

Resettlement Framework

Resettlement Framework
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CURRENCY EQUIVALENTS

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ABBREVIATIONS

ADB	–	Asian Development Bank
BSR	–	basic schedule of rates
DP	–	displaced person
EA	–	executing agency
GRC	–	grievance Redress Committee
IP	–	indigenous peoples
IPP	–	indigenous peoples plan
IPPF	–	Indigenous peoples planning framework
IR	–	involuntary resettlement
LA	–	land acquisition
NGO	–	non-government organization
LARR	–	The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013
SPS	–	safeguard policy statement, 2009
ROW	–	right-of-way
RF	–	resettlement framework
RP	–	resettlement plan
R&R		Resettlement and Rehabilitation

NOTE

In this report, "\$" refers to US dollars.

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A. BACKGROUND

1. The state of Odisha in India has 480 km of coastline with a significantly high population density in the coastal areas as compared to the interior regions. According to Census of India, 2011, the state has about 42 million population, including 83.31 % rural and 16.69% urban population. The literacy rate was 72.87%, including 81.59% for males and 62.46% for females; and gender ratio was 972 females per 1000 males. People largely depend on agriculture for their livelihood. The state is vulnerable to multiple natural disasters including cyclones, storm surges and tsunamis. On 12 October 2013, cyclone 'Phailin' made landfall near Gopalpur and Ganjam, the most affected district of Odisha. Eighteen out of thirty districts in the state were affected by the storm and subsequent floods, leaving 44 people dead, damaging about 256,600 homes, and affecting about 13.2 million people in over 18,370 villages. The most damage was due to high speed winds of up to 220 km/h followed by flooding from torrential rains. Besides the damage to other infrastructure facilities, the cyclone caused heavy damage to the power supply infrastructure due to high winds, tree uprooting, and heavy flooding from severe rains. This disrupted the power supply to around 100,000 interconnections, affecting about 550,000 people as well as to essential services like hospitals and water supply services.¹

2. The Odisha Power Sector Emergency Assistance Project (the project) proposed to be funded by ADB will assist the Government of Odisha to strengthen and rehabilitate the power sector transmission and distribution networks that were damaged by the Cyclone 'Phailin', and subsequent flooding. Total power sector needs are estimated at about \$170 million. The outcome will be basic power sector infrastructure restored and improved disaster preparedness, project management and institutional effectiveness with a "build back better" approach. The project will improve economic and social conditions of people, including the vulnerable groups in Odisha after the 2013 disaster. The project will have a positive long-term impact on the state's economy and living standards of the population. The executing agency is the Department of Energy, Government of Odisha, acting through Odisha Power Transmission Corporation Limited.

3. The project is proposed to be funded by ADB under emergency loan assistance modality and in accordance with ADB's Safeguard Policy Statement (SPS), 2009. Under the emergency loan provisions only the resettlement framework (RF) is prepared that will guide the preparation of Resettlement Plan for the relevant subprojects. The RF is based on the data provided in the secondary sources and due diligence conducted on-the-sites during the fact finding mission. The meetings were held with the concerned government officials, consultants, public representatives, NGOs. In addition, consultations were conducted with the likely displaced persons (DPs)² and local residents. The analysis is based on the secondary sources reviewed and the information obtained through rapid appraisal from affected persons and other stakeholders. The details about the magnitude and type of impacts on people will be known through census and socio-economic surveys of DPs.

¹ Rapid Damage and Needs Assessment Report (accessible from the list of linked documents given in RRP).

² The new SPS has defined the DPs in the context of involuntary resettlement. The displaced persons are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designed parks and protected areas.

B. OBJECTIVES, RESETTLEMENT POLICY FRAMEWORK AND ENTITLEMENTS

4. The RF describes the objectives, policy principles and procedures for land acquisition and involuntary resettlement, if any, compensation and other resettlement assistance measures and method for preparation of resettlement plans (RPs) for the relevant subprojects under the Loan. It is envisaged that land acquisition and involuntary resettlement will be minimal since strengthening and rehabilitation of damaged power infrastructure due to the cyclone of 12 October 2013 will generally be within the existing right-of-way (ROW) and available government land. However, laying the underground transmission lines along the utility corridor of roads will cause temporary impacts on structures, livelihood and income generating activities of affected persons. In addition, the vehicular movement will be disrupted due to diversion traffic during the construction.

5. The subproject will, to the extent possible, not require land acquisition or involuntary resettlement, including the displacement of squatters or encroachers, from the rights of way. If land acquisition or involuntary resettlement is required for a subproject, a Resettlement Plan will be prepared in accordance with applicable laws and regulations of the National and State Governments; and ADB's Safeguard Policy Statement (2009) on Involuntary Resettlement and the agreed Resettlement Framework, and submitted to ADB for approval. The project is classified as Category B for involuntary resettlement and Category C for indigenous peoples. Subproject selection criteria are formulated to avoid land acquisition, resettlement impacts, and social risks. However, should a need arise during implementation to undertake a subproject classified as Category A for involuntary resettlement or Category B for indigenous peoples, the required re-categorization will be undertaken. Each subproject will be screened for involuntary resettlement impacts. The checklist to be used for the purpose is given at Appendix 1.

6. In India, compensation for land acquisition (LA) and resettlement assistance for project affected persons/families is directed by the State laws, National law-The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (hereafter LARR), effective from 1 January 2014, and ADB's Safeguard Policy Statement (SPS), 2009 that will be followed for the compensation and assistance to DPs. The SPS will prevail where discrepancies exist with the LARR Act, 2013.

7. The national and state laws and regulation on land acquisition and ADB's SPS will form the basic principles for the project which will include the following elements:

- Involuntary resettlement (IR) will be avoided or minimized as much as possible by adopting alternative engineering solutions to the Project;
- Where IR is unavoidable, DPs will be assisted to reestablish themselves in order to improve their pre-project living standards;
- Gender equality and equity would be ensured and adhered to;
- In case of physical displacement, the DPs shall be fully involved in the selection of relocation sites, livelihood compensation and development of alternative livelihood options during project preparation. The resettlement plan (RP) shall also be prepared in full consultation with DPs, including disclosure of RP, monitoring reports and project related information;
- Replacement land of equal quality and quantity shall be an option for compensation in the case of loss of land. In case of non-availability of replacement land, cash-for-land compensation on replacement value option will be paid to the DPs;

- Compensation for loss of land, structures, trees, other assets and loss of livelihood and income will be based on full replacement cost³ and will be paid before physical displacement of DPs. This shall include transaction costs;
- All compensation/assistance payments and related activities⁴ will be completed prior to the commencement of civil works;
- RP will be prepared and implemented with consultation and participation of affected persons and local authorities;
- In the event of necessary relocation, DPs shall be assisted to integrate into host communities with all infrastructural facilities extended to the host communities, as well as the displaced people;
- Loss of common property resources will be replaced/compensated and community/public services will be provided to DPs;
- Resettlement will be planned as a development activity for the DPs;
- All DPs are entitled to receive compensation/assistance irrespective of title over land/property. However people moving in the project area after the census cut-off date will not be entitled to any compensation/assistance. In case of land acquisition, the date of notification for acquisition will be treated as cut-off date. For non-titleholders such as squatters and encroachers the date of census survey or a similar designated date declared by the Executing Agency will be considered as cut-off date.
- The non-titled displaced persons will be only entitled to either SPS or LARR provisions, whichever is greater.
- Vulnerable groups (households below the recognized poverty line; disabled, elderly persons or women headed households, Scheduled Tribes/Scheduled Castes) will be identified and given appropriate assistance to improve their pre project status or their living standards.
- A grievances redress mechanism will be established to redress the grievances of affected people and other stakeholders efficiently.

8. Table 1 provides the comparison between Government of India's The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (LARR), 2013 and ADB's SPS. The SPS will prevail where the provisions of the LARR are lower.

Table 1: Comparison between ADB's Involuntary Resettlement Safeguards of SPS (2009) and LARR (2013)

Sl. No.	ADB's Involuntary Resettlement Safeguards	LARR, 2013	Remarks
1	Involuntary resettlement should be avoided wherever possible	This principle is equally emphasized under LARR	LARR meets ADB IR safeguards

³ The calculation of full replacement cost will be based on (i) fair market value; (ii) transaction costs; (iii) interest accrued; (iv) transitional and restoration costs; and (v) other applicable payments, if any. There will not be any depreciation of the value due to the age of structures.

⁴ While compensation is required prior to dispossession or displacement of affected people from their assets, the full resettlement plan implementation, which may require income rehabilitation measures, might be completed only over a longer period of time after civil works have begun. Displaced people will be provided with certain resettlement entitlements, such as land and asset compensation and transfer allowances, prior to their displacement, dispossession, or restricted access.

Sl. No.	ADB's Involuntary Resettlement Safeguards	LARR,2013	Remarks
2	Minimize involuntary resettlement by exploring project and design alternatives	LARR aims to minimize displacement and to promote, as far as possible, non-displacing or least-displacing alternatives.	requirements of SPS, 2009.
3	Conducting census of displaced persons and resettlement planning	Involves detailed procedure for census survey, social impact assessment, social impact management plan, and R&R scheme.	
4	Carry out meaningful consultation with displaced persons and ensure their participation in planning, implementation and monitoring of resettlement program	LARR ensures consultation with local bodies, affected families, incorporating their views into the land acquisition and R&R process.	
5	Establish grievance redress mechanism	The LARR Authority with judiciary power will redress the grievance of affected people.	
6	Support the social and cultural institutions of displaced persons and their host population.	This is equally emphasized in the LARR.	
7	Improve or at least restore the livelihoods of all displaced persons	LARR emphasizes on the improvement of post-acquisition social and economic status of the affected persons.	
8	Land based resettlement strategy	Loss of asset to be compensated to the extent of actual loss. LARR involves provision of land for land to APs subject to availability	
9	All compensation should be based on the principle of replacement cost	The compensation award shall take into account the market value of the property being acquired. It will be four times in the rural and two times in the urban	The market value is not necessarily the same as replacement cost. The differential amount will be

Sl. No.	ADB's Involuntary Resettlement Safeguards	LARR,2013	Remarks
		areas of the registered value.	paid to DPs, as applicable.
11	Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.	LARR recognizes the non-titleholder families and ensures R&R benefits.	LARR recognizes some categories of affected non-titled persons residing for preceding three years from the declaration of affected area. Any non-titled APs not recognized by the LARR will be provided with compensation of non-land assets.
12	Disclose the resettlement plan, including documentation of the consultation in an accessible place and a form and language(s) understandable to displaced persons and other stakeholders.	LARR ensure this principle and public disclosure of documentation and consultations with APs during the LA, R&R process are emphasized.	LARR meets ADB IR safeguards requirements of SPS, 2009.
13	Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the costs and benefits of the project.	LARR emphasizes to integrate LA and R&R into the development planning and implementation process; and provide full costs and benefits to affected persons.	
14	Pay compensation and provide other resettlement entitlements before physical or economic displacement.	This is equally emphasized in the LARR.	
15	Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons.	The policy equally emphasizes the requirement for monitoring.	

9. This RF and resettlement procedural guidelines shall apply to all subprojects under the loan so as to ensure that persons affected by land acquisition and/or involuntary resettlement will be eligible for appropriate compensation and rehabilitation assistance.

10. As stated earlier, the project as a whole is adopting the approach to avoid and minimize impacts on land, structures and common property resources by adopting feasible technical designs. The strengthening and rehabilitation of damaged infrastructure in power sector will be

within the existing right-of-way (ROW) and government land available, except at certain congested locations minimal private land and structure may be impacted. Mainly, the temporary impacts in terms of livelihood and income generating activities of DPs will occur during the construction period.

11. Displaced persons in a project area could be three types: (i) persons with formal legal rights to land lost in its entirety or in part; (ii) persons who lost the land they occupy in its entirety or in part who have no formal legal rights to such land, but who have claims to such lands that are recognized or recognizable under national laws; and (iii) persons who lost the land they occupy in its entirety or in part who have neither formal legal rights nor recognized or recognizable claims to such land. The involuntary resettlement requirements apply to all three types of DPs. Regarding the eligibility of compensation, all the DPs will be provided with compensation and rehabilitation if (i) their land is lost/reduced, (ii) income source adversely affected-permanently or temporarily, (iii) houses partially or fully demolished, and (iv) other properties such as crops, trees and other assets or access to these properties are reduced or damaged due to the Project. Absence of legal documents of their customary rights of occupancy/titles shall not affect their eligibility for compensation. Occupants of land without formal legal rights or recognized or recognizable claims to such land, such as under LARR 2013, are eligible only for compensation of the loss of assets other than land. It also must be noted that during the Project implementation stage, if there are any changes in the alignments, thereby adversely affecting the land, livelihood or other assets of the people, the same shall be compensated in accordance with this framework.

12. The framework stipulates payment of compensation as per the assessed value of the land and structure to the DPs. In addition to compensation payments made by Land Acquisition Officer/Competent Authority, the DPs will receive additional assistance in cash or kind to match replacement costs, as applicable, for lost assets (land and houses), transaction costs such as stamp duties/registration costs (in case of purchase of replacement land) and other cash grants and resettlement assistance such as shifting allowance, compensation for loss of workdays/income due to dislocation. The vulnerable households (such as households headed by women, Scheduled Tribes/Scheduled Castes, disabled, and elderly persons) will be eligible for further cash assistance for relocation and house reconstruction and will be assisted during shifting, if required.

13. The Entitlement Matrix (Table 2) details out various types of losses, identification/eligibility and entitlements and provides basic parameters for preparation of compensation and resettlement benefits. The matrix will apply to all the subprojects, based on the specific project impacts.

Table 2: Entitlement Matrix

Type of Losses	Definition of APs	Entitlement	Details
1. Land			
Loss of agricultural land	<ul style="list-style-type: none"> • Titled owners • Affected persons (APs) with traditional land rights 	<ul style="list-style-type: none"> • Compensation based on market/replacement value • Resettlement assistance • Additional Assistance to 	<ul style="list-style-type: none"> • In case of compulsory acquisition of land, Compensation will be based on LARR or SPS provisions (replacement cost), whichever is greater. In case of land to be possessed by the project authority with mutual consent of the affected people, compensation will be paid at

Type of Losses	Definition of APs	Entitlement	Details
		vulnerable ⁵ APs	<p>replacement cost as negotiated by the revenue department (District Collector)/competent authority and affected persons</p> <ul style="list-style-type: none"> Transaction costs (documentary stamps, registration costs, etc.) will be borne by the project authority during registration. If the residual plot(s) is (are) not viable, i.e., the AP becomes a marginal farmer, any of the following three options are to be given to the AP, subject to his/her acceptance: <ul style="list-style-type: none"> (i) The AP remains on the plot, and the compensation and assistance paid to the tune of the required amount of land to be acquired. (ii) Compensation and assistance are to be provided for the entire plot including residual part, if the owner of such land wishes that his residual plot should also be acquired by the EA, the EA will acquire the residual plot and pay the compensation for it. (iii) If AP is from vulnerable group, compensation for the entire land by means of land for land will be provided if AP wishes so, provided that the land of equal or more productive value is available. Additional allowances will be paid to vulnerable APs
	<ul style="list-style-type: none"> Individual tenant Sharecropper leaseholder 	<ul style="list-style-type: none"> Reimbursement for unexpired lease 	<ul style="list-style-type: none"> Lease rates will be determined at the replacement value by the project authority with the help of revenue department in consultation with landowners
Loss of residential /commercial land	<ul style="list-style-type: none"> Titleholder APs with customary land rights 	<ul style="list-style-type: none"> Compensation at replacement cost Additional Assistance to vulnerable APs 	<ul style="list-style-type: none"> Cash compensation at replacement cost as determined by competent authority All fees, stamp duties, taxes and other charges, as applicable under the relevant laws, incurred in the relocation and rehabilitation process, are to be borne by the EA. Additional allowances will be paid to

⁵ women-headed households, scheduled tribe households, below poverty line households, and households headed by physically handicapped or disabled persons

Type of Losses	Definition of APs	Entitlement	Details
			vulnerable APs
Loss of access to forestland	Affected household with forestland access	<ul style="list-style-type: none"> Provision of alternative facilities and technical assistance 	<ul style="list-style-type: none"> Households losing access to forestland for their basic needs such as fuel, fodder, etc. will be provided access to alternative forest land. Communities will be involved in community social forestry schemes coordinated by the Department of Forests.
2. Structures			
Loss of residential and commercial structure	<ul style="list-style-type: none"> Titleholder APs having structure with customary land right Non titleholders⁶ 	<ul style="list-style-type: none"> Compensation at replacement cost Shifting assistance Assistance 	<ul style="list-style-type: none"> Replacement value of the structure and other assets (or part of the structure and other assets, if remainder is viable). Fees, taxes, and other charges related to replacement structure. Shifting assistance Right to salvage materials from structure and other assets with no deductions from replacement value. Additional compensation for vulnerable households.
Loss of rental accommodation	Tenants	a) Rental Assistance b) Compensation at replacement cost c) Shifting assistance	<ul style="list-style-type: none"> Rental assistance for both residential & commercial tenants as per the prevalent rate in the form of grant to cover maximum three month rentals. Additional structures erected by tenants will also be compensated and deducted from owner's compensation amount. Shifting assistance based on type of house and household assets. Any advance deposited by the tenants will be refunded from owners total compensation package to the tenant on submission of documentary evidences. Right to salvage material from demolished structure and frontage etc. erected by tenants.
3. Trees and Crops			
Loss of Trees	Land holders Share-croppers Lease holders	Compensation at Market value to be computed with assistance of horticulture department	<ul style="list-style-type: none"> Advance notice to APs to harvest fruits and remove trees For fruit bearing trees compensation to be computed at current market value of average fruit production for the remaining fruit-bearing years, as

⁶ Subject to verification by the OPTCL in line with the provisions of LARR,2013

Type of Losses	Definition of APs	Entitlement	Details
			assessed by the Horticulture Department <ul style="list-style-type: none"> For timber trees compensation at market cost based on type of trees
Loss of Crops	Land holders Share-croppers Lease holders	Compensation at Market value to be computed with assistance of agriculture department	<ul style="list-style-type: none"> Advance notice to APs to harvest crops In case of standing crops, cash compensation at current market cost to be calculated of mature crops based on average production.
4. Income and Livelihood			
Loss of income and livelihood (affected business wage earnings, agricultural income, employees)	Legal titleholder/tenant/leaseholder/non-titled/employee of commercial structure, farmer/agricultural worker	i. Assistance	<ul style="list-style-type: none"> 30 days advance notice regarding construction activities, including duration and type of disruption Assistance for lost income based on assessed actual loss or, in the absence of evidence, three months minimum wage rates, whichever is greater. Additional compensation for vulnerable households. Consideration for project employment.
Temporary loss of income and livelihood (affected business wage earnings, agricultural income, employees)	Legal titleholder/tenant/leaseholder/non-titled/employee of commercial structure, farmer/agricultural worker	i. Compensation or transitional allowance	<ul style="list-style-type: none"> 30 days advance notice regarding construction activities, including duration and type of disruption Contractor's actions to ensure that there is no income/access loss⁷ Assistance to vendors/hawkers to temporarily shift for continued economic activity⁸ For construction activities involving unavoidable livelihood disruption, compensation for lost income or transitional allowance for the period of disruption whichever is greater The survey team in consultation with implementing NGO and OPTCL will determine the income lost due to construction activities

⁷ This includes: leaving spaces for access between mounds of soil, providing walkways and metal sheets to maintain access across trenches for people and vehicles where required, increased workforces to finish work in areas with impacts on access, timing of works to reduce disruption during business hours, phased construction schedule and working one segment at a time and one side of the road at a time. OPTCL through contractor will ensure least disruption to livelihood of APs and traffic movement in the area by restoring the utility corridors and pathways used for laying underground TLs in minimum time.

⁸ For example assistance to shift to the other side of the road where there is no construction.

Type of Losses	Definition of APs	Entitlement	Details
			<ul style="list-style-type: none"> Additional compensation for vulnerable households. Consideration for project employment.
5. Government land and Property			
Government Property (Loss of Land)	Relevant Government Department	<ul style="list-style-type: none"> Departmental land transfer 	<ul style="list-style-type: none"> Compensation for required land as per the provision of GoO Transfer of land through inter government department Payment of land value by OPTCL to the concerned government Department and departmental transfer of ownership.
6. Community and Cultural Sites			
Religious structures, Community structures, trust, etc.	Affected community	<ul style="list-style-type: none"> Conservation, protection and compensatory replacement (Schools, community centers, markets, health centers, shrines, other religious sites, places of worship, burial sites, rights to food, medicine, and natural resources) 	<ul style="list-style-type: none"> Impacts will be documented and mitigated. Cultural properties will be conserved through special measures such as relocation in consultation with the community.
7. Temporary Loss			
Temporary loss of land and temporary damage on loss of crops during construction	<ul style="list-style-type: none"> All APs losing land and crops on temporary basis during the construction period of the lines Farming households Sharecroppers Tenants non-titled households⁹ 	<ul style="list-style-type: none"> Notice to harvest standing crops Compensation at market value for one season Restoration 	<ul style="list-style-type: none"> Provision of rent for period of occupation for legal titleholders with their consultation and/or the market rate prevalent in the adjacent vicinity. Compensation for assets lost at replacement value. Restoration of land to previous or better quality Additionally, Cash Compensation will be paid for the temporary damage of crop/assets under the RoW during the maintenance and repair after the construction. In case there is a need for repair or maintenance of the transmission lines in the future, the project authorities would consult with land owners for access to the land for maintenance and repairs, when

⁹ Subject to verification by the district revenue authority

Type of Losses	Definition of APs	Entitlement	Details
			necessary, and that the land owners would continue to use the land for farming activities.
8. Vulnerable Households			
Impacts on vulnerable APs	All impacts	Vulnerable APs	<ul style="list-style-type: none"> • Additional assistance based on three months of minimum wage • Vulnerable households will be given priority in project construction employment.
9. Unanticipated Impacts			
Other Impacts Not Identified	Affected households or individuals	<ul style="list-style-type: none"> • Compensation and assistance 	<ul style="list-style-type: none"> • Unforeseen impacts will be documented in an updated RP and mitigated based on the principles agreed upon in the resettlement framework and SPS,2009

C. SOCIOECONOMIC INFORMATION

14. EA/IAs will prepare the RPs for relevant subprojects following ADB's SPS as stated in this RF. The social impact assessment and the census and socio-economic surveys will be conducted to collect the data from the DPs and other stakeholders from the impacted locations.

15. Social impact assessment surveys include 100% census of the DPs, a full asset inventory, land ownership details, usage and productivity of land and/or other assets. In addition, a detailed socio-economic survey of a sample 10% of DPs and 20% of the severely affected DPs will be carried out to assess the impacts and socio-economic profile of DPs, especially those belonging to vulnerable groups under the project. The census and socio-economic survey will be based on the final technical designs for the subprojects. The questionnaire will be administered for collecting data from the project affected persons by the resettlement specialists.¹⁰ In addition, focus group discussions and consultations will be conducted with DPs and other stakeholders, as applicable, by the implementing NGO. The information will also be furnished in the ADB subscribed checklists for screening and categorization of IR and IPs impacts under each subproject.

16. The asset valuation of the acquired land and asset will be done based on the principle of compensation at the replacement cost of the affected assets.

17. The EA is encouraged to purchase land and other assets on willing buyer and willing seller basis or acquire the same through a negotiated settlement wherever possible. However, the EA has to agree with ADB on consultation process, policies, and laws that are applicable to such transactions; third-party validation; mechanisms for calculating the replacement costs of land and other assets affected; and record keeping requirements.

(a) **Valuation of Structures:** The valuation of houses, buildings and other immovable assets will be determined on the basis of relevant Basic Schedule of Rates (BSR) as on

¹⁰ The resettlement specialist to be hired as consultant will have sociology/anthropology educational background and experience of working on resettlement and indigenous peoples aspects in ADB funded projects.

date without depreciation. While considering the BSR rate, EA will ensure that it uses the latest BSR for compensating the loss of residential and commercial structures at a replacement value and pay the differences as applicable. Compensation for the community property resources, including places of worship will be provided, to enable construction of the same at new places or its renovation, as applicable, through the community and local self-governing bodies/appropriate authority in accordance with the practices followed and ensure the use of compensation amount appropriately.

- (b) **Valuation of Crops and Trees:** The valuation of crops and trees will be based on survey of market prices to establish an average market price and an assessment to ensure that compensation for loss of crops / trees is not lesser than that price.

18. All compensation and other assistances will be paid to all DPs prior to commencement of civil works. After payment of compensation, DPs would be allowed to take away the materials salvaged from their dismantled houses and shops and no charges will be levied upon them for the same. The value of salvaged materials will not be deducted from the overall compensation amount due to the DPs. A notice to that effect will be issued immediately intimating that DPs can take away the materials. DPs receiving compensation for trees will be allowed to take away timber of their acquired trees for their domestic use. Trees standing on the land owned by the government will be disposed-off through open auction by the concerned Department.

D. PREPARATION OF RESETTLEMENT PLAN

19. Resettlement plans will be prepared for the relevant subprojects based on the results of the census and socio-economic survey. The database of DPs should be completed before RP preparation. RPs will be commensurate with subproject involuntary resettlement impacts. All subprojects identified with significant¹¹ or non-significant resettlement impacts require preparation of RPs and its approval from ADB prior to award of contracts for that subproject. If there is no impact in a subproject, a brief report, based on due diligence, will be prepared and submitted to ADB demonstrating and confirming the same. The format detailing the procedure of preparing a RP is enclosed at Appendix 2.

20. The RPs must comply with ADB's SPS, 2009. Impact on Indigenous Peoples (IPs) is not anticipated under the project. EA will confirm this, based on a social impact assessment for each subproject. In case impacts on IPs are identified, an IPP will be prepared in accordance with the IPPF of then project and the SPS, 2009. The EA will submit the IPP to ADB for approval. The submission of RP for approval to ADB for the relevant subproject will be made together with subproject appraisal report, which would be prior to awarding civil works contract to the contractor.

E. CONSULTATION, PARTICIPATION AND DISCLOSURE

¹¹ Source: Asian Development Bank Operations Manual –Operational Procedure on Involuntary Resettlement Involuntary Resettlement Category A: Significant means 200 or more affected people will experience major impacts, which are defined as (i) being physically displaced from housing, or (ii) losing 10% or more of their productive assets (income generating). Involuntary Resettlement Category B: Involuntary resettlement impacts that are not deemed significant as per the ADB Operational Manual Involuntary Resettlement. Category C: No involuntary resettlement impacts. A resettlement plan is required in case of both category A and B projects.

21. Each RP will be prepared in close consultation with the DPs and other stakeholders. They will be informed and consulted about (i) the subproject and its impacts; (ii) process of RP preparation; (iii) entitlements and options, including the cut-off date for eligibility; (iv) relocation sites with facilities, if necessary; (v) mechanism of grievance redress; and (vi) tentative time schedule of project implementation. The consultation will also provide information about the institutional arrangements for project implementation including RP activities, the personnel responsible for RP implementation and grievance redress.

22. Information dissemination and meaningful consultation is an ongoing process that will continue throughout the project cycle. The DPs, representatives of local bodies, NGOs, and other stakeholders will be consulted and their opinions will be incorporated in preparing, updating and implementing the RPs. They will participate from the initial phase of project design, as required, and during preparation, implementation and monitoring of RPs. Different techniques of consultations with the stakeholders include interviews, focus group discussions, participatory public meetings, etc. Particular attention will be paid to the vulnerable groups, including women. All consultations undertaken will be documented in draft RP and updated RP and in monitoring reports during RP implementation. This will include minutes of meetings, photos and attendance sheets. A Public Consultation and Disclosure Plan will be prepared for each subproject. The format for the Public Consultation and Disclosure Plan is enclosed at Appendix 3.

23. The draft and final RPs and updated RPs, as required, will be made available to DPs and other stakeholders in vernacular language(s) at the public places and EA/PMU office. The copies of RPs will also be available at NAC/ municipal body, Block Development Office, and District Collector's offices. The summarized RP in pamphlets/brochures will be distributed to the DPs and other stakeholders timely. The draft, final and updated RPs and social monitoring reports will be disclosed on ADB and EA's websites.

F. COMPENSATION, INCOME RESTORATION AND RELOCATION

I. Compensation

24. Land acquisition and resettlement impacts will be compensated in accordance with the provisions of the entitlement matrix for the project. Compensation for loss of land will be determined on the basis of replacement value. The value of the houses, buildings and other immovable properties of DPs will be determined for the purpose of payment of compensation at the relevant Basic Schedule of Rates (BSR) published by the state government. Compensation for trees will also be based on their market value in case of timber bearing trees and replacement value in case of fruit bearing trees based on rates fixed by the relevant department. Compensation for other assets (wells, irrigation units, etc.) will be based on replacement value. The differences between the BSR and replacement value, if any, will be paid to the DPs.

25. Full compensation will be paid and resettlement of DPs will be completed before taking possession of land/properties and prior to the start of civil works. The DPs will hand over to the Government, land and properties acquired free from all encumbrances such as mortgage and debt. However, in case of any loans, on such acquired land and properties given to the DP by any government agency, remains unadjusted based on the information furnished by the DP or by the lending agency, such amounts will be deducted from total compensation. The acquired land and properties will vest with the Competent Authority paying compensation for such lands/properties.

II. Income Restoration and Relocation

26. Long term loss of income sources due to the project is not envisaged. The likely temporary impacts on livelihood are related to disruptions of business, loss of livelihood for commercial activities of DPs in and around the subproject locations during the construction period. Such impacts will be mitigated as per the provisions given in entitlement matrix. The basic objective of income restoration is to ensure that each DP will at least have the same or improved income and livelihood after subproject implementation. Short-term income restoration activities are intended to restore DP's income through short-term allowances such as (i) subsistence/transitional allowance; and (ii) shifting assistance. These have been integrated into the entitlement matrix. In the unlikely event of any loss of livelihood resulting in long term livelihood impacts, income restoration schemes will be designed in consultation with DPs. The need assessment of DPs and market survey for the products to be produced through income/entrepreneurial training will be carried out prior to finalization of the training programs. The resettlement plan budget will reflect the cost of providing income generating assets and training. The executing agency will also ensure the access of government schemes to the DPs that could help them restore income and livelihoods.

27. In case of involuntary displacement is unavoidable a suitable resettlement site will be searched in consultation with the DPs. The land will be complete with all infrastructural facilities including water, electricity, sewerage, drainage (if within urban locality), and other appropriate civic amenities. If the area is within existing inhabited locality, all the facilities will also be extended to the host communities. As far as possible, the displaced families will be relocated *en masse*, especially if they belong to scheduled castes/scheduled tribe communities or other minorities. All efforts will be taken to restore their social/cultural institutions in the relocation sites and preserve a communal harmony among the host and resettled communities.

G. GRIEVANCE REDRESS MECHANISM

28. At the project level, the executing agency's field staff together with the NGO will redress the grievances of DPs in the first place. At the project level, the implementing agency together with the NGO will redress the grievances of DPs in the first place. At the district level, a Grievance Redress Committee (GRC) will be formed to deal with the disputes and grievances of DPs and facilitate timely implementation of the project. The GRC will be headed by the district collector or a representative from the collector's office. The GRC will have the representatives from the EA, DPs, IPs and other vulnerable groups, as well as local government and RP implementing NGO. This NGO will organize the GRC meetings on monthly basis or as per project requirement. The NGO will first register the grievances and take up with GRC for redressal. In the event that a grievance is not addressed by the GRC, the DP can seek legal redress of the grievance in the LARR Authority and the appropriate Courts in accordance with judicial system at state and national levels.

29. The NGO implementing the RP will disseminate information to the DPs and aggrieved parties about the existence, composition, procedure and the scope of grievances to be covered under the GRC. The venue, date, and time of GRC meetings will also be informed to them in advance. NGO together with the field staff will conduct the meetings and consultations and provide detailed information about the grievances redress mechanism and respond to the queries and complaints raised by DPs. The NGO will ensure that the process of grievances

redress is understood and easily accessible to the DPs, including the vulnerable groups, in a culturally appropriate and gender sensitive manner.

30. The functions of the GRC are as follows:

- (i) Provide support to DPs on problems arising from land acquisition (temporary or permanent); asset acquisition, livelihood and earnings: and eligibility for entitlements, compensation and assistance;
- (ii) Record grievances of DPs, categorize and prioritize them and provide solutions in time; and
- (iii) Report to the aggrieved parties about developments regarding their grievances and decisions of the GRC.

31. The process will promote conflict resolution through mediation. Grievances will be redressed within one to two weeks from the date of lodging the complaints, depending on severity of problem. All costs incurred in resolving the complaints will be borne by the EA. A comprehensive record will be maintained by the EA for all grievance proceedings and subsequent redress.

H. INSTITUTIONAL ARRANGEMENTS AND IMPLEMENTATION

32. The RP will include adequate institutional arrangements to ensure effective and timely design, planning, consultation, and implementation of resettlement activities comprising payment of compensation, resettlement assistance and rehabilitation measures.

33. The Project Director will have the overall responsibility of planning, coordination and financing the implementation of the RPs. The EA will designate a senior staff, preferably having experience in social development and resettlement activities, in the PMU for overall supervision and coordination with relevant agencies under the project. He/she will be responsible for monitoring and reporting about the implementation of RPs. A resettlement specialist with requisite educational qualification and experience in ADB funded projects, including the IPs/tribal aspects, will be appointed in the consulting firm for a period of six months. The resettlement specialist, in consultation with the EA, will ensure the resettlement planning, implementation, monitoring and reporting. The EA will engage an experienced NGOs/agency for nine months to assist implementation of RPs, who will have a gender specialist as a member of the team. The EA staff and NGO will be provided with necessary training on resettlement implementation and management by the safeguards expert of the project consultant and/or ADB. It will include the details about the meaningful consultation, public disclosure, grievances redressal, compensation and assistance and other resettlement activities as given in the RP. The monitoring and evaluation components will also be covered.

34. An indicative schedule will be prepared for RP implementation activities vis-à-vis construction works. It will show the time schedule of land acquisition and resettlement activities and/or clearing the right-of-way, including target dates for commencement and completion of works and procedures for implementing the key activities. The detailed implementation schedule will describe all activities related to R&R and payment of compensation for losses and preparation for relocation site, if necessary, before displacement of any affected household and commencement of civil work activities. Responsibility for RP implementation is given in Table 3.

Table 3: Agencies Responsible for Resettlement Implementation

Activity	Responsible Agency
Deputing one experienced officer in PMU	EA
Appointment of one resettlement specialist in the consulting firm	EA/Consulting firm
Hiring of NGO	EA
Organizing resettlement training workshop	PMU
Social screening, categorization of impacts, , census and surveys and preparation of land acquisition plan, resettlement plan, IPP, as applicable	PMU through Consultant/NGO
Public consultation and disclosure of RP, IPP, monitoring reports	EA
Establishment of grievance redressal mechanism	EA
Coordination with district administration, local bodies and other agencies	PMU
Declaration of cut-off date	PMU
Review and obtaining of approval of RP/IPP from ADB	PMU
As per LARR submission of land acquisition proposals to District Commissioner, if required	EA
Payment of compensation and RR	District Collector/EA
Taking possession of acquired land to contractors for construction	PMU
Notify the date of commencement of construction to DPs	PMU
Assistance in relocation, particularly for vulnerable groups	PMU/NGO
Internal monitoring of RP implementation	PMU/NGO
External monitoring and evaluation	External monitor

NGO=nongovernment organization, PMU=Project Management Unit

I. BUDGET AND FINANCING

35. A detailed budget estimate for RP implementation for each subproject will be prepared by EA. The budget shall include: (i) detailed costs of land acquisition, compensation for affected assets, relocation, and livelihood and income restoration and improvement; (ii) source of funding; (iii) administrative costs; (iv) external monitoring cost; (v) cost of hiring resettlement specialist, implementing NGO and external monitoring and evaluation expert for the monitoring and reporting of RPs implementation; (vi) arrangement for approval of budget, the flow of funds, and contingency arrangements. All land acquisition, compensation, relocation and rehabilitation, administrative, implementing, monitoring; cost of hiring of resettlement specialist, NGO and external monitor; and income and livelihood restoration cost will be borne by the EA which will ensure timely disbursement of funds to the District Collector office for land acquisition, if any, and the NGO and other consultants for resettlement management. The budget estimates also includes the cost of IPP implementation, if any, under the project. The budget provision is based on the likely requirement for funding for various items and the unit rates and quantity would be determined during the implementation as required. A provisional lump sum R&R budget for the project as a whole has been estimated at a total of USD \$1.22 million and is shown in Table 4. This table also provides the key budget items which will have to be determined for each subproject and will be used as a template for subproject budgets.

Table 4: Estimated R&R Budget

Items	Unit Rates	Quantity	US \$
Compensation for loss of private land	TBD*	TBD	200,000
Compensation for loss of structures	TBD	TBD	100,000
Compensation for loss of trees	TBD	TBD	100,000
Resettlement costs and assistance, including to vulnerable groups	TBD	TBD	40,000
Administration and implementation costs, including costs of surveys, consultations, training, grievance redress, etc.	TBD	TBD	200,000
Hiring resettlement expert (inclusive transport, communication, per diem, etc.)	TBD	TBD	90,000
Hiring NGOs (inclusive transport, communication, per diem, etc.)	TBD	TBD	250,000
Hiring External Monitor (inclusive transport, communication, per diem, etc.)	TBD	TBD	80,000
Contingencies (15 % of total cost)	TBD	TBD	160,000
Total	TBD	TBD	1,220,000

*To be determined

J. MONITORING AND REPORTING

36. The EA will ensure the monitoring and reporting for the project. The PMU within EA with the help of implementing NGO and resettlement specialist will conduct regular internal monitoring of resettlement implementation and prepare monthly progress reports. The reports will contain progress made in RP implementation with particular attention to compliance with the principles and entitlement matrix set out in the resettlement plan. The report will also document consultation activities conducted; provide summary of issues or problems identified and actions taken to resolve the issues; and provide summary of grievances or complaints lodged by DPs and actions taken to redress such complaints by the GRC. The monitoring reports will be disclosed in the same process as the resettlement planning documents are disclosed. Internal monitoring reports will be prepared and submitted to ADB on a semi-annual basis.

37. In case of significant involuntary resettlement under the project, the external monitoring and evaluation on the implementation of RP will be conducted. EA will hire a qualified and experienced external expert/agency in agreement with ADB. The external monitor will verify the internal monitoring information, advise EA on safeguard compliance issues, if any, and prepare corrective action plan to address them. External monitoring reports will be prepared and submitted to ADB on a semi-annual basis. In addition, the external monitor would conduct mid-term and end-term impact evaluation and submit reports.

38. **Monitoring Indicators.** The indicators for achievement of objectives under resettlement implementation are of two kinds:

- (i) Input Indicators: Indicating project inputs, expenditure, staff deployment, etc.
- (ii) Output Indicators: Indicating results in terms of numbers of DPs compensated, area of temporarily occupied lands restored, etc.

39. Input and output indicators related to physical progress of the work will include items such as:

- (i) Training of PMU, NGOs and other staff completed;
- (ii) Census, assets inventories, assessments and socio-economic surveys completed;
- (iii) Grievance redress procedures in-place and functioning;
- (iv) Compensation payments disbursed;
- (v) Relocation of DPs completed;
- (vi) Employment provided to DPs, including vulnerable and women; and
- (vii) Monitoring and evaluation reports submitted.

40. **Impact Evaluation**

The broad objectives of the impact evaluation are as follows:

- (i) To assess whether DPs have improved their living standards, in terms of income, housing condition, access to infrastructure, ownership of land and material assets;
- (ii) To evaluate whether safeguards objectives of the project are being achieved; and
- (iii) To monitor schedules and achievement of targets.

INVOLUNTARY RESETTLEMENT IMPACT CATEGORIZATION CHECKLIST

Probable Involuntary Resettlement Effects	Yes	No	Not Known	Remarks
Involuntary Acquisition of Land				
1. Will there be land acquisition?				
2. Is the site for land acquisition known?				
3. Is the ownership status and current usage of land to be acquired known?				
4. Will easement be utilized within an existing Right of Way (ROW)?				
5. Will there be loss of shelter and residential land due to land acquisition?				
6. Will there be loss of agricultural and other productive assets due to land acquisition?				
7. Will there be losses of crops, trees, and fixed assets due to land acquisition?				
8. Will there be loss of businesses or enterprises due to land acquisition?				
9. Will there be loss of income sources and means of livelihoods due to land acquisition?				
Involuntary restrictions on land use or on access to legally designated parks and protected areas				
10. Will people lose access to natural resources, communal facilities and services?				
11. If land use is changed, will it have an adverse impact on social and economic activities?				
12. Will access to land and resources owned communally or by the state be restricted?				
Information on Displaced Persons:				
Any estimate of the likely number of persons that will be displaced by the Project? [] No [] Yes If yes, approximately how many?				
Are any of them poor, female-heads of households, or vulnerable to poverty risks? [] No [] Yes				
Are any displaced persons from indigenous or ethnic minority groups? [] No [] Yes				

Note: The project team may attach additional information on the project, as necessary.

FORMAT AND SCOPE OF A RESETTLEMENT PLAN

Topic	Contents
Executive Summary	
Project Description	<ul style="list-style-type: none"> Provides a general description of the subprojects, project components resulting in land acquisition, involuntary resettlement; identify the project area and provides alternative to avoid or minimize resettlement impact.
Scope of Land Acquisition and Resettlement	<ul style="list-style-type: none"> Project's potential impacts, includes maps of the areas or zones of impact Scope of land acquisition (with maps), and explaining necessity for the project Summarizes the key effects in terms of assets acquired and displaced persons Details of common property resources
Socioeconomic Information and Profile	<ul style="list-style-type: none"> Definition, identification and enumeration of people and communities to be affected Description of likely impacts of land / assets acquisition on people and on communities considering the social, cultural and economic parameters Discuss project impact on poor, indigenous and ethnic minorities and other vulnerable groups Identification of gender and resettlement impact, needs and priorities of women
Information Disclosure, Consultation and Participation	<ul style="list-style-type: none"> Identification of project stakeholders, especially primary stakeholders Description of consultation and participation mechanism to be used during different stages of project cycle Describes activities undertaken to disseminate project and resettlement information during project design and preparation for engaging stakeholders Summarizes results of consultations with DPs, discusses how concerns raised and recommendations made were addressed in the RP Confirms disclosure of the RP and monitoring reports to the DPs and includes arrangements to disclose any subsequent plans Describes planned information disclosure measures and the process for consultation with the DPs during project implementation
Grievance Redress Mechanisms	<ul style="list-style-type: none"> Mechanisms for resolution of conflicts and appeals procedures
Legal Framework	<ul style="list-style-type: none"> Describes national and local laws, regulations, policy that apply to the project and gaps, if any, to be identified between local laws and ADB's Safeguard Policy Statement requirements and discuss how to address the gap Describes legal and policy commitments from the EA for all types of DPs Outlines the principles and methodologies used for determining valuations and compensation rates at replacement cost for assets, incomes and livelihoods; set out eligibility criteria and compensation disbursement schedule Describes land acquisition process and prepare a schedule for meeting key procedural requirements
Entitlement, Assistance and Benefits	<ul style="list-style-type: none"> Defines displaced persons' entitlements and eligibility criteria, all resettlement assistance measures (includes Entitlement Matrix)

Topic	Contents
	<ul style="list-style-type: none"> • Specifies all assistance to vulnerable people • Outlines opportunities for DPs to derive development benefits from the project
Relocation of Housing and Settlements	<ul style="list-style-type: none"> • Describes options for housing and other structures, including replacement housing, replacement cash compensation and self-relocation • Describes relocation sites, community consultations, justification of site selection, environmental assessment and development needs • Provides time schedule for site preparation and transfer • Legal arrangements to regularize tenure and transfer of titles to DPs • Outlines measures of assisting DPs to transfer and establish at new relocation sites • Describes plans of civic infrastructures • Method of integration with host communities
Income Restoration and Rehabilitation	<ul style="list-style-type: none"> • Identifies livelihood risks and prepares disaggregated table based on demographic data and livelihood sources • Describes income restoration measures, including multiple options for restoring all livelihoods • Outlines measures to provide social safety net through social insurance and/ project special fund • Special measures to support vulnerable groups • Explains gender considerations • Describes training programs
Resettlement Budget and Financing Plan	<ul style="list-style-type: none"> • Provides an itemized budget for all resettlement activities, including resettlement unit, staff training, monitoring and reporting and preparation of RPs during loan implementation • Describes the flow of funds • Includes justification for all assumptions made in calculating compensation rates and other cost estimates plus replacement cost • Includes information about source of funding for the resettlement budget
Institutional Arrangements	<ul style="list-style-type: none"> • Describes institutional arrangement responsibilities and mechanism for carrying out the measures of the RP • Includes institutional capacity building programs, technical assistance, etc. • Describes role of NGOs, organizations of the DPs in RP planning and management • Describes how women's groups will be involved in RP planning and management
Implementation Schedule	<ul style="list-style-type: none"> • A detailed time bound implementation schedule for all key R&R activities that will be included. It should cover all activities synchronized with project civil construction works and land acquisition process and timeline
Monitoring and Reporting	<ul style="list-style-type: none"> • Describes the mechanism and benchmarks appropriate to the project for monitoring and evaluating the RP implementation. It specifies arrangements for participation of DPs in the monitoring process. This will also describe reporting procedures

PUBLIC CONSULTATION AND DISCLOSURE PLAN

Activity	Task	Timing (Date/ Period)	No. of Persons	Agencies	Feedback/ Issues/ Concerns Raised	Remarks
Stakeholder Identification	Mapping of the project area					
Project information Dissemination	Distribution of information leaflets to displaced persons					
Consultative Meetings with DPs during Scoping Phase	Discuss potential impacts of the project					
Public Notification	Publish list of affected lands/sites in a local newspaper; Establish eligibility cut-off date					
Socio-Economic Survey	Collect socio-economic information on DP's perception on the project					
Consultative Meetings on Resettlement Mitigation Measures	Discuss entitlements, compensation rates, grievance redress mechanisms					
Publicize the resettlement plan (RP)	Distribute Leaflets or Booklets in local language					
Full Disclosure of the RP to DPs	Distribute RP in local language to DPs					
Web Disclosure of the RP	RP posted on ADB and/or EA website					
Consultative Meetings during DMS	Face to face meetings with DPs					
Disclosure after Detailed Measurement Survey (DMS)	Disclose updated RP to DPs					
Web Disclosure of the Updated RP	Updated RP posted on ADB and/or EA website					
Web Disclosure of the monitoring reports	Monitoring Reports posted on ADB and/or EA website					