<td>12th September 2016</td>
<td>Ulapane GND</td>
<td>6 APs</td>
</tr>
<tr>
<td>3</td>
<td>13th September 2016</td>
<td>Ulapane GND alone the main Road</td>
<td>5 small traders &amp; a 3-wheelers</td>
</tr>
<tr>
<td>4</td>
<td>26th January, 2017</td>
<td>Ganga-Ihala GND</td>
<td>9 APs</td>
</tr>
</tbody>
</table>

**FGD with APs (house & land owners (2 FGDs):** It was revealed that all affected people have been informed about the project through an awareness meeting chaired by the Chief Engineer of the project in the year 2008, some 8 years ago. The CE has informed that the project will be started in the near future, but they are still waiting for relocation and compensation for their houses, lands and other properties. They reported the followings;

- They are the victims of the Kothmale Power Project, who have resettled here in 1984 for the first time by the Mahaweli Authority, and they have been victimized for the second time by a similar Government executed project, as at present.
- They have also reported that all have legal permits for their land and none of them encroachers of government lands.
- The APs, who have participated in FGDs, stated that they own land plots ranging from 20 perches to 1 acre.
- They are in the opinion that they will received a reasonable compensation for all their loses, as promised by project officials, who have committed to make compensation to loses including better houses, land plots, animal sheds, permanent crops and others.
- They also reported that they do not practice any permanent livelihood of cropping nature (Tea, Vegetable etc.) since 2008 or land development activities, as they are waiting for relocation with the published entitlement and benefits, and they say are not in position to wait any more.
APs have not shown a kind of resistance to the project and they have placed faith in the project officials, since they make regular visits to maintain a continued dialogue with APs.

The main issue they presented is that majority of APs, who are having land permits will not entitled for a sufficient compensation compared to sole owners, as they were informed by DS officials.

As proposals they presented that they would prefer houses build with burned bricks that cement blocks, and they expect clear deed for their resettled lands enabling them to use them according to their wish.

**FGD with Indirect Beneficiaries of the Project:** Groups representing non-affected and enterprise owners viewed the followings:

- The non-beneficiaries are of the view that with the commencement of the project, they will receive improved infrastructure facilities in the form of new road, water and electricity, and as such their land value will increase.
- They also stated that they expect a regular public transport system from resulting from improved road network.
- As a negative impact of the project they said that a village community of 89 families, who have lived in this area happily over 25 years going to be split as 17 families will go out to the new location as a new community.

**FGD with Small scale Entrepreneurs:**

- Although the project will bring positive impact to people living in the area, with the relocation of a segment of people, small retailers and service providers will reduce the scale of their businesses.
- During the construction period of the project, on the other hand, they would have more businesses both directly and indirectly, with the influx of workers into the area.

**FGD with the Committee of APs losing Houses:**

This committee comprises 15 members at present (9 from Weliganga GND& 6 from Ulapane GSD); they have formed this committee with prime objective of serving the membership in the event that any of them will face injustice in the resettlement process.

The secretary to this committee (Ms. Malini Ramyalatha) is in the view that all APs will treated equally in receiving their entitlement, and they expect fair and adequate compensation for their losses will be paid based on the valuation.

**KII with 3-wheel operator on Transport:** Presently the main modes of transport are confined to Push-Bikes, Motor-Bikes and 3-wheelers, who will receive both negative and positive impact on their income levels.
With displace of fair number of families from present locations, they will reduce their income, and with the deviation of road they will have a longer travelling route.

With the increase road network, and influx of project workers, on the contrary, they would have to charge more resulting in more income.

**Random Visits to few Households and observations (March 2017)**

Latest random visits to few household revealed the following information:

- They are resettled 3 times since the Kothmale Project, and their livelihoods are badly affected due to displacement,
- Very few families have started alternate livelihoods like raising plant nurseries (both tea and fruit plants),
- They are not sure whether their entitlements would be included the valuable forest and fruit trees they have established since they resettled in the present location in 1984.

**KII with the Land Acquisition Officer (attached to Divisional Secretariat/Udapalatha):**

- He stated that land have been acquired only in 2013 (under section 38 of LA Act),
- People have no special objection for land acquisition, as most of them, at present are holders of Annual Permits, Special Mahaweli Permits and other land permits.
- APs are entitled to receive compensation for their lands according to the present size of land.
- The land extent required for resettlement has been acquired and handed over to Moragolla Hydropower Project, and Sierra Construction Private Limited of Colombo 05, has awarded the contract of house construction.

As of March 2017, the long-awaited EIA has been granted (as a conditional one), which would result in early commencement of delayed house construction work.
5. RECOMMENDATIONS
Based on the current status of the resettlement and the Monitoring process followed under MHP, the External Monitoring Agency has made few recommendations, as presented below:

1. By March 2017, the approval for conditional EIA has been granted to MHP, as such the project authority should take speedy action to commence project implementation leading to early resettlement of affected people, to their satisfaction.

2. Now with the completion of processes relevant to land acquisition and resettlement viz. designing, planning, consultation, GRM and the awarding of the housing construction contract, the resettling work need to be expedited fulfilling expectations of all APs.

3. Considering the fact that APs who are losing their present land plot have not practiced any meaningful land use as a livelihood except for a few who have established plant nurseries, their livelihood issues and concerns need to be addressed by PMU, as and when they are resettled.

4. The consultation and information disclose process of the project has proved very effective and people have kept their confidence in the project personnel continuously and as such the identified entitlement need to be attended early.

5. Timely coordination of project performance among all project stakeholders at DS and village level calls for more streamlining and strengthening as means to attain continued support and consent of the affected community.

6. The Quarterly Internal Monitoring process seems to be satisfactory as it is informative and comprehensive enough, but its timely availability to external monitors is essential for providing its inputs for the EMR on quarterly basis.

7. The External Monitoring process is started with effect from October 2016, and it need to be more comprehensive as and when Resettlement Process will gather momentum with the relocation and resettlement process get off the ground.

8. As of March 2017, the progress of MHP as a whole is satisfactory in terms of accomplishing formal planning and designing work and making legal provisions for all project components, but this hitherto-made intangible progress need to be made tangible at least by early construction of resettlement houses, in particular.
ANNEX I - PROJECT AREA BY PHOTOGRAPHS
PRESENT STATUS OF THE PROJECT LOCATION

1) Homestead with forest stand that would be inundated under MHPP (March 2017)

2) Affected Households located along the main road in Uda-Palatha (March 2017)
Quarterly Report - External Monitoring and Evaluation to Assess the Overall Outcome of Resettlement Activities of Moragolla Hydropower Project

3) Present Land use of the APs in homestead and land areas (March 2017)

4) Tea Nursery established by one affected family in Weliganga GND (March 2017)

5) Plant Nursery established by the same family (March 2017)
Quarterly Report - External Monitoring and Evaluation to Assess the Overall Outcome of Resettlement Activities of Moragolla Hydropower Project

6) An affected family in Weliganga GND (K.P. Karunadasa), showing the trees they have planted closer to proposed Moragolla Reservoir (March 2017)

7) Mr. K.P. Karunadasa & his family showing their plant nurseries (Weliganga GS)