

Resettlement Monitoring and Evaluation Report

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SRI: Mahaweli Water Security Investment Program

Prepared by Ministry of Mahaweli Development and Environment with the assistance of Program Management, Design and Supervision Consultant (Joint Venture Lahmeyer International GmbH – GeoConsult ZT GmbH) for Democratic Socialist Republic of Sri Lanka and the Asian Development Bank.

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Mahaweli Water Security Investment Program

Program Management, Design and Supervision Consultant

RESETTLEMENT MONITORING AND EVALUATION REPORT No. 1 - FINAL

May 2016



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RESETTLEMENT MONITORING AND EVALUATION REPORT No 1

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ABBREVIATIONS

ADB	Asian Development Bank
BoQ	Bill of Quantities
CAPC	Cabinet Appointed Procurement Committee
CEA	Central Environmental Authority
DOI	Department of Irrigation
DPC	Department Procurement Committee
EIA	Environmental Impact Assessment
EOI	Expression of Interest
FAM	Facility Administration Manual
GBL	Geotechnical Baseline Report
GOSL	Government of Sri Lanka
IA	Implementing Agency
ICTAD	Institute for Construction Training and Development
ISEWP	Improving system efficiencies and water productivity
km	Kilometre
KMTC	Kaluganga-Moragahakanda Transfer Canal
m ³ /s	Cubic metres per second
masl	Metres above mean sea level
MASL	Mahaweli Authority of Sri Lanka
MCB	Mahaweli Consultancy Bureau
MCM	Million m ³
MDP	Mahaweli Development Program
MIWRM	Ministry of Irrigation and Water Resources Management
MLBCR	Minipe Left Bank Canal Rehabilitation
MFF	Multitranchise financing facility
MFP	Ministry of Finance and Planning
MMDE	Ministry of Mahaweli Development and Environment
MPC	Ministry Procurement Committee
MPP	Master Procurement Plan
MRB	Mahaweli River Basin
NCPCP	North Central Province Canal Project
NPA	National Procurement Agency
NWPC	North Western Province Canal
PD-MWSIP	Program Director Mahaweli Water Security Investment Program
PD-UEC	Project Director –Upper Elahera Canal
PMDSC	Program Management, Designs and Supervision Consultant
PPTA	Project Preparatory Technical Assistance
PSC	Program Steering Committee
RF	Resettlement Framework
RIP	Resettlement Implementation Plan
RPC	Regional Procurement Committee
SBD	Standard Bid Documents
SIWRM	Strengthening Integrated water Resources Management
UEC	Upper Elahera Canal

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1 INTRODUCTION AND BACKGROUND

1. The Mahaweli River is the largest river basin in Sri Lanka, with a catchment of 10,300 km² and an average flow volume of 5,474 MCM (more than 10% of the national annual renewable water). The headwaters originate in the highlands of the wet zone, and the river flows to the northeast. It represents a large and strategically important water resource, which is being developed to meet the country's energy, water and food needs. The Mahaweli Development Program was initiated in the early 1960s with the objective of developing the water and land resources of Mahaweli River Basin and the dry zone of the northern provinces for irrigation and power generations.

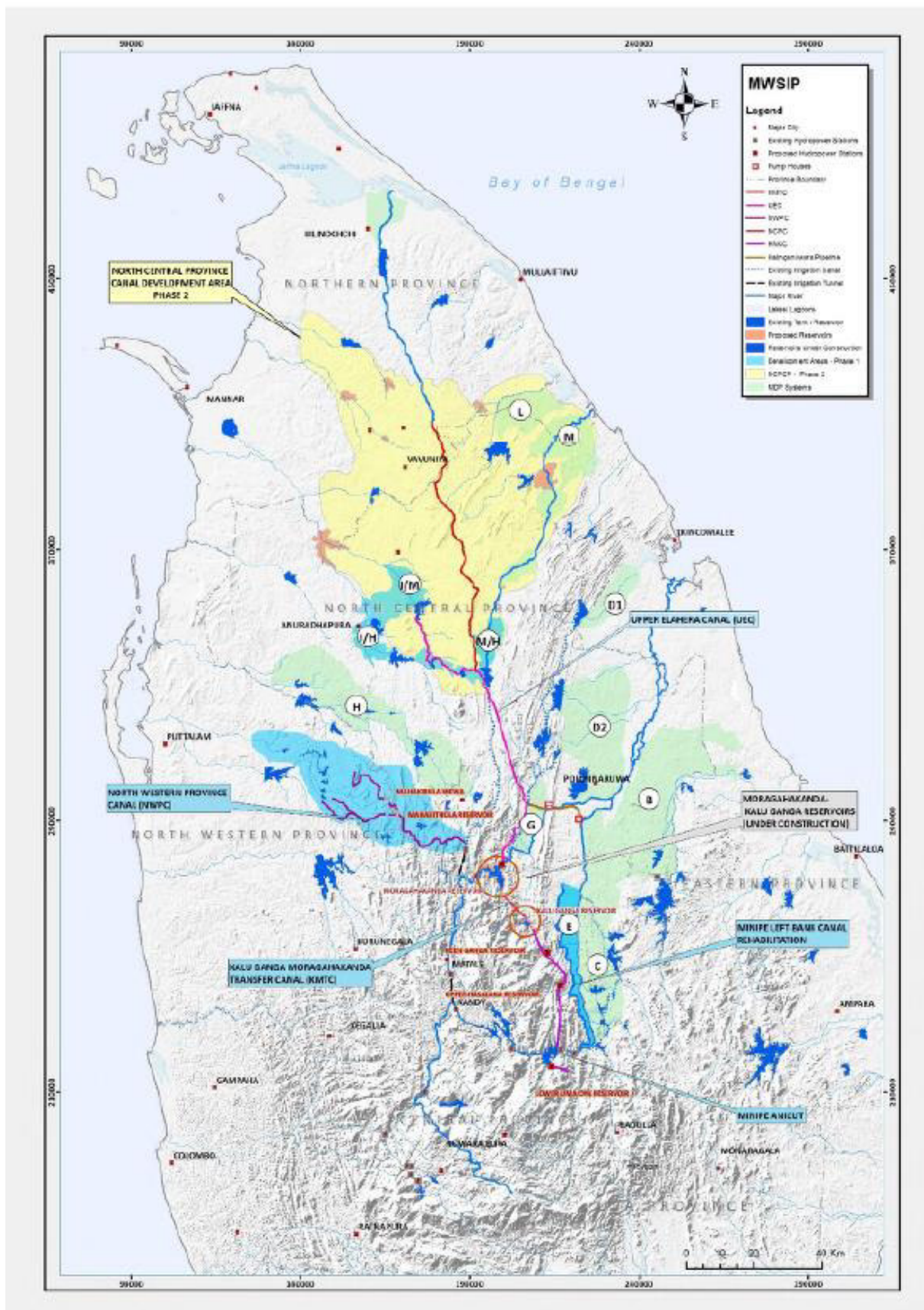
2. The Mahaweli Water Security Investment Program (MWSIP) is the final stage of the Mahaweli Development Plan, a multisector development of the water and land resources of Mahaweli River Basin and North Central Province. This is the end point of an investment program that has spanned more than six decades and has been pivotal in meeting national development goals of food security, social development, energy production and environmental protection. The updated MDP will address the government's sector priorities by constructing the North Central Province Canal Project (NCPCP), an outstanding component of MDP that is estimated to cost USD 1.64 billion.

3. The Government of Sri Lanka (GoSL) has received from the Asian Development Bank (ADB) an ADF Loan of USD 74 Million and USD 76 Million Loan from ordinary capital resources, and has itself contributed USD 40 Million (Total USD 190 Million), in order to support Tranche 1 of the MWSIP, which has been split into two implementation phases by the Ministry of Mahaweli Development and Environment (MMDE). The MWSIP covers Phase 1 of the NCPCP, with Tranche 1 also including feasibility studies for Phase 2 of the program. Through Multi-Tranche Finance Facility (MFF) modality of three tranches in Phase 1, ADB financing allocation is foreseen to be approximately 453 Million USD contribution (refer to **Figure 1**).

4. The Executing Agency (EA) is the MMDE on behalf of GoSL and the Implementing Agency (IA), responsible for day-to-day management is the Project Management Unit (PMU), based in Colombo, and Project Implementation Units (PIU) for each of the three construction implementation component Projects. The Loan agreement signed between the GoSL and the ADB, stipulates that any "Involuntary Land Acquisition and Resettlement" (LAR) safeguards issues that arise during project implementation will require a Resettlement Implementation Plan (RIP)¹ or other appropriate document showing all impacts are mitigated and compensated in accordance with the government's relevant legislation and policies, and the existing Program Resettlement Framework, and particularly with ADB's Safeguard Policy Statement (SPS) 2009 and within the legal framework of Sri Lanka. ADB will only finance projects and programs that fully comply with its SPS 2009.

¹ Resettlement Implementation Plan (RIP) is the legally accepted term in Sri Lanka for a Land Acquisition and Resettlement Plan (LARP) or Resettlement Plan (RP)

Figure 1: Layout Map of the Mahaweli Water Security Investment Program



6. As a key part of its Social and Resettlement Safeguards Contract Scope of Works, the “Program Management, Design and Supervision Consultant” (PMDSC) is required to submit a Resettlement Monitoring and Evaluation Report initially on a quarterly basis, and subsequently move to a biannual basis. This report covers progress of resettlement and social safeguards monitoring up to March 2016. This is the first Resettlement Monitoring and Evaluation Report, prepared in consultation with the PMU Resettlement Specialist. Due to the PMDSC program inception stage only recently being completed, resettlement and social safeguards activities are only in the early stages of development. RIP updates, preparation and implementation have not occurred at this stage. Therefore, this document is only a status report outlining activities to date, and future Resettlement Programs. Future Monitoring Reports will become more detailed, providing data and analysis on approved RIPs and their implementation results in terms of impact perceived and cost foreseen versus actual acquisitions and compensation paid (in-kind, replacement or cash), along with recommendations to fill identified gaps and lessons learned.

2 BRIEF PROJECT DESCRIPTION

7. Phase 1 program outputs include construction of new and improved water conveyance and storage infrastructure. There are six program components listed as follows, three of which involve civil works (refer to Figure 1 above), split into several International and National Competitive Bidding [Civil Works] and three Consulting Contracts:

- Upper Elahera Canal (UEC)
- North Western Province Canal (NWPC)
- Minipe Anicut Heightening and Left Bank Canal Rehabilitation (MLBCR)
- Program Management, Design and Supervision Consultant (PMDSC)
- Improving System Efficiencies and Water Productivity (ISEWP)
- Strengthening of Integrated Water Resources Management (SIWRM)

2.1 Upper Elahera Canal (UEC) Project

8. Construction of approximately 82 kilometers of canal (including 28km of tunnels) connecting the Moragahakanda Reservoir to the existing tanks of Huruluwewa, Manakattiya, Eruwewa and Mahakanadarawa. The Kalu Ganga-Moragahakanda Transfer Canal (KMTC) under this component will include the construction of approximately 9 km of transfer canal (including 8km of tunnels) for the transfer of water between Kalu Ganga and Moragahakanda reservoirs. The civil works will be carried out through 7 international contracts – one contract under Tranche 1; three proposed in Tranche 2; and four in Tranche 3. However, some repackaging is in progress and these numbers are likely to change.

2.2 North Western Province Canal (NWPC) Project

9. NWPC includes the construction of 96 km of new and upgraded canals (including 940 m of tunnel) for transfer of water from the Dambulu Oya River and the existing Nalanda and Wemedilla Reservoirs to the cascade irrigation systems and Mahakithula and Mahakirula Reservoirs with a combined storage volume of approximately 26 MCM linked to the NWPC. It will be constructed through 8 civil works contracts – one national and two international in Tranche 1; and five national contracts for civil works proposed for Tranche 3 inclusion.

2.3 Minipe Anicut Heightening and Left Bank Canal Rehabilitation (MLBCR) Project

10. The MLBCR component of the program includes the heightening of the Minipe diversion weir (anicut) (downstream of the Rantembe dam) by approximately 3.5 meters, construction of new intake gates to the Minipe Left Bank system, construction of emergency side spillways on both the Left and Right Bank system, and rehabilitation of approximately 74km of the Left Bank system to improve conveyance and reliability of service to existing irrigated lands. All civil works contracts (one international and five National) are covered by Tranche 1.

3 RESETTLEMENT PLAN PREPARED DURING PROJECT PREPARATION

11. During the project preparatory technical assistance (PPTA) design phases of the program, census, assets inventory and socio-economic surveys had been carried out for the UEC and NWPC. RIPs were prepared by the resettlement consultant hired by the PMU and some inputs at the later stage from external consultants employed by the ADB. The plans were reviewed by MMDE before they were submitted to ADB for approval. The detailed designs are mostly completed for only parts of UEC (ICB contract 1) and NWCP (NCB contract 1). These Contracts must be screened² and updated RIPs be prepared and implemented to ADB acceptable standards, while remaining stages of the UEC and NWPC will need to be revised later, since most of the UEC and some of the NWPC are in Tranches 2 and 3, which require further detained designs, social safeguards review and board approvals prior to their implementation expected in 2017 and beyond.

12. This section summarizes the resettlement safeguards conducted during the Project Preparation, up to 2015. This covers Minipe Anicut Heightening and Left Bank Canal Rehabilitation Project; North Western Provincial Canal Project; and Upper Elahera Canal.

3.1 Resettlement Safeguards Compliance on MLBCR

13. No RIP was prepared for Minipe Left Bank Canal Rehabilitation Project (MLBCRP) during the PPTA. However, two due diligence reports are being prepared at present, in order to identify issues of compliance and any non-compliance with ADB SPS 2009 and Sri Lankan Laws. This is being prepared for approval by ADB prior to ADB approving the contract award

3.2 Resettlement Implementation Plan - NWCP

14. In 2015 a Resettlement Implementation Plan (RIP) for the NWCP was prepared and endorsed by the MMDE and approved by ADB. Below is a copy of the “Executive Summary” extracted from the NWCP RIP. Updated RIPs will be prepared, as detailed designs are finalized and prior to contract award for various contract stages.

² Screening is referred to in this document as a preliminary inspection, comparing Detailed Designs with likely resettlement impact and trigger for RIP preparation.

3.2.1 Project Description

15. The North Western Province Canal Project (NWPCP) Stage 1 is part of the Tranche 1, SRI: Mahaweli Water Security Investment Program (MWSIP). This Stage 1 will construct 29-kilometer (km) of open canals between the existing Wemedilla tank and the Mahakithula and mahakirula reservoirs. The 30-metre wide canal at Stage 1 will start at the Welamitiyawa Grama Nilandhare (GND) in Dambulla, and it will flow through jungle and a few human settlements before reaching the Mahakirula Reservoir in Palagala Divisional Secretary Division (DSD) in Anuradapura District.

3.2.2 Objectives of the resettlement Implementation Plan

16. The objective of this RIP is to mitigate physical and economic involuntary displacement impacts caused by the Project and provide adequate compensation and rehabilitation assistance to the affected households to restore or improve their pre-project standard of living.

3.2.3 Scope of Resettlement Impacts

17. It is estimated that 29 acres and 46 perches of land (around 11.78 hectares{ha}) will be acquired from 128 households: 4.25 acres are paddy lands; 24.20 acres are highland allotments; and 1.01 acres are homesteads. There will be 119 households who will lose some part of their land but less than 10% of their productive land, and 9 households with 2 households having 2 families each, will be physically displaced. These physically displaced families are categorized as severely impacted group. In addition, there will be no resettlement site as the displaced households have opted cash payment.

18. The resettlement census also identified that around 3,136 perennial trees and 360 non-perennial trees will be uprooted for the canal. Most perennial trees are valuable trees which brought periodic income to households.

3.2.4 Socio-economic Profile of the Displaced Households

19. Only 27 persons live in the 9 physically displaced households. The average household size is 4. The population is largely a young population. They are all Sinhala Buddhists. There are no female-headed households among the physically displaced households. One family is categorized as vulnerable, because their income is below the poverty line. All PAPs are in good health, and the census found no disabled PAP. The census did not find a household with divorced or separated parents.

3.2.5 Public Consultation, Information Dissemination and Disclosure

20. Several grassroots level consultation meetings with the PAPs were held in March and April 2014 by the Grama Nilandhare officers with the support of Divisional Secretaries of Dambulla, Galewela, Polpithigama and Mahawa DSD. Also in attendance were: officers of (i) department of Irrigation (DOI), (ii) Economic Development Officers, (iii) Grama Nilandhare secretary and officers of the Mahaweli Consultancy Bureau. Representatives of ADB participated in the small group discussions held in Pannampitiya and Lenadora South Grama Nilandhars (GNDs). A series of project awareness creation workshops were held at the Galgamuwa Irrigation Training Institute for Divisional Secretaries (DSs), Chairmen of Pradeshiya Sabhas and officials of the Agrarian Development Department, DOI, Department of Wildlife Conservation, Forest Department, Mahaweli Authority of Sri Lanka at Dambulla, Gelewela and Polpithigama Divisional Secretariats.

21. The Tranche 1 project's cut-off date is 1 July 2014 as the date when the resettlement census was completed on this date. This applies to titleholders, non-titleholders such as squatters and informal settlers, encroachers, tenants and leaseholders. The relevant local authorities have been requested through GN officers to refrain from granting approvals for new constructions within the subproject area after the cut-off-date. The MMDE, the Projects executing agency, has disseminated information regarding the cut-off date throughout the Project area through GN officers and DSs.

3.2.6 Legal framework

22. The RIP was prepared in accordance to the Resettlement Framework (RF) formulated based on the Government Land Acquisition Act, National Involuntary Resettlement Policy (NIRP), National Policy on Payment of Compensation and Amendment of Land Acquisition Act (2009), and also based on the ADB principle on involuntary resettlement described in ADB SPS 2009.

3.2.7 Entitlement and Compensation Strategy

23. The compensation for any loss associated with land acquisition under the first tranche of the NWPCP was calculated based on entitlement matrix described in the RF. The compensation of loss property will be at replacement cost. The compensation under this RIP include compensation package for land and resettlement, compensation for lost houses and other structures, compensation for lost trees and crops. There are also several allowances provided in the entitlement matrix such as allowance for temporary sheds, relocation, and incentive allowance to urge displaced households to timely move out from affected areas. For displaced households, a program has been designed to assist them in livelihood improvement or income restoration.

3.2.8 Resettlement Budget and Financing

24. The estimate total cost for implementing RIP is about SLRs 171,798,331. This covers costs for (i) compensation land, structures and trees, (ii) relocation, (iii) income restoration program, (iv) monitoring and evaluation, and (v) institutional development.

25. The full budget will be provided by the government through MMDE. The final budget will become available only after the Survey Department and Chief Value determine the value of land, houses, crops and trees affected.

3.2.9 Implementation Arrangement and Monitoring

26. While MMDE will be responsible for overall coordination, planning, and financing of resettlement program, the implementation of RIP is the responsibility of the Program Management Unit (PMU) that will be supported by Project Implementation Unit (PIU). The PMU will have resettlement unit or cell with a full time specialist(s) who will assist the formulation of RIPs and updated RIPs as required, monitoring implementation of RIP including monitoring on payment of compensation, and will prepare report on RIP monitoring reports.

27. The PMU/PIU monitoring RIP implementation will also determine whether resettlement goals have been achieved and that livelihood and living standards have been restored. They will also recommend how to further improve implementation, if required. The PMU/PIU will prepare semi-annual monitoring reports to submit to MMDE and ADB. This report will also provide a summary of grievances or complaints lodged by PAPs and actions taken to redress. The monitoring report will also provide information on the implementation of RIPs including payment of compensation and implementation of the income restoration program and its results.

3.3 Resettlement Implementation Plan - UEC

28. In 2015 a Resettlement Implementation Plan (RIP) for the UEC was prepared and endorsed by the MMDE and approved by ADB. However, in contrast to NWPCP RIP, it has not been disclosed on the ADB website because most of the affected areas are in the Tranches 2 and 3 portions of the proposed project, with funding yet to be approved by ADB. This RIP does not contain an Executive Summary. Therefore, one has been prepared by the PMDSC, for the UEC RIP, in the similar format as the "Executive Summary" NWCP RIP executive summary. Updated RIPs will be prepared, as detailed designs are finalized and prior to contract award for various contract stages.

3.3.1 Project Description

29. The Upper Elahera Canal Project is approximately 66 kilometers in length, beginning from the KMTC Tunnel and end up in Yakalla Grama Niladhari Division (GND) of Galenbindunuwewa Divisional Secretary's Division (DSD). The canal will traverse through Naula and Dambulla DSDs of Matale District, Elahera and Hingurakgoda DSDs of Polonnaruwa District, and Palugaswewa, Kekirawa and Galenbindunuwewa DSDs of Anuradhapura District. About 50-km of the canal will traverse through wild life and forest reserves. About 11-km of the canal will traverse through uncultivated highland allotments, home gardens, and paddy lands. The width of the acquisition boundary of the canal varies between 30 and 50 meters. The remaining 5-km stretch of the canal will traverse underground that starts at Yakalla and ends at the Manankattiya-Mahakanadarawa Reservoir Complex.

30. Construction on UEC, under Tranche 1 of the project is "UEC-ICB-1" which covers from Kilometer 0+00 to kilometer 6+226. The first 10 kilometers of the UEC traverses the Minneriya-Girithala Wildlife Reserve, and has been deemed by the RIP as having no resettlement or land acquisition impacts, although environmental studies and mitigations are expected to occur (refer to UEC ICB 1 Updated Environmental Management Plan). However, the PMDSC plans to conduct a screening inspection to ensure no resettlement or land acquisition impacts will occur in the first 7 kilometers of the Project, in accordance with ADB SPS 2009. The remaining 60 kilometers of the UEC Project is proposed for tranches 2 and 3 which is expected to commence from 2017. It is this 60 kilometer area where the resettlement and land acquisition impacts have been identified, and for which an updated RIP will be necessary for inclusion in Tranches 2 and 3.

3.3.2 Objectives of the resettlement Implementation Plan

31. As for NWCP, the objective of the UEC RIP is to mitigate physical and economic involuntary displacement impacts caused by the Project and provide adequate compensation and rehabilitation assistance to the affected households to restore or improve their pre-project standard of living.

3.3.3 Scope of Resettlement Impacts

32. It is estimated that there will be 16 households physically displaced and one household will be isolated from the community as a result of the canal. The need for finding relocation sites for the physically displaced households will not arise as all of them prefer and plan to self-relocate in the vicinity of their present settlements. A household left with a sufficient homestead after the acquisition can rebuild its house on the remaining portion. Forty-five acres of land (around 18.2 hectares{ha}) will be acquired from 112 households (including the 16 to be physically displaced): 7.1 acres are paddy lands; while the rest (38 acres) are un-irrigated highland which included home gardens (9.82 acres), cultivated highland allotments (13.75 acres) and slash and burn – chena – land (14.33 acres).

33. The resettlement census also identified that around 262 perennial trees and 112 non-perennial trees will be uprooted for the canal. Most perennial trees are valuable trees which brought periodic income to households

3.3.4 Socio-economic Profile of the Displaced Households

34. There are 86 households, located in 8 villages. The average household size is 4. The population had a male-female gender ratio of 45:55 and is largely a young population, with 23% under 14 years and 59% of the ages 15-59 years old. They are all Sinhala Buddhists. Of the affected households, 70% earn their primary income from agriculture, with the remaining 30% engaged in Government services, private business and remittance from family members overseas. Among the physically displaced household, six are categorized as vulnerable: three were female-headed households and three categorized as poor, income is below the poverty line.

3.3.5 Public Consultation, Information Dissemination and Disclosure

35. Several grassroots level consultation meetings with the PAPs were held in July 2014 by the MMDE. The conducted project awareness and consultation programs to meet PAPs, especially the potential physical displaces, vulnerable households, religious and community leaders, local elite, and community-based organizations (CBOs) such as farmer organizations. In such meetings, their views, opinions and recommendations on compensation packages, relocation programs and the regarding the final trace of the canal were obtained. In these discussions, representatives of relevant government agencies (GNs, representative of the Divisional Secretary) and local business community also participated.

36. The cut-off date announced for this RIP was 1 July 2014 as the date when the resettlement census was completed on this date. This applies to titleholders, non-titleholders such as squatters and informal settlers, encroachers, tenants and leaseholders. The relevant local authorities have been requested through GN officers to refrain from granting approvals for new constructions within the subproject area after the cut-off-date. The MMDE, the Projects executing agency, has disseminated information regarding the cut-off date throughout the Project area through GN officers and DSs. The cut-off date will be updated accordingly with detailed designs, any updating of impacts, including land titling (section 02 Notices) and re-valuation of assets inventories and updating of RIPs in accordance with Sri Lankan legal framework and ADB SPS 2009.

3.3.6 Legal framework

37. The RIP was prepared in accordance to the Resettlement Framework (RF) formulated based on the Government Land Acquisition Act (1950) and its amendments; National Involuntary Resettlement Policy (NIRP) (2001); National Policy on Payment of Compensation (2008); Amendment of Land Acquisition Act (2009); National Environmental Act of 1980 and amendments; and based on the ADB principle on involuntary resettlement described in ADB SPS 2009.

3.3.7 Entitlement and Compensation Strategy

38. Similar to the NWCPD RIP, compensation for any loss associated with land acquisition under the UEC was calculated based on entitlement matrix described in the RF. The compensation of loss property will be at replacement cost. The compensation under this RIP include compensation package for land and resettlement, compensation for lost houses and other structures, compensation for lost trees and crops. There are also several allowances provided in the entitlement matrix such as allowance for temporary sheds, relocation, and incentive allowance to urge displaced households to timely move out from affected areas. For displaced households, a program has been designed to assist them in livelihood improvement or income restoration.

3.3.8 Resettlement Budget and Financing

39. The estimated total cost for implementing RIP is about SLRs 153,462,672. This covers cost for (i) compensation land, structures and trees, (ii) relocation, (iii) income restoration programs, (iv) monitoring and evaluation, and (v) institutional development.

40. The full budget will be provided by the government through MMDE. The final budget will become available only after the Survey Department and Chief Value determine the value of land, houses, crops and trees affected.

3.3.9 Implementation Arrangement and Monitoring

41. Implementation and Monitoring of the UEC RIP will be the same as NWCPD, with MMDE responsible for overall coordination, planning, and financing of resettlement program, the implementation of RIP is the responsibility of the Program Management Unit (PMU) that will be

supported by Project Implementation Unit (PIU). The PMU will have resettlement unit or cell with a full time specialist(s) who will assist the formulation of RIPs and updated RIPs as required, monitoring implementation of RIP including monitoring on payment of compensation, and will prepare report on RIP monitoring reports.

42. The PMU/PIU monitoring RIP implementation will also determine whether resettlement goals have been achieved and that livelihood and living standards have been restored. They will also recommend how to further improve implementation, if required. The PMU/PIU will prepare semi-annual monitoring reports to submit to MMDE and ADB. This report will also provide a summary of grievances or complaints lodged by PAPs and actions taken to redress. The monitoring report will also provide information on the implementation of RIPs including payment of compensation and implementation of the income restoration program and its results

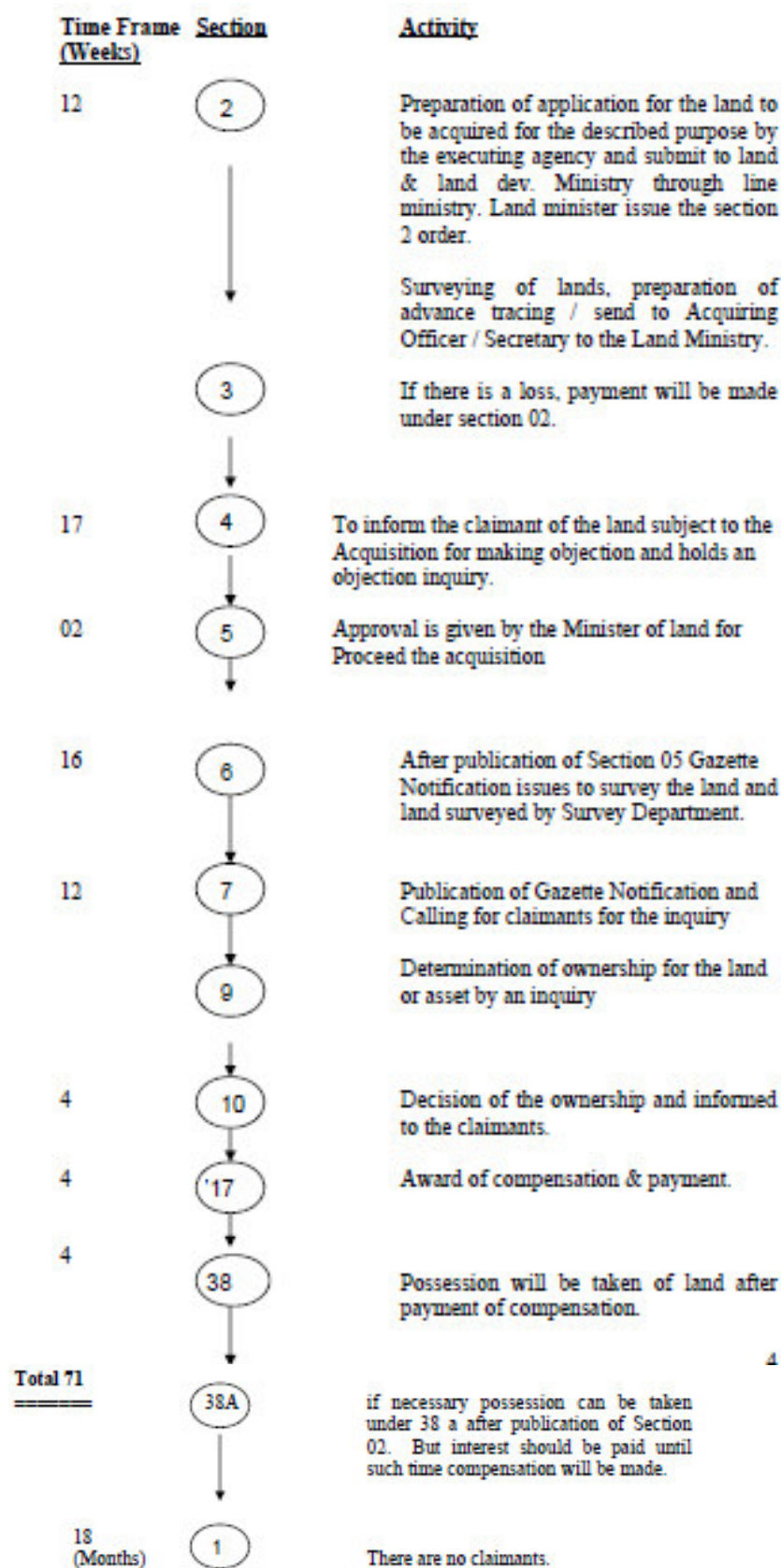
4 PROGRESS IN IMPLEMENTING RESETTLEMENT PLAN(S)

43. This section provides a summary of the progress in preparing and implementing the Resettlement Plans, as required, in the Mahaweli Program. This includes (i) a short description of the process of land acquisition in Sri Lanka; (ii) progress of conducting Due Diligence Studies for the Minipe Left Bank Canal Rehabilitation Project; (iii) current status of resettlement and social safeguards works; and (iv) an outline of the recently finalized Grievance Redress Mechanism.

4.1 Land Acquisition Process in Sri Lanka

44. The land acquisition act of 1950 (LAA) and its amendments specify the process of acquisition of lands in which the privately owned lands belong to individuals as well as organizations. The steps of the land acquisition procedure are given below (a-k) and indicates an extended time frame for completion. The long period of time for completion of acquisition of a land plot can lead to delay of the construction programs, due to consultation of various stakeholders such as survey department, valuation department, divisional secretary, Gramaniladaris etc. Figure 2 provides a flow chart illustrated the various steps of acquisition process under land acquisition act.

Figure 2: Flow Chart for land acquisition procedure



a) Section 2 Notices

45. The institution (MWSIP PMU) prepares an application indicating the features of the land which should be acquired for the specific purpose in the given format by the Ministry of Land and Land Development (MLLD) and submits it to the MMDE.

46. Then the MMDE will make a request on land acquisition to the MLLD. When the necessary request is received, the Minister of Land Development directs the Acquiring Officer of the respective divisional secretary's division in which the land to be acquired, to issue under Section 2 of LAA to the respective land owner. This notice gives legal authority to the officers to enter the said land and do the survey of the land and other necessary official duties. The section 02 notice publicizes at the land as well as other prominent places in the area. The notice:

- i) Is in 03 languages, Sinhala, English and Tamil.
- ii) Specifies how claimants can make the objection for the acquisition of said land.

47. In the meantime, the Acquiring Officer issue a Section 2 survey requisition to the Superintendent of Survey (SP) of the survey department of respective district. Then the SP assigns a surveyor to do the surveying the land. The appointed surveyor visits the particular land and commences the surveying with the assistance of Grama Niladari (GN). Prior to the visit of surveyor, the GN informs to the land owner about the date of survey. The surveyor follows the boundaries of each land lot to be acquired with the assistance of GN. The following details are recorded by the surveyor:

- i) Name of Land owner
- ii) Name of occupant
- iii) Ownership status
- iv) Nature of the land (high land or paddy land)

48. After surveying the land, a plan of the land is prepared, called advance tracing. This gives all details such as extent of the land, ownership status, boundaries etc. This plan is sent to the divisional secretary as well as the MLLD by the survey department

b) Section 3 Provision

49. This is a provision for the making claims by the owners of the land due to any damage caused during the survey or publishing the notices at the land.

c) Section 4 Provision

50. This is a provision to make the objection against the acquisition of land. Any person who has a right to the land can make an objection to the secretary of MMDE or MLLD. Under this provision notice issued by the MLLD call for any objections against the land acquisition, which is published in the government gazette as well as in newspapers in 3 languages.

d) Section 5 Provision

51. Once the objection(s) are received, against the acquisition, the Secretary holds an inquiry to ascertain the facts behind this request and makes his recommendation to the MLLD whether the particular land plot(s) should be acquired or not. Based on the recommendation of the secretary of the MMDE, the Minister of Land and Land Development takes a decision on the matter. The minister can reject or accept the recommendation of the secretary. However, Minister has the authority to stop the acquisition on reasonable grounds.

e) Section 6 Provision

52. Under this provision, the acquiring officer issues a survey requisition to the survey superintendent for the preparation of the final plan of the land. When superintendent of survey receives a survey requisition, he issues an order to his survey team to prepare a final plan of the land. If necessary the survey team visits the particular land again. The plan is then finalized, based on advance tracing and the additional surveys (if conducted).

f) Section 7 Provision

53. The acquiring officer issues a notice under section 7 which indicates that the property is under consideration for acquisition. The notice includes the following details:

- i) Description of the land to be acquired
- ii) Reasons for acquisition
- iii) Claims for compensation to be made to Acquiring Officer
- iv) Direct every person interested in the land to be acquired to appear personally or by an agent duly authorized in writing before the acquiring Officer. The nature of interest for the land, particulars of his claim for compensation, the amount of compensation and the details of compensation of such amounts should provide by the claimant/s.

54. The claimant can make verbal or written claims to the acquiring Officer

g) Section 8 Provision

55. An order is made by the acquiring officer to the person/s who have some kind of ownership for the land and whom should produce the income statements of earnings of the land.

h) Section 9 Provision

56. The acquiring officer conducts an inquiry under the provision of section 09 for the determination of ownership of the land paying special attention to the land ownership deeds and other relevant documents. At this stage, ownership is determined by the Acquiring Officer and a decision is made. The base on the outcome of the inquiry a notice is issued that determines the owner/s of the land. This notice is issued under the provision of section 10.

57. The ownership determination letter is prepared in triplicate, sent to the owner/s, valuation department and placed on file. When the letter received, the Valuation Officer visits the property and prepares a condition report in which all details of the said property is recorded. Based on condition report, he prepares a valuation report (determination of valuation) which he submits to the Acquiring Officer. Valuation is determined, based on the instruction of 2009 regulation, and includes compensation entitlements as given below:

- i) Replacement value for the structure
- ii) Market value for the land, trees and crops
- iii) Cost for attending section 09 inquiring
- iv) Cost for selection of alternative sites
- v) Cost for transportation to new sites
- vi) Cost incurred for publicity of commercial establishments
- vii) Cost for fixing of furniture
- viii) Cost for traveling where relevant
- ix) Cost for loss of business
- x) Cost for working capital for reestablishment of business
- xi) Cost for assessment tax and rent

xii) Cost incurred by claimant for acquisition of land

i) Section 17 Provision

58. When the valuation report is received, the acquiring officer prepares a compensation award letter to be sent to the owner/s of the property with a copy to the compensation appeal board. After receiving the compensation award letter owner/s can accept or reject the entitlements. If rejected, within 14 days an appeal may be made for higher compensation to the appeal board within. Otherwise the entitlement may be accepted.

j) Section 22 Provision – appeals and grievances

59. If the claimants are dissatisfied over the compensation, an appeal to the Board of Review under section 22 may be made. However, this is a time-consuming process. Therefore, all possible steps should be taken to resolve the issue under grievance redress mechanism (GRM) of the Project. There may be ownership disputes occur among the number of claimants for one property. GRM also resolves this type of dispute.

k) Section 38 order – takeover of possession

60. When the compensation paid, the acquiring officer informs to the MLLD for the issuance of section 38 orders, in which the acquiring officer is empowered to take over the possession of the land on behalf of the MWSIP PMU. When the acquiring officer receives a Section 38 order, the relevant person/s giving are informed and given 14 days prior to possession of the land. At this stage the acquiring officer takes possession of the land and transfers to the nominated officer of the MWSIP.

4.2 Due Diligence Study on MLBCR Project - Progress

4.2.1 Introduction

61. The MLBCRP, located in the downstream reach of the Mahaweli Ganga, comprises heightening of the existing concrete weir (anicut) to add upstream storage (needed to compensate for greater daily flow variations due to peaking operation of the upstream power stations) and rehabilitation of regulating structures and desilting of the main canal (Figure 3 – Map).

62. In accordance with the Loan Agreement requirements, the EA and IA have informed the ADB that farmers have encroached into the canal reservation, conducting agricultural activities. The encroachment area appears to be outside of the canal rehabilitation and the construction footprint area along the existing canal. These encroachers have adjacent titled land. It is thought that the reserve land areas may be used at times by the contractors. The Farmer Organization (FO) leaders have given an assurance that all encroached farmers will voluntarily give up their agricultural activities during the construction period, if they are required to do so, in order to allow the contractors access to the canal and works sites. However, the FO leaders believe it is not their responsibility to request or enforce the encroached farmers to stop their activities in related reservation areas. However, there has been not direct consultation with the encroachers on this matter.

63. The MLBCRP includes five civil works packages, including one through International Competitive Bidding (ICB) and four through National Competitive Bidding (NCB) as well as one mechanical and electrical package. The MLBCR-NCB-1 (between chainages kilometre 0+000 and kilometre 30+140) civil works contract package is due to be awarded soon while the remaining three from km 30+140 to km 73+960 will follow on later in 2016.

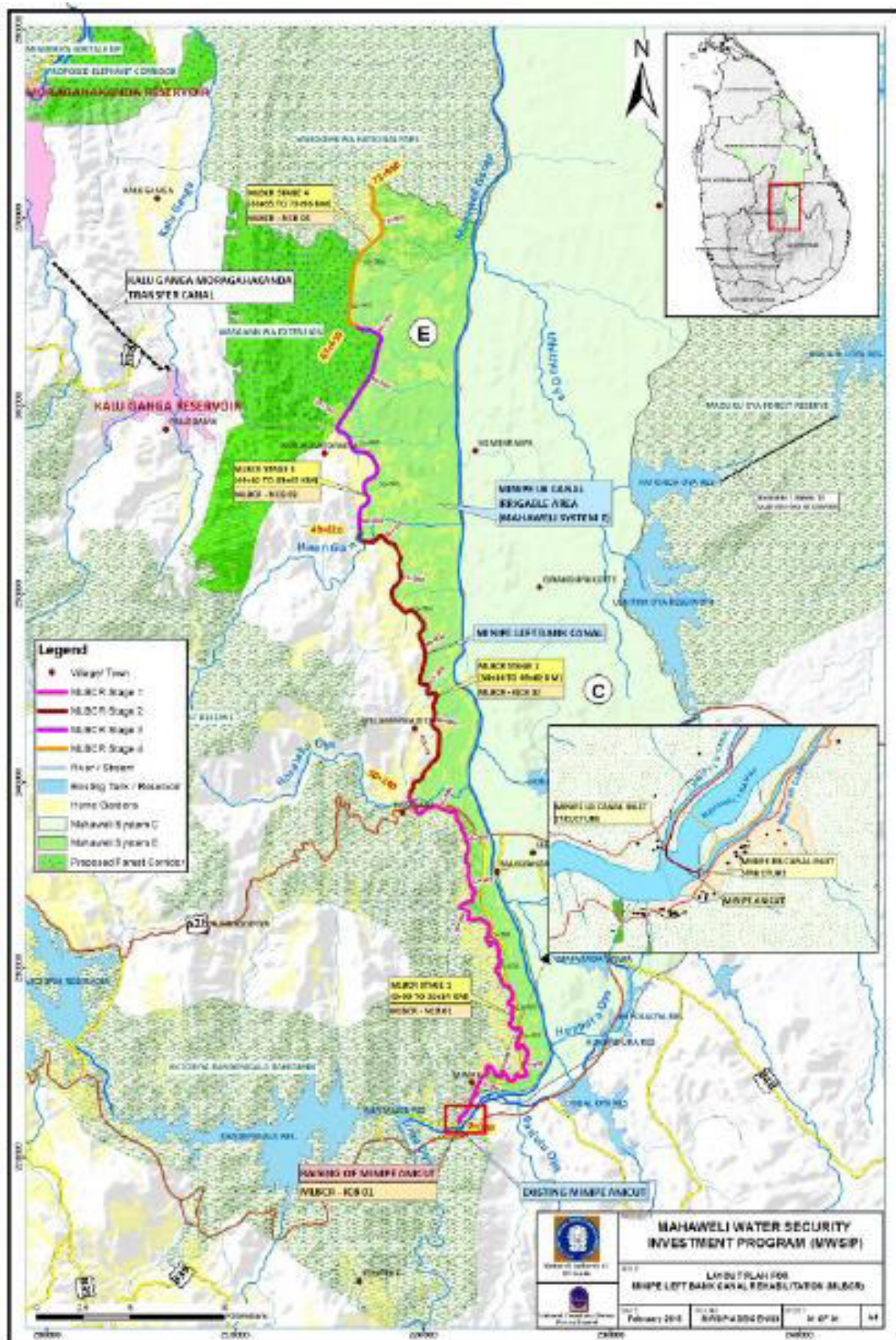
64. The ADB has requested that an inventory of all encroachments be conducted along the 74 kilometres of the canal, in which construction will take place, and a Due Diligence Report (DDR) prepared to determine whether or not there will be Involuntary Resettlement impacts, based on SPS 2009 and the laws of Sri Lanka. In order to reduce delays in contract award and construction, the first DDR covers the key length of the Minipe Left Bank Canal from kilometre 0+000 to kilometer 30+140, which encompasses the MLBCR-NCB-1 Civil Works Contract. A second report will follow, covering km 30+140 to Kilometer 73+960. This section outlines progress to date on studies for the first DDR.

4.2.2 Objectives

65. The objectives of the DDR are to report the results of the inventory of the encroaching farmers, identifying impacts and results of consultations, followed by making recommendations for filling any identified potential gaps with SPS 2009 and the RF policies. The study for the DDR has focused to date on three potential areas in which SPS 2009 IR policy may, or may not, be triggered:

- i) The Project canal rehabilitation footprint
- ii) The construction contractor activities, particularly accessibility
- iii) Access to public natural resources by the encroachers, such as the canal water for crops.

Figure 3: Minipe Left Bank Canal Rehabilitation Project



4.2.3 Preliminary Findings

66. The due diligence investigation study has found (preliminarily) the following:

67. The inventory found there are 385 encroaching farmers in reserve land along the first 31 kilometres of the Minipe Left Bank Canal. They are cultivating paddy at one allotment and farm permanent crops (trees and perennials) or buildings on other plot(s). Table 1 below provides a summary of the inventory of assets of encroached areas within the km 00+000 to km 30+140 area (extracted from the draft DDR 1).³

- i) Consultation has been limited to one meeting of farmers' groups in which PMU and PIU specialists conducted an awareness presentation about the Project and grievance redress, followed by a request to cooperate with Project and contractors (minutes of meeting and photographs in Annex A). The meeting does not appear to have allowed for farmers to ask questions and there is no written evidence of any comments from farmers or on what farmers' groups agreed to cooperate.
- ii) There is adequate access to most of the construction sites and an access road (or track) along the embankment of the canal, on which there are no encroachments, and there would be space enough for construction activities to occur. However, around some of the structures to be rehabilitated, construction space requirements may impact on agricultural areas. Furthermore, there may be some locations where diversion tracks are needed by contractor. Actual space requirements, hence magnitude of affected area for construction, cannot be fully finalized until the contractor is mobilized and the locations, albeit small, are identified.
- iii) Water resources for irrigation should not be impacted, because internal canal rehabilitation activities will be scheduled outside of the two irrigation seasons when canal water resources are required;
- iv) Paddy land is the only available land, which is mostly unsuitable for contractor machinery to use without significant development and budget.
- v) Furthermore, the study found that work in the canal itself will be during the off-season, creating no impacts on titled and encroached land areas livelihood activities; during the off-season water will continue to be supplied, for off-season requirements through diversions and coffer dam systems; also work on embankment rehabilitation will be conducted in short sections, hence reducing any impacts and water disruptions to encroachers.

³ Refer to DDR currently being prepared.

Table 1: Summary of Inventory of MLCBP Encroaching Farmers (Km 00+000 to 31+000)

Description		Quantity
A. Affected People		
1	Number of Encroachments	385
2	Extent of Encroach Lands	Acre: 124 Rood : 01 Perch: 10.5
B. Crops and Perennials / Trees		
3	Number of Paddy Allotments	159
4	Number of Mango Allotments	20
5	Number of Permanent Crops Allotments	18
6	Number of Perennial Allotments	2
7	Number of Coconut Allotments	66
8	Number of Mix Crops Allotments	21
9	Number of Banana Allotments	38
10	Number of Jackfruit Allotments	9
11	Number of Breadfruit Allotments	3
12	Number of Areca Nut Allotments	17
13	Number of Drumstick Allotments	1
14	Number of Pepper Allotments	13
15	Number of Lime Allotments	1
16	Number of Kithul Allotments	2
17	Number of Teak Allotments	1
C. Structures		
18	Houses	87
19	Boutiques	16
20	Stores	2
21	Other	29

4.2.4 Recommendations

68. The due diligence study is on-going, with information still being sourced from PMU, PMU and other sources. The preliminary recommendations include:

- i) The PMDSC will investigate and identify potential areas of impact, where the contractor may require workspace off the existing roads and tracks, and on encroached farmers' crops. Further consultations may be held with the affected farmers prior to submission of DDRs.
- ii) The PIU and the Engineer (PMDSC) will stipulate the limitation to conduct civil works from the existing embankment and as much as possible avoid encroached areas.
- iii) The Engineer and PMU/PIU will discuss with the selected contractor about minimizing the use of agricultural areas on the canal reserve.
- iv) The PIU will require work and access along existing roads and tracks.
- v) The PIU, PMU and Engineer will request the contractor to identify at mobilization, which areas they will require to use reserve space adjacent to the canal. Given that the contractor will not need to use the reserve land along the whole length of canal, the areas identified by the contractor will undergo screening and affected farmers will be first consulted. If there is

agreement to voluntarily not conduct agriculture while the contractor utilizes the land area, they will need to sign a special form letter, which will be prepared based on the “IR Good Practices Sourcebook”. A RIP may still be required.

69. The above information is subject to change, and the final results of the “Due Diligence Report 1” for Km 00+000 to 30+140 will be submitted after all necessary studies are completed. Summary of finalized findings and recommendations will be presented in the next Resettlement Monitoring and Evaluation Report

4.3 Resettlement Planning Update

70. Prior to implementation, a Resettlement Framework for the program and two RIPs were prepared. The detailed engineering designs for UEC-ICB-1 and NWCP-NCB-1 are completed. With variations to the detailed designs already prepared, through the PMDSC design reviews, and several parts of the Project canals still to complete their detailed design process by the PMDSC, there will be further screening for resettlement impacts and mitigation measures in the form of “Final RIPs” to be prepared. However, this process can only be conducted once detailed designs are prepared (or reviewed) by PMDSC engineers and approvals given by ADB, which will mean several small RIPs to fit timing of detailed design to civil works contracts (refer to Table 2).

71. Currently, the publication of Section 2 notice and advance tracing issued by the Survey Department of the Ministry of Lands has been ongoing since 2015 for both UEC-ICB-1 (km 0 to 14.330) and NWP ICB 1, Tranche 1.

72. A Section 2 notice is a letter informing the affected people that there is a possibility that land acquisition is required for a public purpose. The letter informs about permission for various studies to be conducted on exact boundaries of the plots and tests to determine value of the plot. Advance tracing is a part of determining exact points and boundaries of the land plots potentially affected.

73. For RIPs to be accurate at the Project implementation stage, and to ensure acquisition of assets where essential is conducted in a timely manner and exact, the detailed design need to be almost complete and approved prior to RIP preparation. Due to the implementation schedule, where the various detailed designs for contract bids are staggered over the 2016 and 2017 period, there may be several RIPs to be prepared to cover certain sections of the three Project canals, corresponding to specific end-of-detailed-design and contract bidding/awards stages. A tentative schedule is presented below (Table 2) which identifies current timing for “Detailed Design”, “Approval by ADB” and “Bidding and Contract Award” stages followed by identification of tentative times for simple “Screening” and “RIP” preparation/submission.

Table 2: Project Management-Social and Resettlement Safeguards Tentative Schedule

	Project / Contract	Design	Approve	Contract Bid and Award	Screening	DDR	RIP	RF	PSA	Comment
A	Tranche 1									
1	MLBCR									
1.1	ICB1	Jun-16	Sep-16	Nov-Mar 2016/2017	Aug-16					Screening of this required to ensure no Resentment impacts.
1.2	NCB1	complete	DDR April	May-16		Apr-16				DDR requested by ADB - no impacts found, no other actions
1.3	NCB2	Mar-16	DDR May	July to Dec 2016		May-16				DDR requested by ADB - no impacts found, no other actions
1.4	NCB3	Mar-16								DDR requested by ADB - no impacts found, no other actions
1.5	NCB4	Mar-16								DDR requested by ADB - no impacts found, no other actions
2	NWCPC									
2.1	NCB 1	Complete	Complete	Mar to August 2016	May-16		Jul-Aug 16			RIP to be prepared, as long as Section 2 Land titles complete
2.1	ICB 1	Oct-16	Dec-16	Jan-Jun 2017	Jul-Aug 16		Nov-16			RIP to be prepared, as long as Section 2 Land titles complete
2.3	ICB 2									RIP to be prepared, as long as Section 2 Land titles complete
3	UEC									
3.1	ICB 1	Complete	Mar-16	Mar to August 2016	Apr-16		Jul-Aug 16			If impacts found, RIP to be prepared, as long as Section 2 Land titles complete

	Project / Contract	Design	Approve	Contract Bid and Award	Screening	DDR	RIP	RF	PSA	Comment
B	Tranche 2	For Fact Finding and Board approval in Jan-Mar 2017						Update Nov-Dec 2016		Requirement of AM from ADB Mission (March 2016) - Initial approval under Tranche loan - updated with detailed design changes
4	UEC									For fact finding is due Dec 16, but RIP to be updated after detailed designs
4.1	ICB 2	Sep-16	Oct-Dec 2016	Jan-Sept 2017	Aug-16		Dec-16			Due to the likely status of the project detailed design to contract award, Ensuring RIPs (as required) may be done and implementation ready by fact finding
4.2	ICB 2 b			Jan-June 2017						
4.3	ICB 3	May-16	Aug-16	Sept 2016 to Feb 2017	Apr-16		Aug-16			
C	Tranche 3	For Fact Finding and Board approval in Jan-Mar 2017						Update Nov-Dec 2016		Requirement of AM from ADB Mission (March 2016) - Initial approval under Tranche loan - updated with detailed design changes
5	UEC									
5.1	ICB 4	Jan 2016 to June 2017	Jul - Sept 2017	Oct 2017 to Mar 2018	Jul-17		Jul - Sept 2017			If impacts found, RIP to be prepared, as long as Section 2 Land titles complete
5.2	ICB 5									If impacts found, RIP to be prepared, as long as Section 2 Land titles complete
5.3	ICB 6			Dec 2019 to 2021	Jul-19		Jul-Oct 2019			If impacts found, RIP to be prepared, as long as Section 2 Land titles complete
6	NWPC									

	Project / Contract	Design	Approve	Contract Bid and Award	Screening	DDR	RIP	RF	PSA	Comment
6.1	NCB 2	Jan 2016 to June 2017	Jul - Sept 2017	Dec 2019 to 2021	Jul-19		Jul-Oct 2019			If impacts found, RIP to be prepared, as long as Section 2 Land titles complete
6.2	NCB 3				Jul-19		Jul-Oct 2019			If impacts found, RIP to be prepared, as long as Section 2 Land titles complete
6.3	NCB 4				Jul-19		Jul-Oct 2019			If impacts found, RIP to be prepared, as long as Section 2 Land titles complete
6.4	NCB 5				Jul-19		Jul-Oct 2019			If impacts found, RIP to be prepared, as long as Section 2 Land titles complete
6.5	NCB 6				Jul-19		Jul-Oct 2019			If impacts found, RIP to be prepared, as long as Section 2 Land titles complete
D	Phase 2	For Fact Finding and Board approval in June 2017								For Fact Finding and Board approval in June 2017
7	NCPC	For Fact Finding and Board approval in June 2017			Nov-16		Mar-May 2017	Jan-May 2017	Nov-Mar 2016	All document ready and approved by FS submission in July 2017. However, Social documents cannot be done until med to late design, because function is for initial study like screening to help engineers design with reduced impacts, while RIPs and PSA require to show benefits and mitigations from impacts caused by design.

* RIP = Resettlement implementation Plan; RF = Resettlement Framework; PSA = Poverty and Social Assessment; and DDR = Due Diligence Report

4.4 Setting up of the Grievance Redress Mechanism (GRM)

74. In order to receive and facilitate the resolution of possibly affected people's concerns, complaints, and grievances concerning the Program's performance, a Grievance Redress Mechanism (GRM) has already been established for the MWSIP, and is being enhanced at local and PIU level, at the Project sites in accordance with ADB SPS requirements and legislative requirements of Sri Lanka. The GRM addresses potentially affected people's concerns and complaints proactively and promptly, using an understandable, communicated and transparent process that is gender-responsive, culturally appropriate and readily accessible to all community members at no costs and without retribution. The mechanism will not impede access to the country's judicial or administrative remedies.

4.4.1 Types of Grievances

75. Legal issues:

- i) Application of the Land Acquisition Act (LAA) and its limitations to arrive at replacement cost of acquired property
- ii) Difficulties in obtaining abstracts of deeds from Land Registry
- iii) Rules and regulations determining the ownership of land and amount of compensation

76. Practical issues:

- i) Lack of knowledge on the acquisition process and how to present claims
- ii) Delays in payment of compensation
- iii) Delays in payments of resettlement assistance and provision of benefits
- iv) Most contacts on leased land are verbal. Difficulty in transforming into written contracts
- v) Inability to find new land for building new houses
- vi) Inability to construct new houses in a short period of time
- vii) During the construction period temporary disruptions
- viii) Cracks in structures
- ix) Noise pollution
- x) Environmental Pollution
- xi) Dust problems
- xii) Other environmental issues

4.4.2 Levels of Grievance Redress in the Program

77. This section outlines the four levels of grievance redress on the Program plus the additional systems through the LAA and the courts. Many grievances arise because of inadequate understanding of program policies and procedures, but can be promptly resolved by proper explanation of the situation to the complainant. The four levels of the Program GRM are as follows:

- i) **Grievance Redress Committee – Grama Niladari Level:** The complainant may submit a grievance⁴ either in writing or orally to the PIU's Project Resettlement Officer or the PIU's Project Environmental Officer or the Gramma Niladari (GN). The Gramma Niladari is the closest community administrative representative to the affected household, and is under the Division administration. It is expected that most complaints will be resolved at this level.

⁴ A grievance or complaint may be project, environmental or social related.

A resolution will be determined within one week. However, if the complaint cannot be resolved through the Grama Niladari GRC, then the grievance is passed to the GRC – PIU level.

- ii) **Grievance Redress Committee: Project Implementation Unit (PIU) Level:** A resolution will be determined within one week. If a resolution cannot be determined, then the complaint will be passed to the GRC - District Secretary level by the Project Director.
- iii) **Grievance Redress Committee: District Secretary Level:** At this level the grievance is considered by representatives of program-related government agencies, such as Land Registration office, Inland Revenue Office, Forest Department, Wildlife Department, Samurdhi Officer, surveyor and PIU staff. A resolution is expected to be determined within one week. In the case that the District Secretary cannot resolve the complaint, the Project Director will then bring the complaint to the Executive Agency GRC.
- iv) **Grievance Redress Committee – Executive Agency (PMU) at Ministry Level:** In the case that the complaint cannot be resolved, resolution could take up to 4-weeks (inclusive of GRC levels i-iii). This is the final level of the GRM system. However, there are still the law courts, although this is time consuming, costly and not frequently used.

78. ADB's SPS 2009 requires that the Program-level system should not impede access to the country's judicial or administrative systems and thus the complainant has the right to access the legal court system at any time of the resolution process. Therefore, the four levels described above are authorized under the program to consider grievances in relation to land acquisition cases, compensation payments, resettlement issues, ownership disputes, delays of payment of compensation, rehabilitation assistance programs and environmental concerns related to the Program.

79. The GRM does not cover matters pending in the courts or any disputes concerning compensation rates. However, compensation rate disputes do fall under the LAA. Under the LAA, a Board of Appeal has to be constituted to deal with appeals against compensation offers. This process will minimize the grievances. However, a person who does not agree with the decision of the Board of Appeal may still take the case before the Supreme Court claiming a higher amount of compensation. This option is costly and time consuming and is rarely used.

4.4.3 Information Dissemination and Awareness of GRM

80. The strengthening of the GRM is almost complete, including the preparation of a brochure, held by the PMU. Once approved, an awareness campaign, focusing on the Program's grievance procedure, will be conducted (currently in the planning stage) across all project sites and PIUs and including all GRM stakeholders. All GRM levels should be set up and an awareness campaign conducted prior to civil works contract award.

81. The awareness programs have been conducted for the officers of the projects (PIUs), and GRC level Grievance Registers have been developed and are kept at the project offices to be more accessible for communities to submit grievances.

4.4.4 PMDSC Grievance Register

4.4.4.1 Introduction

82. This Register documents a more formal approach to accepting and registering grievances and monitoring their resolution, through the PMDSC Office. It is highly likely that the Engineer/PMDSC will be handed grievances to resolve, and will need to advise PMU on how to resolve and/or to follow up. The register provides a documented quality control (QC) system that allows for all complaints and grievances to be registered and categorized, in order that they can be monitored by the various specialists reporting systems, such as the Program Performance Management Evaluation System

(PPMES), resettlement internal monitoring, regular environmental monitoring reporting etc. to PMU and ADB.

4.4.4.2 Aim of the Grievance Register System

83. The aim of this activity is to provide an approach to acceptance, recording and resolution of complaints coming from the public through the Engineer/PMDSC office, and as necessary resolving at project level and through the documented MWSIP system.

4.4.4.3 Approach to using the PMDSC Grievance register

84. The formal GRM (refer to section 4.2 above) implemented by the MWSIP PMU is the main approach to use. However, the PMDSC has prepared a Grievance Register itself, as an office administration QC and monitoring measure. Grievances and their resolution will be recorded by the consultant on the register, when complaints are submitted, or sent for resolution, to the Engineer / PMDSC.

85. The following Table 3 will need to be completed by the engineer/designated officer responsible for maintaining the register, when a complaint comes in and at each stage of resolution or rejection⁵. The register should be checked, and updated by the Focal Point every two weeks and not more than every three weeks.

86. The Engineer/PMDSC has a folder in the office in which all grievance and subsequent material should be filed. The relevant Specialist Consultants will conduct an audit of these complaints at the time of each monitoring (i.e., quarterly/biannually/annually etc.).

87. It is important that the PMDSC follows up on each complaint to make sure it is being dealt with in accordance with the specified timeframe of the PMU's GRM and ensures the complainant is notified regularly of the progress of complaints resolution.

4.4.5 Grievances Submitted to Date

88. To date, there has been one grievance submitted. This grievance is in relation to the NWPCP between km 9+300 to Km 17+000. The complainant does not wish to resettle. Therefore, PMDSC engineers are investigating ways to vary the alignment in order to avoid this resettlement, and minimize resettlement along the length of this canal section. There are no other grievances recorded for other program areas to date.

⁵ Sometimes referred to as the "Focal Point". PMU, PIU, Consultant and Contractor are required to have a nominated Focal Point to which grievance may be submitted and communications about grievances are sent.

Table 3: PMDSC Grievance Register

Grievance registration No.	Date	Name	Address	Contact number	Gender	Description of Grievance	Name of person who took grievance	Type of Grievance (Environment, resettlement, Engineering /Design etc.)	Directed to...?	Status of resolution	If resolved, state resolution

5 AWARENESS, CONSULTATION AND DISCLOSURE

89. An awareness meeting was held with farmers of Minipe Left Bank Canal from kilometer 0+000 to kilometer 30+140 on 25 February 2016. The PMU and PIU representatives attended a meeting of farmers' groups (representing all the farmers along this section of canal). At this meeting the following aspects were discussed with the attendees (English translation of minutes in Annex A):

- i) Description of the project and its benefits.
- ii) Request to cooperate with the project and the officers.
- iii) Establishment of GRC and its role.

90. Further consultation and awareness activities are planned (refer to Grievances section above).

6 CAPACITY BUILDING AND TRAINING

91. A Training and Capacity Building Plan has been drafted for the program by PMDSC. As part of this plan, four Resettlement Capacity Building areas have been identified in order to ensure Project stakeholders comply with ADB safeguards requirements:

- i) **Resettlement Planning** – RIPs must comply not only with Sri Lanka's legal framework, but also with ADB SPS 2009. This capacity building is expected to provide stakeholders with a practical guide to resettlement planning in accordance with ADB requirements to allow more rapid approvals by ADB. This will include census, detailed measurement surveys and socioeconomic surveys development, budgeting and accurate database records.
- ii) **Resettlement Implementation and Monitoring** – This capacity building will particularly focus on field records, database systems and RIP monitoring reporting to ADB requirements. RIP Implementation Training is proposed to take place in June/July 2016, during the next input by the International Specialist
- iii) **On-the-job Capacity Building** – During the program on-the-job capacity building will occur, such as already in the preparation of the "Due Diligence Report 1", in which there has been advices provided as to the level of detail of actions and evidence required for ADB approvals.
- iv) **Other** – There may be other areas identified at a later stage, which requires training to some level, either on-the-job or more formalized.

92. Note the above does not include community. Community will be included through awareness, consultation and disclosure activities.

7 FUTURE RESETTLEMENT MONITORING AND EVALUATION REPORTING

93. This Monitoring and Evaluation Report has been prepared in order to provide information on the current status of resettlement activities. Future monitoring reports will focus on other key resettlement actions being conducted. The first few reports may involve progress reporting and key conclusions and learning. However, once RIPs are updated/prepared according to required footprint developed from the approved detailed engineering designs or contractors' requirements (as necessary), and implementation has been commenced, a more consistent format of reporting will be used. As RIPs are implemented, a specific format of reporting is proposed, as follows:

i) Introduction

One-page introduction to the program and about the report.

ii) Project Description

This section will provide a description of the program and projects in general and also provide a description of the project focusing on the area for which the RIP has been developed and is being implemented.

iii) Asset Inventory and Compensation Payments

This section will provide an analysis, comparing assets to be acquired and compensation budget listed in the RIP with the actual acquisitions completed and compensation distributed. Where possible, an explanation will be sought for any differences, whether over or under that of the RIP.

iv) Resettlement Budget and financing

A summary of budget versus amount spent will be presented in this section.

v) Public consultations

This section will summarize the consultations and awareness leading up to compensation distribution and post-compensation monitoring consultation activities. Records of minutes and photographs of the various consultation and awareness activities will be presented in Annexes.

vi) Grievance redress

Resettlement related grievances and status of resolutions (if any) will be recorded here. In an Annex, the information in the register may be presented.

vii) Conclusions and learning outcomes

This section will summarize any key progress in RIP preparation and implementation; and provide any key learning outcomes for future resettlement works on this Project and other projects (if any).

8 CONCLUSION – MOVING FORWARD

94. This first Resettlement Monitoring and Evaluation Report reports on the progress of the resettlement work up to March 2016 on the Mahaweli Water Security Investment Program Phase I Tranche 1. The following key areas of progress are as follows:

- i. The Program Grievance System has been set up and enhanced. Awareness throughout project areas is currently in the planning stage and will soon occur. The PMDSC has also its own Grievance Register, allowing any complaints which reach its office to be recorded and monitored.
- ii. The Due Diligence Report 1 for Minipe Left Bank Stage 1 Canal Rehabilitation. The requested inventory has been prepared on encroaching farmers and one meeting has been held with farmer group leaders in relation to farmers volunteering not to conduct agriculture (without compensation) during construction. However, results are inconclusive and more information is being sought. Water supplies are not expected to be disrupted by construction, given that canal rehabilitation will be conducted inside the canal during the off-season with diversions and coffer dams, and the in-season period will be spent rehabilitating the canal banks.
- iii. RIP preparation and its implementation and compensation, at this stage of the Program, needs to occur after detailed design and before construction commences. The report documents a tentative schedule for resettlement plan requirements, based on the various bidding/contracts detailed designs submissions and approvals, as outlined in the PMDSC's Inception Report's "Accelerated Implementation Schedule".
- iv. There are plans to conduct training and capacity building, in areas of resettlement planning and implementation and resettlement monitoring requirements – to be conducted by the International and National Social and Resettlement Safeguards Specialists.
- v. The following outlines the recommended way for moving the program resettlement requirements forward:
 - i) **Over the coming quarter**, the consultants will work on setting up the required database systems, census and socio-economic surveys formats, monitoring program and other requirements in readiness for RIP preparations coming in July/August 2016.
 - ii) **Due Diligence Reports 1 and 2 for MLBCRP** – Currently there is insufficient evidence to support that there will be no resettlement impact and claims made during the implementation of project in any of the four stages. Therefore, further evidence is being sought through the PMU and PIU.
 - iii) **Resettlement Implementation Plans (RIPs)** – There are stages when each individual contract will complete the detailed design phase. The first set was Minipe, currently undergoing due diligence examination. The next Projects will be ready for screening and RIP preparation by July/August 2016 and again in November 2016.

95. The next "Resettlement Monitoring and Evaluation Report no. 2" is due for submission in June 2016. Given that resettlement plans preparation and implementation will be limited at that stage, the next report will also mostly document status of resettlement program development, results of due diligence studies and screening after detailed design completion.

ANNEX A: – MINUTES OF FARMERS MEETING

Minutes of the cultivation committee meeting of Minipe scheme held on 2016.02.25 at Minipe

Place-Cultural centre at Udawela

Date- 2016.02.25

Time-10.00 AM.

Participants-A copy of the attendant list attached

Name of the officer
And institutionSubjectResident project
Manager (RPM)

Received by the RPM and religious rituals.

RPM

Discussed about objectives of the meeting as given
Below.

1. Determination of dates on cultivation program of yala season.
2. Clarification on issue of chemical fertilizer under new system.
3. Discussion on Constraints on sale of paddy and resolution
4. Discussion on condition of the cultivation and its drawbacks.
5. Discussion on national food production campaign of 2016-2018.
6. Discussion on Proposal to raise Minipe anicut and water distribution.
7. Discussion on development of D canals.
8. Discussion on providing of services.
9. Discussion on participatory development.

It was discussed on future program of consolidated farmer organization, issue of water shortages, and subsidiary crops cultivation program at YAYA 02, usage of new technology for agriculture and issue of parachute plates.

Secretary of project committee
tee

It was produced the report of proceedings of the last committee Meeting.

RPM

It was mentioned that there is no constitution for the Divisional farmer organizations and agreed to prepare a Constitution by the chairman, stage 02, Guruwela.

Institutional development
Officer, Thusara

It was thankful to everybody who have given support for having a successful farmer summit of consolidated Farmers' organization.

The Institutional development activities discussed as Given below.

01. It was educated farmers on subsidiary crops cultivation with the assistance of the agricultural officers.

	02. It was conducted 02 programs of demarcation of reservation area.
	03. It was mentioned that there are 12 maintenance programs were conducted.
	04. It was conducted 03 elections, 12 annual general meetings and 18 committee meetings at Stages 1&2.
	05. It was mentioned that unaudited farmer organizations should audited before March 2016.
RPM	It was mentioned that funds will not release for the Farmer organizations which are not audited there Accounts.
Institutional development Officer, stage 03& 04	It was mentioned that it was conducted AGMs for D42, D5, D4 and D2 and 10 committee meetings. It was conducted 08 audits for stage 4.
RPM.	It was held 06 subsidiary crops developments programs Within one day with the assistance of agri-officers. It was prohibited transport of sands in some agriculture. Roads.
<u>Anoma Batagalla</u>	
<u>Resettlement consultant</u>	It was stated that rehabilitation of Minipe left bank Canal and anicut will complete within 04 years.
	She further stated that development program of
	Will appraise to the farmers in future and in time to
	Time. It was mentioned that grievance committees
	Will establish with the participation of Divisional
	Secretary, RPM, Resident engineer, farmer leaders
	Gramaniladaris.
<u>Project officer Cstha</u>	He explained about the proposed development program. He requested from farmers to cooperate With the project and the officials.
<u>Project director Mediwake</u>	He stated about the project and explained long term Benefits for the farmers and requested to give fullest Cooperation for implementation of the construction Activities particularly from the encroachers who have Possessed reservation areas by cultivating paddy and Other crops. Accordingly all farmers agreed to give Fullest support to release the reservation land Whenever requested by the authorities.
<u>Agrarian development officer</u>	
<u>Ulpathgama, Morayaya</u>	He explained about issuance of fertilizer and asked To open an accounts at the banks.

Farmer leader Mr. Gunathilake	Requested to resolve the barriers to open banks Accounts and asked about prices of fertilizer.
Divisional secretary	she stated about road development program will Will be held on 15 march to 22 for a week and a Agricultural day. The assistance of followings will Be given under this program. Parachute plates, fruits, inland fishes, seeds of onions Beans, chillies etc.
Ranjith Kumara chairman, divisional organization	He stated that constraints faced by the farmers on Farmer sale of paddy and scarcity of storage facility. It was discussed in details and requested to provide Seeds.
Chairman Wevpaha Samual	He stated that to be resolved on low prices of paddy.
Farmer leader Mr.Upatissa	He explained that they have face lots of problems on Elephants conflicts, delay of preparation of land Ownership documents and other constraints faced By them which lead to lots of hardships.
Secretary of stage 02. RPM	He requested to extent the period of water issue. He stated that water issue has been stop until 26. 02. 2016 on the decision taken at Maha/2015/2016 Cultivation Committee meeting.
Farmer leader, stage 01.	He requested that if they need to increase subsidiary crop Cultivation all facilities should increase. He further said that Water distribution period should be extended to march 05.
RPM	He expressed that outcome of the proceedings of the meeting.
Irrigation Engineer	He said that water issue will implement up to 3.3.2016. The Gamipubuduwa will implement 15.3 to 22.03.2016.
Subject matter officer.	Gemi pubuduwa program will implement under the ADB Assistance and requested to cooperate all farmers in the Scheme.
Officer of Aluttarama seeds Farm Aluttrama	He explained about prices of the crops.
<u>Officer of PMB</u>	He stated about prices of paddy as well as sale of bags. <u>It was decided to give fullest cooperation on construction activities</u> <u>For the Minipe anicut and rehabilitation of left bank canal under</u> <u>the assistance of ADB. Further all farmers agreed to release reservation</u> <u>land for the construction if necessary. This proposal was made by B.M.</u> <u>Abeyaratne chairman, Farmer organization and seconded by</u> <u>E.M.Heenbanda, chairman, stage 3, farmer organization.</u>

Minutes approved by A.M.Darmasena
Project committee secretary and M.A.D.Bandara Resident project manager

Decisions of the 2016 YALA KANNAYA meeting of Minipe Project

Subject	1 st stage	2 nd stage	3 rd stage	4 th stage
Cultivable acreage	5643	4819	3482	2668
% of paddy	60%	60%	60%	60%
Other crops	40%	40%	40%	40%
Date of 1 st issue water	04/05	04/05	03/25	03/25
Date of clearing of the canal	03/30	03/30	03/20	03/20
Date of land preparation	04/05	04/05	03/25	03/25
Cultivation of seeds/crops	04/26	04/26	04/20	04/20
Water issuance	05/02	05/02	04/25	04/25
Last water issue for paddy	07/26	07/26	07/20	07/20
Last date of harvesting	08/25	08/25	08/20	08/20
Last date of insurance	04/26	04/26	04/20	04/20

The regulations formulated under the sub section 1.2 of the section 11 of the irrigation ordinance no 48 of 1968 as amended by the no 13 of 1968 act of parliament

01. To surcharge Rs. 200.00 per acre for the maintenance for field and distribution canals.
02. To surcharge penalty for the persons who are misuse water and doing disruption to the Irrigation system.
03. To surcharge Rs.1000.00 for the farmers who are not doing clearing of the canals and those who are not paying this penalty which should recover through the Peace council.
04. To surcharge Rs.1000.00 those who are firing the hays.
05. To compulsory to apply 2000kg of compost fertilizer per 01 acres.

It was prohibited to cultivate reservation area with the consent of the farmers.

1. Signed by District secretary/government agent and additional secretary of ministry of home affairs, Matale.
2. Signed by District secretary/government agent and additional secretary of ministry of home affairs, Kandy.

Attendance List for the meeting on 25th of February 2016 at Cultural Centre, Ukuwela

Ser. No	Name	Designation and Organization
01	M.A.D.Bandara	Residence Project Manager
02	A.W.U.Muthubanda	Regional Assistants (Irrigation)
03	N.B.Wanninayaka	Irrigation Engineer
04	S.A.Madiwaka	Project Director (MLBCRP)
05	Anoma Batagalla	Resettlement Specialist (MWSIP), (PMU)
06	Y.K.Weerasiri Kostha	Consultant, Lahmeyer International
07	W.R.Muthubanda	
08	H.S.Nilushi Karunathilaka	Development Assistant
09	U.G.S.D.K.Aberathna	Agriculture consultant, Ulpotha
10	A.D.N.C.K. Gunathilaka	Agriculture Consultant
11	I.D.E.P.Somarathna	Farmer land consultant
12	D.D.S.N.Gunathilaka	Agriculture Supervisor
13	Jayantha Sri Ananda	Development Officer
14	H.U.C.K.Herath	Development Officer
15	E.A.N.D.Edirisingha	Engineering Assistant (Irrigation)
16	P.P.C.Jayaneththi	Engineering Assistant (Irrigation)
17	M.J.Rupasinha	Engineering Assistant (Irrigation)
18	U.R.S.B.I.Ilangathilaka	Engineering Assistant (Irrigation)
19	R.I.P.Kumara	Development Officer
20	S.G.G.S.Jayasingha	Development Officer
21	J.M.L.Jayasekara	Colony Officer
22	W.A.I. T. Weerakkodi	Paddy Marketing Board
23	M.A.R.K.Meewalla	Paddy Marketing Board
24	S.D.Nagahathanna	Divisional Secretary, Hasalaka
25	M.Jayarathna	Development Officer
26	A.M.Wijesingha	President, D- 13, stage -1
27	A.M.Dharmasena	President, D- 43, stage -1
28	T.B.Jayasingha	President, stage -1
29	M.G.Ranasingha	stage -1
30	W.G.S.Walgammana	
31	M.W.A. Lalith Kumara	Stage - 111
32	I.G. Jayasingha	Secretary, D-51, Stage – 111
33	E.M.Heenbanda	President , D- 47, Stage – 111
35	H.B.Ranasingha	Representative, P-2, Stage – 1V
36	J.N. Dharmasena,	Secretary, D- 12, Stage -1
37	B.A.Janaki Hemamali	Secretary, D-21, Stage - 1
38	G.M.Kumarasingha	President, D-3, Stage - 1V
39	K.P.G.Upali Jayathissa	President, D- 57, Stage - 111
40	D.G.Lokubanda	President, D-59, Stage - 111
41	Dayarathna Maldeniya	Secretary, D- 5, Stage -111
42	G.P.Lakshman Ananda	President, D-34, Stage - 111
43	E.M.A.G. Chularathna Banda	Treasurer, D-2, Stage -11
44	S.W.G.M.Sumanasena Bandara	Secretary, D- 8, Stage - 1
45	R.G.Thilakarathna	President, D- 12, Stage - 11
46	H.M.E.G. Dingiribanda	President, D- 12, Stage - 11
47	K.G.Dharmadasa	President, D-24, Stage - 1
48	J.M.Wijerathna	Treasurer, D- 19, Stag - 11
49	D.M.W.G. Wijayabanda	President, D- 30, Stage - 11
50	J.M.K.G. Wijerathna	President, D- 11, Stage - 11
51	N.M.W.Senevirathna Banda	President, D- 45, Stage - 1
52	W.M.Weerasekara	President, D- 34, Stage - 1

53	B.M.M.G. Punchibanda	President, D- 32, Stage - 11
54	A.M.Wijesingha	President, D- 30
55	M.W.G.R. Gunathilaka Banda	President, D- 31, Stage - 1
56	R.M.Sumanabanda	President, Stage – 1V
57	P.G.Ranjith Premakumara	President, D- 58/59, Stage – 1V
58	K.M.D.Kalubanda	Secretary, D- 4, Stage – 1V
59	Y.M.Rajarithna Banda	Secretary, D- 41, Stage - 1
60	K.M.Saman Wijewardhana	President, D- 16, Stage – 1
61	Y.M.K.G. T.B.Kapuwemulla	President, D – 27 , Stage – 11
62	H.M.Gnanavimala	President, D – 25, Stage – 1
63	E.M.K.Bandaranayaka	P – 17, Stage 11
64	W.G.Mitthrasena	President, D – 21, Stage – 11
65	H.G.N.K. Premathilaka	President, D – 42, Stage – 111
66	P.M.Sudarshana Bandara	Treasure, D- 42, Stage - 111
67	Kanthi Hema Jayasingha	Secretary, D- 29, Stage – 11
68	W.G. Podimanike	Vice Secretary, D- 29, Stage – 11

Photographs of Farmers Group Meeting (Minipe – February 2016)

