

RESETTLEMENT FRAMEWORK

May 2021

Timor-Leste: Power Distribution Modernization Project

This Resettlement Framework is prepared by the Electricidade de Timor-Leste for the Asian Development Bank.

ABBREVIATIONS

ADB	–	Asian Development Bank
AH	–	affected household
AMI	–	advanced meter infrastructure
AMR	–	automatic meter reading
AP	–	affected person
CAFI	–	Council for Administration of the Infrastructure Fund
COI	–	corridor of impact
CSO	–	civil society organization
DAS	–	distribution automation system
DCC	–	Distribution Control/Dispatch Center
DMIS	–	distribution management information system
DMS	–	detailed measurement survey
DP	–	displaced household
EA	–	executing agency
EDTL	–	Electricidade de Timor-Leste
FGD	–	focus group discussion
GRM	–	grievance redress mechanism
IA	–	implementing agency
IOL	–	inventory of losses
IRP	–	Income Restoration Program
KII	–	key informant interview
MPW	–	Ministry of Public Works
NDLPCS	–	National Directorate of Land and Property and Cadastral Services
NGO	–	non-governmental organization
PIB	–	project information booklet
PMU	–	project management unit
PPTA	–	Project Preparatory Technical Assistance
RCS	–	replacement cost study
ROW	–	right of way
SAH	–	severely affected household
SPS	–	Safeguard Policy Statement (ADB, 2009)
VAH	–	vulnerable affected household

GLOSSARY

Compensation	Refers to payment in cash or in kind for an asset or resource that is acquired or affected by the Project at the time the asset needs to be replaced. All compensation is based on the principle of replacement cost, which is the method of valuing assets to replace the loss at current market rates, plus any transaction costs such as administrative charges, taxes, registration and titling costs.
Consultation	A process that (i) begins early in the project preparation stage and is carried out on an ongoing basis at different stages of the project and land acquisition and involuntary resettlement cycle; (ii) provides timely disclosure of relevant and adequate information in the language that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion with due regard to cultural norms; and (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups.
Cut-off Date	Refers to the date set to determine eligibility for compensation and assistance under the project. Any people who settle in the project area after the cut-off date will not be entitled to compensation and assistance under the project.
Displaced Person	Any person who is 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 livelihood) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Eligibility	Refers to any person who has settled in the Project area before the cut-off date that suffers from (i) loss of shelter, (ii) loss of assets (land, space above and below the surface of the land, buildings, plant, and objects related to the land) and/or or ability to access such assets, permanently or temporarily, or (iii) other losses that can be appraised such as transaction costs, interest, on loss of residual land, loss of income sources or livelihood regardless of relocation, profession shift, and other types of loss stated by the assignor, will be entitled to compensation and/or assistance.
Entitlement	Resettlement entitlement with respect to a particular eligibility category is the sum total of compensation and other forms of assistance provided to affected persons in the respective eligibility category.
Income Restoration	Refers to re-establishing productive livelihood of the affected persons to enable income generation equal to or, if possible, better than that earned by the affected persons before the resettlement or of pre-project levels.
Inventory of Losses	This is the process where all fixed assets (i.e., land used for residence, commerce, agriculture, including ponds; dwelling units; stalls and shops; secondary structures, such as fences, tombs, wells; trees with commercial value; etc.) and sources of income and livelihood inside the Project's area are identified, measured, their owners identified, their exact location pinpointed, and their replacement costs estimated. Additionally, the severity of impact to the affected assets and the livelihood and productive capacity of affected persons will be determined.
Involuntary Resettlement	Refers to when displaced people have no right to refuse land acquisition or restrictions on land use by the state that result in their displacement which occurs when land is acquired through expropriation by invoking the eminent domain power of the state.
Land Acquisition	Refers to the process whereby individual, household, firm or private institution is compelled by a public agency to alienate all or part of the land it owns or possesses to the ownership and possession of that agency for public purposes in return for compensation at replacement costs.

Physical Displacement/ Physical loss	Refers to relocation, loss of residential land, or loss of shelter as a result of (i) involuntary acquisition of land; or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Rehabilitation	Assistance provided in cash or in-kind to project affected persons (especially the severely and vulnerable affected persons) due to the loss of productive assets, incomes, employment or sources of living, to supplement payment of compensation for acquired assets, in order to achieve, at a minimum, full restoration of living standards and quality of life.
Relocation	The physical displacement of an affected person from her/his pre-project place of residence and/or business.
Replacement cost	Replacement cost involves replacing an asset, including land, at a cost prevailing at the time of its acquisition. This includes fair market value, transaction costs, interest accrued, transitional and restoration costs, and any other applicable payments, if any. Depreciation of assets and structures should not be considered for replacement cost. Where there are no active market conditions, the affected persons and host populations will be consulted with to obtain adequate information about recent land transactions, land value by types, land titles, land use, cropping patterns and crop production, availability of land in the project area and region, and other related information. This will also include collecting baseline data on housing, house types, and construction materials.
Replacement Cost Study	This refers to the process involved in determining replacement costs of affected land or other assets based on empirical data.
Vulnerable groups	These are distinct groups of displaced persons who are likely to be more adversely affected than others and who are likely to have limited ability to re-establish their livelihoods or improve their status and comprise of: (i) households living below the national poverty line established by the Government of Timor-Leste, (ii) female headed households with dependents (iii) disabled, elderly or child headed households with no other means of support, (iv) landless households; and (v) indigenous people.

NOTE

In this report, \$ refers to United States dollars.

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INTRODUCTION

A. Project Description

1. The Government of Timor-Leste has requested the Asian Development Bank (ADB) to consider financing the Power Distribution Modernization Project. The objective of the proposed project is to increase access to reliable electricity supply, aligned with the government's Strategic Development Plan 2011–2030. The project will have the following outcome: Power supply reliability and financial performance of Electricidade de Timor-Leste (EDTL) improved.

1. **Output 1: Service delivery to end users strengthened.** To reduce the pervasive problem of high commercial losses and make revenue collection more efficient, the project will (i) upgrade and install 140,400 customer electricity meters of which at least 10% will be within households headed by women, required to better manage electricity consumption and monitor household electricity expenditure;¹ (ii) distribute 138,800 smart cards to recharge prepaid meters, providing access to at least 416,400 female household members;² and (iii) install 15 vending kiosks for smart card recharging, of which at least 50% will be owned by women.³

2. To improve distribution network operation and reliability and reduce technical losses, the project will (i) install a DAS and upgrade distribution automation equipment, (ii) install 25 distribution transformers to reduce overloading, (iii) install 60 circuit kilometers (cct-km) of 20 kilovolt (kV) interconnection lines, (iv) construct a distribution control center building and install control center equipment, and (v) rehabilitate the main distribution warehouse in Dili.

3. The DMIS will improve EDTL's asset management and maintenance programs to support the sustainable operation of the distribution network. The project will (i) procure and install a geographic information system, customer information system, and facility management system, all integrated with the DAS, and (ii) collect network and disaggregated consumer data with location and mapping of the entire distribution network: 20 kV lines, distribution transformers, switchgear, 0.4 kV lines, and consumers.

4. **Output 2: Distribution network and regional offices constructed and rehabilitated.** The project will also (i) install and upgrade 175 cct-km of 20 kV distribution lines, (ii) install 10 distribution transformers with low-voltage switchgear, (iii) upgrade 75 low-voltage switchgears in distribution transformers, (iv) install and upgrade 230 cct-km of low-voltage 0.4 kV distribution lines, (v) replace 34,500 outdated service connections, and (vi) construct or rehabilitate 12 regional EDTL offices to green building standard and with gender-sensitive design features. Further, the project will promote women's participation in nontraditional trades by ensuring that at least 20% of skilled and unskilled laborers hired are women.

5. **Output 3: Institutional and community capacity strengthened on electrical safety and operations.** A project management unit (PMU) supported by a project supervision

¹ In the absence of a national definition on households headed by women, the project applies the International Labour Organization definition. International Labour Organization. 2007. [ABC of Women Workers' Rights and Gender Equality](#). Geneva.

² On average, there are three women per household issued with prepaid smart charge cards.

³ As households headed by women are categorized as vulnerable, particular attention needs to be paid to improving their living standards. It is likely that saving money by decreasing monthly expenditure on electricity and ensuring the safe use of electricity will reduce financial burdens on women.

consultant (PSC) will provide capacity building and training to EDTL staff, with at least 30% participation by women, on the program to reduce distribution losses, the DAS, DMIS procurement, engineering design, project implementation, safeguard management, and power system planning. The PSC will help EDTL develop guidelines and O&M manuals for the DAS and the DMIS and update power transmission and distribution grid codes. EDTL, with support from the PSC, will provide training sessions to community participants on the safe and productive uses of electricity, ensuring that at least 50% of participants are women.

2. The proposed interventions of the project include:
 - (i) **Construction of a new distribution dispatch/control center (DCC)** – a DCC with an area of 800 m² per floor with three floors will be constructed to remotely operate 20kV networks. This DCC will house DAS and DAS operation staff. It is also proposed to house planning, implementation and maintenance staff of Geographic Information System (GIS) which is a component of DMIS. As the operation staff of the DCC are housed in this building, rest rooms, conference room, training room, etc. are required in addition to rooms for information technology and accessory equipment (main server/ back-up server, UPS, diesel generator, etc.). The DAS will communicate with server at DCC and medium voltage (20kV) network configuration. It monitors alarms and events through feeder equipment RTU, allowing DCC operators to remotely operate or automatic operation of the 20kV network for fault isolation, supply restoration and voltage/loading control for optimum feeding configuration. Thereby, DAS will improve supply reliability and quality of EDTL distribution system.
 - (ii) **Deployment of SMART meters (pre-paid, AMI and AMR):** Smart meters installed at different levels i.e. distribution transformers, consumers, etc. will help EDTL to accurately calculate technical and commercial losses, improve billing and revenue collection, customer service and strengthening system reliability.
 - (iii) **Establishment of Distribution Management Information System (DMIS) in the proposed DDC:** DMIS will be established using GIS, providing information of network components, physical location and detailed descriptions of the component necessary for inventory and for efficient operation of the distribution system. Under the GIS of DMIS, a site survey of electrical assets will be conducted at 20kV level and 0.4/0.2 kV level networks. Door to door survey will be carried out in the defined project area to gather the consumer information. This includes the identification of poles, equipment, hardware, attributes of those components, etc.
 - (iv) **Rehabilitation of distribution network and regional offices:** The rehabilitation scope of work consists of the replacement of damaged network components, such as poles, pole accessories, conductors, connectors, switchgear, HT fuses and protective devices, overloaded distribution transformers, LV switch gear, perished / damaged service drops including meter boxes etc. It will also include conductor re-tensioning, the straightening of leaning poles and the replacement of damaged transformer components. Where necessary, conductors of overloaded MV network and of LV network are replaced with the appropriate size to reduce the distribution line technical losses. The conductor size is to be determined by the economic loading capacity of the line and utility norms of conductor sizes/types. Load balancing of LV network (by transferring individual consumers to appropriate phases) is carried out along with LV network rehabilitation which reduces technical losses in LV network. Also, lines / transformer installations are re-constructed and protective switchgear are installed to reduce safety threats to public. It is estimated that 40% of the distribution network in Dili and identified network sections that require attention outside Dili are rehabilitated by this sub project. Further, to improve

operational efficiency and to provide better customer services, it is proposed to rehabilitate twelve (12) regional offices.

3. The Council for Administration of the Infrastructure Fund (CAFI) is the executing agency (EA) in charge of overall project supervision. The EDTL is the implementing agency (IA) to implement the project. The IA will establish a project management unit (PMU) to manage the project implementation. It is expected the project implementation will take 6 years from 2021 to 2026.

B. Scope and Nature of Land Acquisition and Resettlement Impacts

4. In general, the scale of land impacts is very minor. Probably, no households will need to be relocated and no households will lose from more than 10% of total production land holding as the main source of livelihood of the household and therefore no household be severely affected according to ADB's involuntary resettlement criteria.

5. The proposed DCC will be constructed on the EDTL managed land (in the current building area of the Distribution Department); therefore, land acquisition of private individuals or households, is not required for the component.

6. Installation of smart meters will be in the existing facility (hang-up on the existing electricity poles and installed in the existing substations, etc.). The Distribution Management Information System is only the software and will be installed in the distribution dispatch/control center; land of the public, private individuals or households is not needed for this project component.

7. Rehabilitation of distribution network will be along the main roads in Dili municipality that the power lines and poles are currently in the Right-of-Way (ROW) for public facilities. Under this component, a mini-substation will be constructed in Aileu municipality (in Lebraiudo village, Sloi Kraik commune, Aileu Vila Sub-district). The required land area to construct the mini substation is 50 m²; however, the area is public land managed by the community and it is currently unused/empty land; compensation, therefore, is not required for this public land area by the project. Eleven (11) out of twelve (12) regional offices that will be improved under the project are currently located on the unused public land managed by the municipality governments. Only the public land area proposed for regional office improvement is with the about 1,500 trees (fruit-trees and timber-trees) planted by one household - which compensation is required for the trees.

8. To avoid or minimize the potential resettlement impacts from the project activities, EDTL and involved agencies will:

- (i) Consider design alternatives, favoring those which meet technical and final requirements as well as other criteria, including mini-substations, regional offices, switching gantries, electrify poles, etc. unused public land;
- (ii) Where resettlement impacts are unavoidable, provide compensation, assistance and allowances to households as prescribed in this resettlement framework; and
- (iii) Ensure adequate monitoring of construction activities to ensure adherence to approved designs and there is no other impacts on land and assets upon land during constructions.

C. Rationale for a Resettlement Framework

9. Under the Project Preparatory Assistance (PPTA), due diligence on land acquisition and resettlement by the project has been conducted by PPTA consultant jointly with EDTL. However, the locations of some schemes have not yet been decided by the relevant agencies. Locations for the following schemes only be known after the design engineering design of the project is available:

- (i) Location for one regional office in Dili municipality (Rehabilitation of Distribution Network and Regional Offices component);
- (ii) Dilapidated network sections to be rehabilitated outside Dili municipality (Rehabilitation of Distribution Network and Regional Offices component); and
- (iii) New switching gantries (Construction of DCC and Installation of DAS component).

10. As relocations of some project schemes have not yet been decided – the scope of land acquisition by the project schemes is unknown; therefore, the resettlement plan for the project components cannot be prepared in this stage, but in the project implementation.

11. The Resettlement Framework sets out the objectives, principles, eligibility criteria and entitlements for APs, based on (i) ADB Safeguard Policy Statement (SPS, 2009), (ii) the national legal context, and (iii) institutional framework. It details entitlements and modes of compensation, participation and consultation procedures and grievance redress mechanisms that will be employed to compensate and assist APs in order to enable them to attain an equivalent or better living standard than they had before the project. It also sets out the steps for preparation of RP for any component of the project that entails involuntary resettlement and/or effects on land, property or livelihood of private individuals and/or households.

OBJECTIVES, POLICY FRAMEWORK AND ENTITLEMENTS

A. Relevant Laws and Regulations of the Government

12. For the Democratic Republic of Timor-Leste, compensation principles and policy framework for land acquisition, compensation and supports are governed by Land Law (2003) and relevant decrees. A summary of key legal provisions relevant to land acquisition, compensation and supports is provided below.

13. **Constitution of Democratic Republic of Timor-Leste.** Section 141 of the Constitution states that the ownership, use and development of land as one of the factors for economic production shall be regulated by law and Section 54 of the Constitution covers the right to private property and states that prescribes:

- (i) Every individual has the right to private property and can transfer it during his or her lifetime or on death, in accordance with the law;
- (ii) Private property should not be used to the detriment of its social purpose;
- (iii) Requisitioning and expropriation of property for public purposes shall only take place following fair compensation in accordance with the law; and
- (iv) Only national citizens have the right to ownership of land.

14. The first Land Law of Timor-Leste was promulgated in March 2003 and was designed to serve as an umbrella law for the rest of the land and property regime. The law established by the

National Directorate for Land and Property Cadastral Survey (NDLPCS) as a legal entity and defined its jurisdiction, and articulated general rules concerning land tenure and property rights to be further developed by ensuing legislation.⁴ Moreover, this law established a one-year period for both nationals and non-nationals to register their land claims. The Land Law 2003 vests all land that belonged to the Portuguese state, and all state property acquired or built by the Indonesian regime, in the new state of Timor-Leste.

15. **Decree No. 6** issued by the Government in February 2011 provides for granting compensation to relocate unlawful occupants of State property based on humanitarian considerations.⁵

16. **Decree No. 27** approved on July 6, 2011 allows private property rights registration by landowners/persons in areas where cadastral surveys have been completed (following registration and verification of claims by the government) and confirmed that the claims to land are undisputed.

17. **The Civil Code** which was promulgated in 2011 and came into force in March 2012 includes a section that governs day-to-day land decisions such as the sale and lease of land.

18. **The new Land Law (Transitional Land Law 2017)** was approved on June 05, 2017 by Timorese Parliament. The Law interprets who owns what land and in the case of conflicting claims, who has the strongest right to the land. The purpose of the Law is to clarify the legal status of land ownership by bringing into effect the different dimensions of the right to private property provided for in the Constitution of Timor-Leste. Clarification of property rights is done through the recognition of prior property rights. In addition, the law creates the concept of informal property rights⁶ and recognizes community ownership⁷. Access to land is guaranteed in two ways. Firstly with the creation of the National Land Registry, intended to allow the emergence of a safe and transparent real estate market, and secondly with the clarification of assets belonging to the State, potentially enabling it to carry out a better management of its assets, which can be distributed to those who may not otherwise have access to land. The law also provides criteria for the resolution of disputes and the principle of compensation where there is "duplication of rights".

19. **The Expropriation Law 2017** is the most current and relevant law pertaining to involuntary land acquisition and compensation. The Law determines the conditions and establishes the procedures and limits under which the state can take private land for public good and under which it will provide fair compensation. The Expropriation Law recognizes the right to private property and guarantee of fair compensation for expropriated land, as fundamental rights of citizens. Under the Law, the expropriation of property for public purposes will be only possible where it is not possible to acquire it amicably through private negotiations. The Council of

⁴ Following provisions of the Law, NDLPCS has produced Property/Building Identification Numbers for the land and property owners to register to constitute database on land and property owners for further legalization processing.

⁵ The Article 2 of the Decree stipulates criteria establishing for compensations: (a) composition of the household; (b) duration of the occupancy; (c) type of occupancy; (d) type of construction; and (e) depreciations and improvements.

⁶ According to the Article 2 (Item g) of the Law, "Informal property rights" means the rights on immovable property arising in the light of customary law and arising from durable, which have the characteristics of property rights. The informal property right corresponds to a traditional and individual right to land, allowing those who have not previously obtained documents regarding their property rights to now be able to invoke them in the same terms as those who previously had their rights formalized. In this field, this law operates the formalization of these rights through its registration.

⁷ According to the Article 27 of the Law, the property recognized as the property of the local community is recognized by the community as being of common use and shared by a group of individuals or families, organized according to local customs and practices.

Ministers with advice of the Ministry of Justice will be empowered to issue a notice of public purpose for expropriation.

20. **Law No. 13/2017** on special regime for the definition of the Ownership of Property is to clarify the legal status of property and to promote distribution and access to land. Clarifications of property rights are done through the recognition of prior property rights.

B. ADB Policy on Involuntary Resettlement

21. On 29 June 2009, ADB updated its safeguards policies by integrating its policies on involuntary resettlement, indigenous peoples and the environment into one common Safeguards Policy Statement (SPS). The SPS was approved by the ADB Board on 20 July 2009 and became effective on 20 January 2010. The objectives, scope and principles in the 1995 Involuntary Resettlement Policy have been retained and clarified in the policy update.

22. ADB's policy on involuntary resettlement aims:

- (i) to avoid involuntary resettlement wherever possible;
- (ii) to minimize involuntary resettlement by exploring project and design alternatives;
- (iii) to enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-project levels; and
- (iv) to improve the standards of living of the displaced poor and other vulnerable groups.

23. It covers physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas – regardless of whether such losses and involuntary restrictions are full or partial, permanent or temporary. Moreover, the policy also applies to associated facilities funded through other sources and involuntary resettlement actions conducted by the borrower/client in anticipation of ADB support.

24. Projects financed by ADB, including associated facilities that are financed by the Government or other sources, are expected to observe the following policy principles:

- (i) Screen early to identify involuntary resettlement impacts and risks and determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
- (ii) Carry out meaningful consultations with displaced persons, host communities, and concerned non-government organizations. Inform all displaced persons of their entitlements and resettlement options and ensure their participation in various stages of the project especially vulnerable and poor groups. Establish a grievance redress mechanism to receive and facilitate resolution of the displaced persons' concerns. Support the social and cultural institutions of displaced persons and their host population.
- (iii) Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
 - a. Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at

- resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.
- b. Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
 - c. Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
 - d. 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.
 - e. Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
 - f. Disclose both the draft and final resettlement plan in a form and language understandable to displaced persons and other stakeholders.
 - g. Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
 - h. Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
 - i. Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.
25. Calculation of full replacement cost will be based on the following elements: (i) fair market value; (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, if any. In the calculation, depreciation of structures will not be taken into account. It is expected that qualified and experienced experts will undertake the valuation of acquired assets.
26. Persons or households without formal legal rights nor recognized or recognizable claims to the acquired land are still entitled to be compensated for their loss of assets other than land, such as dwellings or other improvements on the land at full replacement cost, provided that they have occupied/used the land or structures in the affected land prior to the cut-off date.

C. Reconciliation of Government and ADB Policies

27. There are some differences between ADB's involuntary resettlement policy and the government's legislation. The Table 1 below presents the gaps between ADB's policy and the Government's laws and regulations on land acquisition, compensation and supports for affected households – and the gap-filling measures in the Project.

Table 1. Differences between ADB and Timor-Leste's Legislation, including Measures to Address the Differences

Issues	ADB's SPS (2009)	Timor-Leste Laws and Regulations	Gaps between ADB's SPS (2009) and Timor-Leste Laws	Gap Filling Measures
Objective	Avoid involuntary land acquisition resettlement wherever possible. Minimize involuntary resettlement by exploring protect and design alternatives.	There is no explicit reference to the need for avoidance or minimizing of resettlement impacts.	Timor-Leste Laws do not have the provision of avoiding or minimizing the involuntary resettlement impacts	The Resettlement Plan shall include measures to avoid or minimize land acquisition and resettlement impacts of the Project.
Project screening	Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of affected persons, including a gender analysis, specifically related to resettlement impacts and risks.	<ul style="list-style-type: none"> • Articles 19 and 21 of Expropriation Law call for conducting a cadastral survey, social impact assessment and resettlement plan where land being expropriated involves residential households⁸. • The Expropriation Law includes provisions for public consultation, which provides for early screening of the project, as well as public hearings which include publicizing the proposed public hearings in the media⁹. 	There are no specific requirements for a census or cut-off date for entitlements under the Timor-Leste Laws.	The Project impacts are identified based on early screening, survey/census, cut-off date, and assessment of impacts.

⁸ Article 21 of the Law stipulates: Social Impact Study aims to identify the positive and negative consequences in the lives of the stakeholders, caused by expropriation. The Resettlement Plan consists of an action plan in which procedures are established to mitigate adverse effects and compensate for the losses suffered by those interlaced with expropriation. The Resettlement Plan based on: a) the results of the social impact study; b) consultation with interested persons regarding viable alternatives to their compensation; and c) the principles established in Article 8. The Resettlement Plan must contain a) the different alternatives to accommodation for the choice of the interested; b) the mechanisms for restoring the income and means of subsistence lost by the interested parties; c) the timetable for its implementation; d) Estimating the costs of implementing different alternatives; e) the monitoring mechanisms for the implementation of the resettlement plan. Whenever possible, the social impact study and the resettlement plan should be combined with environmental impact studies.

⁹ Article 22 of the Law stipulates: (1). After the project planning phase is completed, the respective public consultation is initiated, aimed at publicizing the options taken and discussing the various alternatives to their implementation. (2). Within the scope of the public consultation, the following activities are carried out: a) availability of the project for consultation; b) public hearings; c) public consultation report; 3. public consultation and open consultation to all who are interested and participate in it.

Issues	ADB's SPS (2009)	Timor-Leste Laws and Regulations	Gaps between ADB's SPS (2009) and Timor-Leste Laws	Gap Filling Measures
Consultation	Carry out meaningful consultations with APs, host communities, and concerned NGOs. Inform all affected persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations.	The Expropriation Law includes provisions of the public hearing, including requirements for publicity about the proposed public hearings in the Official Journal and in the media. A report of the consultation is to be made, including a description of the public hearings. The Expropriation Law provides for information to be provided to APs before expropriation occurs ¹⁰ . Once the report on the public consultation results is published, a social impact study and property survey of APs is carried out.	Consultations are only required at the planning stage. There are no specific provisions on preparing and implementing resettlement plans based on meaningful consultations with APs, including the poor, landless, elderly, women and other vulnerable groups and no requirements of public consultation and public engagement during implementation under the Timor-Leste Laws.	Consultations are conducted on an ongoing basis with stakeholders including APs. Development of mitigation measures will take into consideration the needs and views of stakeholders and those affected.
APs without titles to land or any recognizable legal rights to land	Ensure that APs without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.	Decree No. 06/2011 on compensation for resettlement authorizes the payments of compensation to unlawful occupants of state property to resettle elsewhere.	According to the Timor-Leste Laws, payment of compensation to unlawful occupants of state property is not mandatory.	Affected persons without legal or recognizable legal claims to land acquired, are equally entitled to participate in consultations and benefit schemes and be compensated for their affected non-land assets such as dwellings and

¹⁰ According to Article 23 of the Law, information to disclose to affected households include information on the project, the identification of the entity would benefit from the expropriation, the identification of the property to be expropriated and its location of public hearing sessions. The information must also be published in two newspapers of national circulation and, through an announcement, in the headquarters of *suco* of the real estate property. The project, together with the documents related to the project planning phase, must be made available for consultation, at the *suco* headquarters of the real estate property, for a maximum period of sixty days. During this period, any person can present the entity that would benefit from the expropriation, in writing, comments that it considers relevant to the project.

Issues	ADB's SPS (2009)	Timor-Leste Laws and Regulations	Gaps between ADB's SPS (2009) and Timor-Leste Laws	Gap Filling Measures
				structures. However, the eligibility of the affected persons without titles to land are defined by a cut-off date. Any informal settlers who encroach on the project area after the declaration of the cut-off date are not eligible for any compensation.
Compensation at full replacement cost	The calculation of full replacement cost will be based on the following elements: (i) fair market value; (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, if any. Depreciation of structures and assets should not be taken into account	The Expropriation Law stipulates requisitioning and expropriation of property for public purposes shall only take place following fair compensation in accordance with the law. The Expropriation Law (Article 8 and 58) requires that land expropriation should follow principles of justice and equality on account of ensuring that expropriation must ensure that the standard of living of APs is equal to or higher than the one prior to compensation. The Expropriation Law is also required to guarantee fair compensation based on market value. The NDLPCS has the mandate and responsibility to assess the value of land and related assets.	There is no explicit guidance provided on how to determine fair compensation and/or replacement costs and no requirement for third party validation to appraise the replacement cost of affected land and other assets.	An independent and qualified replacement cost appraiser will be engaged by the PMU under MPW/EDTL to assist the NDLPCS in appraising the replacement cost of affected land and other assets.
Compensation for loss of income	The loss of income or livelihood sources will be compensated promptly at full	Legal provisions are deficient to recognize entitlements for loss of incomes and means	There is no specific provision on entitlements for loss of income and livelihoods under the Timor-	Households whose income or livelihood sources affected by the Project are

Issues	ADB's SPS (2009)	Timor-Leste Laws and Regulations	Gaps between ADB's SPS (2009) and Timor-Leste Laws	Gap Filling Measures
	replacement cost.	of livelihood due to land acquisition	Leste Laws.	entitled to compensation for income loss. Affected business regardless of status of business registration are compensated for the lost net income from the affected business.
Assistance for physically displaced households	In the case of physically affected persons, the borrower/client will provide (i) relocation assistance, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, and civic infrastructure and community services as required; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) opportunities to derive appropriate development benefits from the project.	The Expropriation Law (Article 57) allows compensation for lost assets.	Timor-Leste Laws do not provide for any specific assistance including transitional support and development assistance to APs other than offering compensation for lost assets.	All affected persons are entitled to relocation assistance such as transportation assistance, transitional assistance and other resettlement measures as necessary and eligible to participate in the Income Restoration Program of the Project.
Assistance for Vulnerable People	Improve the standard of living of affected persons and other vulnerable groups, including women, to at least national minimum standards, and assist them with legal affordable land, adequate	Article 10 of the Expropriation Law obliges the government to take the necessary measures to ensure the adequate information, consultation and participation of vulnerable	Timor-Leste laws do not prescribe specific measures for improvement of living standards to national minimum standards, nor for restoration of livelihoods, or access to income generating sources, and there are no	VAHs are eligible to participate in the Income Restoration Program of the Project.

Issues	ADB's SPS (2009)	Timor-Leste Laws and Regulations	Gaps between ADB's SPS (2009) and Timor-Leste Laws	Gap Filling Measures
	housing, and appropriate income sources.	groups, and promote the right to equality and non-discrimination, but without elaboration on what measures required to reach these outcomes.	specific measures to be taken for vulnerable people.	
Income Restoration Program	Improve, or at least restore, the livelihoods of all affected persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.		The Timor-Leste Laws do not elaborate the option and implementation of assistance and livelihood restoration for the affected households.	SAHs who lose 10% or more of total productive land (if the land is the main income generating asset of the household) and assets and/or have to relocate and vulnerable affected households are eligible to participate in the Income Restoration Program of the Project.
Compensation payment	All compensation and resettlement entitlements must be provided before any displacement or commencement of works.	Article 41 of the Expropriation Law requires that (i) takeover of expropriated land cannot occur until: a) public notice of expropriation has occurred; b) list of assets has been drawn up; c) resettlement plan has been implemented; d) replacement land as	There is no specific mention of works in the Expropriation Law but possession of expropriated land by the Government not permitted until Resettlement Plan and other fair compensation have been implemented.	Civil works contracts will not be awarded until the final resettlement plan endorsed by the Borrower has been cleared by ADB. Civil works will not proceed for a specific component until (i) compensation and assistance have been paid in full to the affected

Issues	ADB's SPS (2009)	Timor-Leste Laws and Regulations	Gaps between ADB's SPS (2009) and Timor-Leste Laws	Gap Filling Measures
		<p>agreed by APs has been provided free of charge; e) Fair compensation to APs has been deposited with a banking institution; (ii) APs are granted a reasonable period of time to vacate expropriated property, not to exceed ninety days.</p>		<p>households and communities; (ii) relocation has been completed and the Income Restoration Program for the severely affected households and vulnerable affected households is in-place; and (iii) the area is free from any encumbrances.</p>
Grievance redress mechanism (GRM)	<p>Establish a GRM to receive and facilitate resolution of the APs' concerns and grievances regarding the project's environmental performance.</p>	<p>The Expropriation Law suggests disputes over expropriation process to be handled through normal administrative and court processes.</p>	<p>Under the Timor-Leste Laws, there is no specific requirement of a project-level GRM to be established, including roles and responsibilities and documentation of grievances.</p>	<p>A project level GRM will be established in consultation with the affected households and communities to resolve complaints regarding land acquisition, compensation, assistance and resettlement of the Project.</p>
Monitoring	<p>Monitor and assess resettlement outcomes, their impacts on the standards of living of affected persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.</p>	<p>As regulated by the Laws (Articles 2 of Land Expropriation for Public Facility), NDLPSC and project proponents have the responsibility to monitor land expropriation processes.</p>	<p>There is no provision on external monitoring of resettlement implementation and post-implementation evaluation to assess whether the objectives of the Resettlement Plan have been achieved under Timor-Leste Laws.</p>	<ul style="list-style-type: none"> • The PMU under MPW/EDTL will undertake internal monitoring on land acquisition, compensation and supports for the affected households. • If the Project is with severe land acquisition and resettlement impacts, an independent external monitor will be engaged by the PMU under MPW/EDTL to carry out periodic external monitoring if the Project has significant . • Monitoring reports will be

Issues	ADB's SPS (2009)	Timor-Leste Laws and Regulations	Gaps between ADB's SPS (2009) and Timor-Leste Laws	Gap Filling Measures
				shared with relevant stakeholders and uploaded on the ADB and MPW/EDTL websites for disclosure.
Resettlement Plan Preparation	Prepare a Resettlement Plan elaborating on affected persons entitlements, income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget and time-bound implementation plan.	Article 21 of the Expropriation Law calls for a social impact study and resettlement plan to be developed to mitigate adverse effects and to compensate for the losses due to expropriation, based on social impact assessment and consultations with APs. Resettlement plan is to include: (i) different alternatives to housing for stakeholders to choose from; (ii) mechanisms for restoration of income and lost livelihoods; (iii) timetable for plan's implementation; (iv) estimation of costs of implementing different alternatives; (v) supervision mechanisms for implementation of the relocation plan.	There are no specific details of how requirements of the plan are to be developed and carried out, including institutional arrangements or time-bound implementation plans under Timor-Leste Laws.	A Resettlement Plan is prepared if there is land acquisition and resettlement by the Project covering affected persons entitlements, income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget and time-bound implementation plan.
Disclosure of Resettlement Plan	The draft Resettlement Plan, including documentation of the consultation process, must be disclosed in a timely manner before project appraisal (in an accessible place, and a form and language understandable to	The Expropriation Law requires prior public notice of consultation phase including availability of project documents. Consultations are held in "simple and adequate" language, and minutes taken of stakeholder	There are no specific government requirements on how and where disclosures of public consultation reports and/or resettlement reports are to be made.	Requirements on information disclosure are specified in the Resettlement Plan. Before submitting to the ADB and after acceptance of ADB on the Resettlement Plan, the document in the Timor-Leste

Issues	ADB's SPS (2009)	Timor-Leste Laws and Regulations	Gaps between ADB's SPS (2009) and Timor-Leste Laws	Gap Filling Measures
	APs and other stakeholders.) The final Resettlement Plan must also be disclosed.	questions and comments, and publication of public consultation report following consultation.		language will be posted in accessible public areas and sent to the relevant agencies and community leaders. A summary of the final Resettlement Plan will be provided to the community leaders. The final Resettlement Plan will also be uploaded to the websites of ADB and EDTL/MPW.

D. Key Principles and Objectives

28. In the event that land acquisition of private individuals and/or households is required by the project - the resettlement policy principles for the project will be as follows:

- a. Resettlement impacts will be minimized through careful engineering design.
- b. Affected persons (APs) will be systematically informed and consulted during the entire process of resettlement planning and implementation, including assessment of possible impacts on their livelihoods, purchase of land/assets, determining compensation/resettlement options and socio-economic rehabilitation measures. They will be informed of their rights and options and be invited to participate actively in the identification of mitigation and rehabilitation measures. The comments and suggestions of APs and communities will be taken into account.
- c. The APs will be identified and recorded as early as possible in order to establish their eligibility through a population record or census that serves as an eligibility cut-off date.
- d. Consistent with ADB policies, eligible APs are those with (i) titles to land recognized on a legal basis; (ii) no legal rights but have a claim to the land or assets; and are recognized through a process identified in the Resettlement Plan; (iii) no legal right or claim to the land, but they are occupying it before the cut-off date; and (iv) those whose land is temporarily affected.
- e. Eligible APs are entitled to compensation and livelihood rehabilitation measures sufficient to assist them to improve or at least maintain their pre-project living standards, income earning capacity and production levels.
- f. In the consultation process, representatives of local governments, village chiefs, other community leaders and civil society organizations such as non-government organizations (NGOs) from the operational areas will be included. The customs and traditions, as well as the religious practices of all APs, will be respected and protected.
- g. The institutions of APs, and, where relevant of their hosts, are to be protected and supported. Physically displaced persons will be assisted to integrate economically and socially into host communities so that adverse impacts on the host communities are minimized and social harmony is promoted.
- h. Lack of formal legal rights to assets lost will not deprive any AP from receiving compensation and payments for non-land assets and entitlements.
- i. Particular attention will be paid to the needs of vulnerable APs. This group of APs may include those without legal or recognizable title to the land or other assets, households headed by females, the elderly or disabled, poor households, landless households and indigenous people that may be a minority in specific locations. Appropriate assistance will be provided to help them improve their socio-economic status.
- j. The concerns of women will be identified based on gender disaggregated socio-economic data, separate discussions on women's concerns, and ensuring adequate measures and budgetary allocations in the resettlement plan to compensate and resettle them in a manner that does not disadvantage them. In this effort the assistance of national NGOs currently engaged in women's welfare will be sought.
- k. Resettlement planning decisions will be preceded by a social preparation phase where consultations will be held with APs, community leaders, local administrators, and NGOs to enhance the participation of these APs in negotiation, planning, and implementation.
- l. All compensation will be based on the principle of replacement cost at the time of compensation. For houses and other structures, this will involve the costs for materials and labor at the time of acquisition, with no deduction for depreciation or for salvageable materials.

- m. An independent and qualified replacement cost appraiser will be engaged by the PMU under EDTL/MPW to assist the NDLPCS in appraising the replacement cost of affected land and other assets.
- n. Where houses and structures are partially affected to the degree that the remaining portion is viable for its intended use, the Project will acquire the entire asset and APs will be entitled to compensation at replacement cost for the entire asset.
- o. Any temporary impacts on land and public infrastructure outside the ROW during construction will be restored by construction contractors under close monitoring of EDTL;
- p. A GRM linked with existing traditional formal and informal systems and cognizant of cultural requirements will be established to solve resettlement related disputes and complaints from APs.
- q. Costs of land acquisition and resettlement will be included by the government in the project cost and adequate budgetary provision shall be made available during the Project implementation.
- r. Civil works contracts will not be awarded for a specific component or geographic area until (i) compensation and assistance have been paid in full to the affected households and communities; (ii) relocation has been completed and the Income Restoration Program for the severely affected households and vulnerable affected households is in-place; and (iii) the area is free from any encumbrances.
- s. No works with resettlement impacts will be implemented before the Resettlement Plan has been prepared and approved by the ADB.

E. Eligibility and Entitlements

29. Eligibility will be determined with regards to the cut-off date, which is taken to be the date when the PMU under EDTL/MPW officially informs the public about the Project and its locations. The APs will be informed of the cut-off date for each project's component, and any people who settle in the project component area after the cut-off date will not be entitled to compensation and assistance under the project.

30. In addition, the extent of eligibility for compensation in regards to land is determined by legal rights to the land concerned. There are three types of APs: i) persons with proof of land use rights to land lost in entirety or partially, ii) persons who lost land they occupy in its entirety or partially who do not currently possess a legal paper but have a claim that is recognizable under national laws, or, iii) persons who lost land they occupy in its entirety or partially who do not have any recognizable claim to that land. APs included under i) and ii) above shall be compensated for the affected land and assets upon land. APs included under (iii) shall not be compensated for the affected land, but for the affected assets upon land and are entitled to assistance if they have to relocate.

31. The Entitlement Matrix presented in the Table 2 below sets out the entitlements of different types of losses and eligible APs. Standards described in the matrix may be revised and enhanced during preparing and updating of the resettlement plan based on the impacts identified and as per meaningful consultation with affected persons. However, they cannot be downgraded.

32. Compensation rates for land and other assets will be established following an appraisal of replacement costs by independent and qualified replacement cost appraiser.

Table 2. Project Entitlement Matrix

Type of Impact/Loss	Eligibility/ application	Entitlement policy	Implementation Issues
A. Lost of agricultural or other productive land	Land users (i) with proof of land ownership or (ii) without legal paper on the affected land but have a claim that is recognizable under national laws.	As a priority, APs will be allocated replacement land of similar type, category and productive capacity, located in the same village and with land title or secure tenure. If land is not available or the APs chooses, cash compensation at replacement cost based on market rates at the time of compensation.	If the remaining land of the household is no longer economically viable as assessed by the PMU jointly with local authority and village administration - and if the affected households request - the entire plot of land will be acquired. All transaction fees, taxes and other costs associated with allocation of replacement land with title or secure tenure will be paid by the Project
	Land users who do not have any recognizable claim to the affected land	No compensation shall be provided for the affected land.	Assets upon the affected land shall be compensated at replacement cost based on market rates at the time of compensation.
	Users with temporary or lease rights	APs that hold a lease for use of agricultural land (e.g., for a concession) will receive compensation equal to the remaining value of the lease, plus with compensation for improvements on the land.	The replacement cost appraiser will define the costs for land improvements.
B. Loss of Residential Land Fully affected or the remaining area is insufficient to build the house as government's regulations	Land users (i) with proof of land ownership or (ii) without legal paper on the affected land but have a claim that is recognizable under national laws.	Replacement land that equal in area, type and category of the affected land at a location satisfactory to APs and with registered title or secure tenure; OR Cash compensation replacement cost based on the market rates at the time of compensation for land of similar type, category and location.	All transaction fees, taxes and other costs associated with allocation of replacement land with title or secure tenure will be paid by the Project
	Land users who do not have any	APs will not receive compensation for	Non-land affected assets will be

Type of Impact/Loss	Eligibility/ application	Entitlement policy	Implementation Issues
	recognizable claim to the affected land	affected land. If the land-user has no other place to stay will be allocated replacement land with leasehold tenure to rebuild their house.	compensated at replacement cost.
Partially affected	Land users (i) with proof of land ownership or (ii) without legal paper on the affected land but have a claim that is recognizable under national laws.	Cash compensation for lost area at market prices	Non-land affected assets will be compensated at replacement cost.
	Land users who do not have any recognizable claim to the affected land	No compensation for the lost area	Non-land affected assets will be compensated at replacement cost.
C. Impacts on Structures For structures that are completely destroyed or are no longer viable	Owners of the structures, regardless of tenure status.	Will be compensated with an amount equal to 100% of the value of the structure in conformity with the unit prices of a newly built house or structure. Depreciation or value of salvageable materials will not be deducted from the compensation amount.	The unit prices of a newly built house or structures are calculated based on market rates at the time of compensation for materials, materials transport and labour to build the house or the structure of similar size, materials and quality.
For partially affected structures that are still viable for continued use.	Owners of the structures, regardless of tenure status.	Cash compensation will be provided at full replacement cost equal to current market prices for materials, materials transport and labour to repair or rebuild affected part of the structure.	
D. Loss of Crops and Trees	Owners regardless of tenure status	For annual crops that cannot be harvested, cash compensation equivalent to current market prices times the average yield/crop calculated over the past three (3)	As a mitigation measure, the PMU will provide notices to the households six months in advance to harvest annual crops.

Type of Impact/Loss	Eligibility/ application	Entitlement policy	Implementation Issues
		<p>years.</p> <p>For fruit and nut trees, cash compensation at replacement cost equal to current market prices given the type, age and productive capacity at the time of compensation.</p> <p>For timber trees, cash compensation at replacement cost equal to current market prices based on types, age and diameter at breast height of trees.</p> <p>In the case of sharecropping or concession arrangements, the compensation will be paid to each of the parties in accordance with previous agreements.</p>	
<p>E. Impacts on Business and Income</p> <p>Permanent Loss of livelihood/ source of income</p>	<p>Business owners/ lease holders/</p>	<p>Cash compensation for lost income based on 3 months of actual income (as determined through interviews, consultations and tax declarations) or minimum wage rates.</p>	<p>To be reassessed during detailed design and updated for actual loss and actual income.</p> <p>If the APs have to relocate, the transport costs for business equipment and materials to new place will be provided. The external replacement cost appraiser will define the cost.</p>
<p>Temporary loss of business income</p>	<p>APs with businesses that are disrupted temporarily and not displaced</p>	<p>Cash allowance equal to the daily wage defined by the municipality or average daily revenues (sources of information on actual income will be interviews, consultations and tax declarations) whichever is higher, for the number of days that business activity is disrupted.</p>	<p>To be reassessed during detailed design and updated for actual loss and actual income.</p>

Type of Impact/Loss	Eligibility/ application	Entitlement policy	Implementation Issues
F. Impacts on Public Facilities (Electricity poles, communications...)	Public agencies who manage the facilities	Cash compensation at full replacement cost for removal and installation the facilities following the technical standards issued by the Government.	The external replacement cost appraiser will define the replacement cost for removal and installation.
G. Loss of Common Property Resource	Villages, village authorities, mass organizations	The affected land will be replaced in areas identified in consultation with affected communities and relevant organizations. Affected buildings and structures will be restored to original or better condition	
H. Assistancess Transition subsistence allowance	APs that relocate and rebuild house	Cash allowance equal to the daily wage defined by the municipality for all family member of the affected household for three (3) months	
	APs that lose from more than 10% of their total production land holding as the main source of livelihood of the household	Cash allowance equal to the daily wage defined by the municipality for all family member of the affected household for six (6) months if the household losses from 10% to 50% of total production land holding; nine (9) months if the household losses from more than 51% of total production land holding as the main source of livelihood of the household.	
Transport allowance	APs that relocate to new land to rebuild house and/or shop	Assistance in cash or in-kind to move structures, salvaged materials, new building materials and personal possessions to new site.	The external replacement cost appraise will define the actual cost for transport assistance in consultation with the APs.

Type of Impact/Loss	Eligibility/ application	Entitlement policy	Implementation Issues
Assistance for vulnerable APs	(i) Female headed households with dependents; (ii) Disabled household heads; (iii) Poor households; (iv) Children and the elderly households who are landless and with no other means of support; (v) Landless households; (vi) Indigenous people or ethnic minorities	A supplementary subsistence allowance in cash equal to the daily wage defined by the municipality for all family member of the affected household for one (1) month.	During the socioeconomic survey and consultations to prepare and update of RP, if an AP who falls in to the category of vulnerable household but the household is already well-off and or the household has stable livelihoods, no assistance as for vulnerable AP is necessary.
I. Income Restoration	(i) APs who lost from more than 10% of total productive land holding as the main source of livelihood of the household; (ii) relocation households with livelihoods/income source affected; and (iii) vulnerable households	APs are entitled to participate income restoration program that will be prepared during RP preparation/ updating	During RP preparation and updating, a program with various interrelated activities will be prepared in consultations with APs, communities and local authorities to support severely affected and vulnerable households in the difficult task of enhancing or restoring their standards of living to at least pre-project levels through measures that involve enhancing productivity with the remaining human and material assets of the AHs, and/or engaging in new or supplementary livelihood activities

RESETTLEMENT PLANNING AND IMPLEMENTATION

A. Screening of Impacts

33. Once the locations of the project components as mentioned in the Para.10 are decided in the implementation stage, the screening of land acquisition impacts shall be conducted.

34. The Screening Form for Land Acquisition is attached in the Appendix 1. The screening will be conducted by the PMU under MPW/EDTL with support of the Project Supervision Consultant (PSC) based on (i) site visits to the areas where the project components will be constructed in, (ii) meetings with local authorities and concerned agencies to confirm the locations and land areas required for the project components; and (iii) consultations with people living or using land in the areas. Based on the screening result, the PMU under MPW/EDTL will summarize the land acquisition and resettlement impacts to submit to the MPW/EDTL.

B. Inventory of Loss

35. Once the scales and locations of the project components are decided, the inventory of loss (IOL) will be conducted following the basic design by the PMU with support from the PSC. By directly collecting the information from 100% of APs, the IOL will obtain the following information:

- (i) Total and affected areas of land, by type of land assets;
- (ii) Total and affected areas of structures, by type of structure (main or secondary);
- (iii) Legal status of affected land and structure assets, and duration of tenure and ownership;
- (iv) Quantity and types of affected crops and trees;
- (v) Quantity of other losses, e.g., business or other income, jobs or other productive assets; estimated daily net income from informal shops;
- (vi) Quantity/area of affected common property, community or public assets, by type;
- (vii) Data on AP households, household size, ethnicity, name and sex of head of household, primary and secondary source of household income viz-a-viz poverty line, income level, livelihood/occupation, whether household is headed by women, elderly, disabled, poor or indigenous peoples;
- (viii) Identify whether affected land or source of income is primary source of income;
- (ix) AP knowledge of the project components and preferences for compensation and, as required, relocation sites and rehabilitation measures.

36. The IOL should be carried out with participation of local authorities. The collected information and/or data will be disaggregated by gender and vulnerability of APs.

C. Socioeconomic Survey

37. A sample survey of at least 30% of all APs and 100% of severely affected APs disaggregated by gender and ethnicity will be carried out. Methodologies to be used for the survey will be quantitative methods (collect statistical data and conduct questionnaire survey) and qualitative methods (key-informant interviews, in-depth interviews and focused-group discussions). The purpose of the socioeconomic survey is to provide baseline data on households to assess resettlement impacts, and to be sure proposed entitlements are appropriate, and to be used for resettlement monitoring. The SES is generally carried out at the same time as the IOL (and DMS latter on during updating the RP). The SES will collect the following data/information disaggregated by gender and vulnerability of APs:

- (i) Define, identify, and enumerate the people and communities to be affected;
- (ii) Describe the likely impacts of land and asset acquisition on the people and communities affected taking social, cultural, and economic parameters into account;
- (iii) Discuss the project's impacts on the poor, indigenous and/or ethnic minorities, and other vulnerable groups; and
- (iv) Identify gender and resettlement impacts, and the socioeconomic situation, impacts, needs, and priorities of women.

D. Determination of Replacement Costs

38. Determination of replacement costs for the acquired assets will be carried out by the independent and qualified replacement cost appraiser through a survey in the affected areas.

39. For replacement costs of lands, the replacement cost appraiser will direct interview the potentially affected households and non-affected households living in the area on their opinions about an acceptable price of land within and around the project area; interview households that have recently bought or sold land to collect the evidence of the rate transacted of lands with recent six (6) months to one (1) year; and, interview households who are looking for properties to sell or buy within and around the project area. The replacement cost appraiser will also find out from local residents, to be confirmed via official records of the local, the price of various types of land that have been the subject of transactions in the past six (6) months to one (1) year in the community or nearby areas and the price of various types of land local residents are willing to buy or sell.

40. For structures, the replacement cost appraiser will interview owners of structures to determine the construction materials usually used in the locality for each type of building following existing government categories or standards; sources of construction materials used and the unit costs of said materials, including the costs of transporting the same to the locality; and the cost of labor for constructing each type of building found in the locality. In the survey, interviews will also be conducted with building contractors to determine the cost of construction materials for each type of structures in the Project area following existing government categories; the cost of transporting construction materials to the Project area (community); the cost of labor for constructing each type of building; and the unit cost per meter square of each type of building in the Project area following existing government categories.

41. For the crops and trees, Interviews will be conducted with owners, market vendors and seedling suppliers to determine the current buying and selling of crops in the area.

42. The government rates will be adjusted, as necessary, based on the findings of a RCS. Compensation rates will be continuously updated when updating the RP to ensure that APs receive compensation at replacement cost at the time of compensation payment.

43. In parallel to IOL, SES and RCS, consultations with APs will be conducted to identify the opinions, suggestions and concerns of the APs as well as the measures to address the opinions, suggestions and concerns of the APs (presented more detailed in the Section D below).

E. Preparation and Submission of Resettlement Plan

44. Based on the results of IOL, SES, RCS and consultations, The PMU under EDTL/MPW with support from PSC will prepare the resettlement plan. Outline of a resettlement plan is

provided in the *Appendix 2*. As the scope of land acquisition is expected very minor, there will be only one RP for all project components in all municipalities. The draft RP will be produced in Tetum and English languages and will be submitted to MPW and then to CAFI for formal endorsement.

45. The CAFI endorsed RP will be submitted to ADB for concurrence. The document will be disclosed in accordance with ADB's Public Communications Policy (2011) to the affected communities and on ADB's website.

46. When the detailed engineer designs of the project component are approved by competent agencies, the RP will be updated. The RP updating requires the detailed measurement survey (DMS) and updated replacement cost survey and the continue consultations with affected households and communities. For the SES – a new SES will be carried out if the updating of the RP does not commence within 18 months as demographic and socio-economic factors may change significantly. It is essential to update information on (i) the type, extent and severity of losses, (ii) entitlements to compensation, resettlement and rehabilitation, (iii) compensation rates and costs based on updated replacement costs; (iv) rehabilitation strategies for severely affected and vulnerable APs and (v) resettlement costs. The procedure for updated RP submission, approval and disclosure follows the same procedure with this for the prepared RP.

CONSULTATION, PARTICIPATION AND DISCLOSURE

47. The PMU, with assistance from PSC, relevant municipality authorities, village and hamlet leaders will conduct a series of public meetings to provide information regarding project activities and the proposed land acquisition and resettlement arrangements.

48. The scope of information to be provided to APs includes: (i) description of Project, project's components, outputs and activities; (ii) the scope of land impacts by the project (IOL/DMS results) (iii) policy principles, entitlements and special provisions, including the result of RCS; (iv) grievance redress mechanism, (v) implementation schedule (timing for payments, displacement and land hand-over); and (vi) institutional responsibilities.

49. For consultations, a public information meeting prior to the data collection for the AP census, IOL/DMS and SES, to provide APs and other stakeholders with information regarding the scope and objectives of the project components, potentially affected land and resettlement arrangements. At this meeting, participants will be encouraged to ask questions and to raise the issues on the project components and land acquisition and resettlement requirements, particularly the entitlement and the grievance redress mechanism.

50. Consultations with severely affected and/or vulnerable APs that have been identified during the AP census, IOL/DMS and SES will be organized to discuss their needs and preferences for rehabilitation assistance. These consultations will generally occur in small groups, for example, severely affected and/or vulnerable APs in each hamlet. Separate consultations will be organized with women and/or ethnic minorities, as necessary to ensure that they are provided adequate and appropriate opportunities to participate in discussions.

51. A public information meeting prior to the completion of the draft RP will be held to discuss the design of the project components, the results of the IOL/DMS, proposed compensation rates and entitlements, handing-over of entitlements, grievance redress mechanism; and, to

solicit comments, suggestions and concerns from APs and other stakeholders about the scope and provisions of the RP.

52. The PMU under EDTL/MPW and village authority will ensure that APs are notified about resettlement activities. All public meetings and consultations will be notified at least two weeks in advance, similar to the IOL/DMS and other fieldwork. The form of notification will include, as appropriate, notices posted in villages/hamlets; letters, notices or small brochures delivered individually to APs; through village/hamlet leaders and, media announcements. IOL/DMS and RCS shall be with participation of the APs. The PMU under EDTL/MPW is responsible for the disclosure of the RP to the APs prior to submission to ADB.

53. A Project Information Brochure (PIB) will be prepared to distribute to APs and stakeholders. The PIB will cover five topics: (i) description of Project, project's components, outputs and activities; (ii) the scope of land impacts by the project; (iii) policy principles and entitlements and special provisions for the APs; (iv) grievance redress mechanism, and (v) implementation schedule.

54. Information disclosure and consultation process will be well-documented (minutes of consultative meetings with signatures of meeting participants, photos) and will be reflected in the RP/updated RP.

COMPENSATION, RELOCATION AND INCOME RESTORATION

55. Land acquisition, compensation and relocation of APs cannot commence until ADB has reviewed and approved the final RP/updated RP.

56. Following ADB approval of the final RP/update RP, the PMU under EDTL/MPW to coordinate with local authority, village/hamlet administrations to start of compensation and resettlement activities. Payment notices should be sent to the APs one weeks in advance. Budget for compensation and cash assistance has to be allocated and made available in full before payment of compensation and cash assistance will commence.

57. The locations for paying compensation and cash assistance should be convenient to the APs in a given locality, preferably in hamlets/villages to reduce travel costs for the APs. Bank transfer can-be accepted if AP wish so. The amount of compensation and cash assistance has to be paid in full, not in installments. Both wife and husband, if married, should receive the compensation and cash assistance together. Payment vouchers should clearly indicate the nature or purpose of each type of compensation and cash assistance provided, including the method used in computing the same.

58. For relocation households, in case they wish to receive replacement land in lieu of their recovered land, the PMU will together with local authority identify the area that can be allocated to the APs for residential use. The location of the allocated land should be agreed with the APs and should be consistent with the local land use plan.

59. The PMU under EDTL/MPW will make representations with local power and water companies to provide water and electricity connections to the relocating APs if requested by the households and if the services are available at the area.

60. Income restoration program/activities as prepared and reflected in the approved RP/updated RP will be implemented as part of the RP to ensure that the standard of living of APs, particularly the vulnerable and severely affected, will be restored to at least pre-project conditions.

61. During implementation of the compensation, relocation and income restoration, the PMU under EDTL/MPW will submit progress report on land acquisition, compensation and resettlement of MPW. The MPW will incorporate the progress reports of the PMU in the progress report to submit to CAFI and ADB.

62. All land acquisition, compensation and resettlement activities will be coordinated with the civil works schedule. ADB will not approve contracts for civil works until (i) compensation and relocation of APs has been satisfactorily completed; (ii) the income restoration is in place; and, (iii) the site is free of all encumbrances.

GRIEVANCE REDRESS MECHANISM

63. To ensure that any questions and complaints from the residents (not only relating to compensation and resettlement, but also other issues of the subproject) are addressed in a timely and satisfactory manner, and that all possible avenues are available to residents to air their grievances, a project level GRM will be established.

64. This mechanism will resolve concerns and complaints from APs in an active and timely manner through an easy-to-understand and clear process that is appropriate to local cultures and is easily accessed by all the displaced residents with no cost and penalty. This mechanism will not cause any obstructions to access to the national judiciary and administrative systems. All expenses related to the grievance will be borne by the project.

65. A project level GRM will be established, including: (i) a PMU focal point (EDTL already assigned this position); and (ii) committees at District and Suco levels – the committees will include government representatives, village chiefs, APs, and recognized civil society leaders.

66. The mechanism will try to resolve grievances at local level with the assistance of local leaders. The chairperson of village (Suco) level committee will be the initial grievance focal point to receive and facilitate program related concerns or disputes. She/he will immediately advise the PMU focal point who will arrange for any matters concerning the program to be addressed immediately through a site visit and consultations.

67. Any grievance which cannot be settled at the Suco level will be submitted to the District level committee or PMU directly. At each stage the conduct of grievance resolution will be done in coordination with local authorities, MOJ/DLPCS and EDTL/PMU.

68. Other than disputes relating to land ownership rights, most grievances related to resettlement benefits, relocation of structures, and other assistance will be resolved at Suco and or District level. When grievances have finally not been resolved at the project level, the AP can submit the case to the civil courts for an early resolution.

69. As described above, the project level GRM is proposed with two steps as below:

- **Step 1:** AP submits grievance to the Suco level resettlement and grievance committee in person. She/he notifies the PMU focal point. The Suco level resettlement and grievance committee will, within 7 working days, review and meet with the AP and PMU focal point to try to resolve the issue. The PMU focal point will record the grievance filling and settlement process.
- **Step 2:** If the Suco level resettlement and grievance committee does not have action or respond within 7 working days or if the complainant is not satisfied with the response of the Suco level resettlement and grievance committee, s/he can lodge the grievance to the District resettlement and grievance committee/or directly to the PMU under EDTL/MPW for resolution. The District resettlement or the PMU, within 15 working days of receipt of grievance of the AP, will discuss and review the issue and respond to the AP with copy to the Suco level resettlement and grievance committee. The PMU focal point will record the grievance filling and settlement process. If the case is unresolved in this step, AP can take the matter to appropriate civil court and the case will be settled as per judicial system.

70. The PMU will facilitate to the project level GRM established in the District and Suco levels prior to the disclosure of the basic design of Project and will operate during the pre-construction, construction and operation phases. The PMU also has the overall responsibility to

ensure that the project level GRM is functional and working in accordance with the provided timelines. A training-workshop on management of complaints - including procedures for recording, registering, and sorting grievances, conducting an initial assessment of grievances, determining the resolution process, making decisions, directing relevant agencies responsible for implementing decisions, and tracking, monitoring, documentation, and evaluation of complaint resolutions, etc.- will be provided by the Social Safeguards Specialists of the PSC to the concerned agencies in all levels after the GRM has been established to ensure that the GRM is effective and functional.

INSTITUTIONAL ARRANGEMENTS AND IMPLEMENTATION

71. Once the locations of the project components as mentioned in the Para.10 are decided in the implementation stage, verification on land acquisition and resettlement will be conducted by the PMU under EDTL/MPW with support from the Social Safeguards Specialists of PSC in coordination with NDLPSC and relevant local authorities - and RP will be prepared by PMU with support from Social Safeguards Specialists of PSC if land acquisition and APs are identified. In that case, the role and functions of each organization responsible for resettlement planning and implementation are outlined below:

- Ministry of Finance and the Council for Administration of the Infrastructure Fund (CAFI) will:
 - (i) Overall execution of the project;
 - (ii) Direct the PMU on planning, implementation and monitoring of land acquisition and resettlement;
 - (iii) Timely and sufficiently provide fund for RP implementation; and
 - (iv) Liaise with ADB on land acquisition and resettlement issues.
- The PMU under EDTL/MPW will:
 - (i) Manage the resettlement aspects of the project including financing the implementation of the RP;
 - (ii) Work with the design and supervision consultants relative to all resettlement activity matters;
 - (iii) Organize meaningful public consultation and disclosure of resettlement planning documents in appropriate language to APs and communities;
 - (iv) Carry out land acquisition according to the provisions of the Resettlement Plan (RP - including the updated Resettlement Plan –URP, if any) and the Government’s laws in coordination with Ministry of Justice (MOJ), and DLPCS;
 - (v) Ensure that APs are paid the compensation promptly, adequately and effectively in compliance with the RP and the Government’s laws;
 - (vi) Establish a grievance redress system designed to deal effectively with complaints from APs in coordination with, local authorizes, MOJ and NDLPSC;
 - (vii) Ensure that the grievance redress system is effective when addressing APs concerns;
 - (viii) Ensures that effective monitoring of resettlement is conducted and reported to ADB, EA and IA;
 - (ix) Works closely and appropriately with local authorities, NGOs during resettlement and public consultation activities; and
 - (x) Liaises with ADB on all matters relating to resettlement and submits regular reports.
- MOJ and NDLPSC will:
 - (i) Oversee and review the implementation effectiveness of land acquisition and resettlement;
 - (ii) Guide the PMU in addressing issues that require policy direction;
 - (iii) Assist with resolving any land-related issues in accordance with the current legislation; and

- (iv) A Valuation Specialist will work with MOJ/NDLPCS and the independent replacement cost appraiser to prepare compensation values for land in compliance with the Expropriation Law.
- Relevant local authorities will:
 - (i) Coordinate with the PMU in conducting of information disclosure and consultation;
 - (ii) Participate in measuring of land acquisition impacts, payment of compensation and assistance, and in monitoring of land acquisition and resettlement; and
 - (iii) Facilitate to the grievances/complainant's settlement.
- ADB will:
 - (i) Review and approve all resettlement documentations;
 - (ii) Assist in capacity building in the PMU to manage social safeguards for the Project through the provision of international expertise and training budgets;
 - (iii) Provide expertise in valuation to assist MOJ in preparing valuation tables for land acquisition;
 - (iv) Disclose RP and monitoring reports on its website; and
 - (v) Provide guidance as required based on progress reports and supervision missions.

72. Under the PPTA stage, assessment of institutional capacity for resettlement planning, implementation and monitoring has been carried out. Generally, the capacity of involved agencies, particularly EDTL is very limited. The EA and IAs are not familiar with principles, requirements and procedures of ADB on land acquisition and resettlement. An orientation training on involuntary resettlement planning, implementation and monitoring was provided to staff of involved agencies by ADB in February 2020; however, it is assessed that the capacity of the agencies is still not adequate to ensure that land acquisition and resettlement planning, implementation and monitoring are properly implemented.

73. Capacity building on land acquisition and resettlement management for the EA and IAs are required. Under the implementation stage, the PSC, once mobilized, will design and implement the necessary capacity building for the EA, IAs and other concerned agencies in resettlement planning, implementation and monitoring.

BUDGET AND FINANCING

74. All compensation for land and other affected assets will be paid at replacement cost based on current market prices. Resettlement budgets, including (i) the amounts for compensation, assistances and resettlement and (ii) administrative costs (staff costs, surveys, monitoring, reporting) will be from the project counterpart funds. The CAFI will be responsible for the disbursement of funds to EDTL/MPW. The PMU under the EDTL/MPW will disburse to APs in accordance with the entitlements in the approved RP/updated RP and to the District Resettlement Committees and village administration for the administrative costs. The Government will ensure timely provision of counterpart funds for resettlement to meet any unforeseen obligations in excess of the resettlement budget estimates in order to satisfy resettlement requirements and objectives.

75. Based on (i) the results of the IOL/DMS and RCS; and (ii) the entitlements set-out in the entitlement matrix of this Resettlement Framework (the entitlements may be enhanced during the consultations with APs during RP preparation and updating, but cannot be downgraded), the budget for compensation, assistance and relocation will be calculated.

76. A part from the budget for compensation, assistance and relocation of APs, the administration costs (travel costs for the staff, staff costs for land acquisition and resettlement,

management costs and others) will be included, plus with 10% of the calculated total for a contingency – constitute the total resettlement budget.

77. The resettlement budget will be specified in the RP and will be updated in the updated RP following the results of the RCS and DED, as well as the final entitlements that consulted with the APs and communities.

MONITORING AND REPORTING

78. As the resettlement impacts by the Project is minor, engagement of external resettlement monitor is not required to carry out external resettlement monitoring of land acquisition and resettlement. Only internal monitoring of land acquisition and resettlement will be performed. Internal monitoring will serve to evaluate (i) compliance with the project's resettlement policy; (ii) timely availability of personnel, material, and financial resources and efficient use of these to implement land acquisition and resettlement activities of the Project; and, (iii) identification of problems, if any, and development of remedial actions to address these.

79. The PMU under EDTL (through its PSC) will be directly responsible for the monitoring and reporting of the implementation of the land acquisition and resettlement of the Project. PMU will gather monitoring data by (i) reviewing the monthly progress reports, including fielding its own mission to verify the progress and the validity of the data and information, if deemed necessary; and (ii) compile quarterly monitoring report for submission to the MPW, MOF/CAFI.

80. The contents, monitoring indicators and formats for progress reporting will be developed at the time of the preparation of the RP. The monitoring reports will include the status of the following:

- (i) Set up of institutional arrangements;
- (ii) Compensation payments for entitlements;
- (iii) Development of resettlement sites and relocation, if any;
- (iv) Grievance redress;
- (v) Public consultations;
- (vi) Budget expenditures;
- (vii) Livelihood support program, where applicable;
- (viii) Overall Progress against agreed implementation schedule;
- (ix) Major problem and issues; and
- (x) Proposed remedial actions.

81. The PMU will also validate that the (i) entitlements and the corresponding compensation are paid in accordance with the Entitlement Matrix in the agreed RP; and (ii) the Grievance Redress Mechanism (GRM) is functioning as per the guideline.

82. Other than land acquisition and resettlement related issues, PMU should also look into other complaints of the communities and affected households such as poor construction methodology, health and sanitation conditions in work camps, noise and population, etc.

83. During subsequent monitoring periods, PMU will look into whether or not corrective actions agreed to address land acquisition resettlement issues in the past monitoring period (i.e., outstanding resettlement issues) have been resolved.

84. PMU will share the findings of its monitoring to MPW and along with MOF, CAFI, village leaders, affected households and community-based organizations to discuss and agree on activities that should be undertaken to resolve for address all issues identified.

85. The PMU (through its Project PSC) will submit the semi-annual resettlement monitoring reports to EDTL. The MPW will incorporate the progress reports of the PMU in the progress report to submit to CAFI and ADB.

Appendix 1: Involuntary Resettlement Impact Screening 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? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, approximately how many? _____						
Are any of them poor, female-heads of households, or vulnerable to poverty risks? <input type="checkbox"/> No <input type="checkbox"/> Yes						
Are any displaced persons from indigenous or ethnic minority groups? <input type="checkbox"/> No <input type="checkbox"/> Yes						
Potentially affected lands by Project's interventions/components						
Proposed Intervention	Items of schemes that will be constructed/ upgraded	Quantities (unit)	Locations	Brief description of scales	Land area that may be acquired (m ²)	Information can be available by when

Deployment of smart meters.						
Rehabilitation of distribution network and regional offices.						
Construction of a distribution control/ dispatch center in Dili and installation of distribution automation system.						
Establishment of distribution management information system						

Appendix 2: Outline of a Resettlement Plan

A. Executive Summary

This section provides a concise statement of subproject scope, key survey findings, entitlements and recommended actions.

B. Project Description

This section provides a general description of the project, discusses project components that result in land acquisition, involuntary resettlement, or both and identify the project area. It also describes the alternatives considered to avoid or minimize resettlement. Include a table with quantified data and provide a rationale for the final decision.

C. Scope of Land Acquisition and Resettlement

This section:

- (i) Discusses the project's potential impacts, and includes maps of the areas or zone of impact of project components or activities;
- (ii) Describes the scope of land acquisition (provide maps) and explains why it is necessary for main investment project;
- (iii) Summarizes the key effects in terms of assets acquired and displaced persons; and
- (iv) Provides details of common property resources that will be acquired.

D. Socioeconomic Information and Profile

This section outlines the results of the social impact assessment, the census survey, and other studies, with information and/or data disaggregated by gender, vulnerability, and other social groupings, including:

- (i) Define, identify, and enumerate the people and communities to be affected;
- (ii) Describe the likely impacts of land and asset acquisition on the people and communities affected taking social, cultural, and economic parameters into account;
- (iii) Discuss the project's impacts on the poor, indigenous and/or ethnic minorities, and other vulnerable groups; and
- (iv) Identify gender and resettlement impacts, and the socioeconomic situation, impacts, needs, and priorities of women.

E. Information Disclosure, Consultation and Participation

This section:

- (i) Identifies project stakeholders, especially primary stakeholders;
- (ii) Describes the consultation and participation mechanisms to be used during the different stages of the project cycle;
- (iii) Describes the activities undertaken to disseminate project and resettlement information during project design and preparation for engaging stakeholders;
- (iv) Summarizes the results of consultations with affected persons (including host communities), and discusses how concerns raised and recommendations made were addressed in the resettlement plan;
- (v) Confirms disclosure of the draft resettlement plan to affected persons and includes arrangements to disclose any subsequent plans; and

- (vi) Describes the planned information disclosure measures (including the type of information to be disseminated and the method of dissemination) and the process for consultation with affected persons during project implementation.

F. Grievance Redress Mechanisms

This section describes mechanism to receive and facilitate the resolution of affected persons' concerns and grievances. It explains how the procedures are accessible to affected persons and gender sensitive.

G. Legal Framework

This section:

- (i) Describes national and local laws and regulations that apply to the project and identify gaps between local laws and ADB's policy requirements; and discuss how these gaps will be addressed;
- (ii) Describes the legal and policy commitments from the executing agency for all types of displaced persons;
- (iii) Outlines the principles and methodologies used for determining valuations and compensation rates at replacement cost for assets, incomes and livelihoods; and set out the compensation and assistance eligibility criteria and how and when compensation and assistance will be provided.
- (iv) Describes the land acquisition process and prepare a schedule for meeting key procedural requirements.

H. Entitlements, Assistance and Benefits

This section:

- (i) Defines displaced persons' entitlements and eligibility, and describes all resettlement assistance measures (includes an entitlement matrix);
- (ii) Specifies all assistance to vulnerable groups, including women, and other special groups; and
- (iii) Outlines opportunities for affected persons to derive appropriate development benefits from the project.

I. Relocation of Housing and Settlements

This section:

- (i) Describes options for relocating housing and other structures, including replacement housing, replacement cash compensation, and/or self-selection (ensure that gender concerns and support to vulnerable groups are identified);
- (ii) Describes alternative relocation sites considered; community consultations conducted; and justification for selected sites, including details about location, environmental assessment of sites, and development needs;
- (iii) Provides timetables for site preparation and transfer;
- (iv) Describes the legal arrangements to regularize tenure and transfer titles to resettled persons;
- (v) Outlines measures to assist displaced persons with their transfer and establishment at new sites;
- (vi) Describes plans to provide civic infrastructure; and
- (vii) Explains how integration with host population will be carried out.

J. Income Restoration and Rehabilitation

This section:

- (i) Identifies livelihood risks and prepare disaggregated tables based on demographic data and livelihood sources;
- (ii) Describes income restoration programs, including multiple options for restoring all types of livelihoods (examples include induced benefit sharing, revenues sharing arrangements, joint stock for equity contributions such as land, discuss sustainability and safety nets);
- (iii) Outline measures to provide social safety net through social insurance and/or project special funds;
- (iv) Describes special measures to support vulnerable groups; gender consideration and training program

K. Resettlement Budget and Financing Plan

This section:

- (i) Provides an itemized budget for all resettlement activities, including for the resettlement unit, staff training, monitoring and evaluation, and preparation of resettlement plans during loan implementation;
- (ii) Describes the flow of funds (the annual resettlement budget should show the budget scheduled expenditure for key items);
- (iii) Includes a justification for all assumptions made in calculating compensation rates and other cost estimates (taking into account both physical and cost contingencies), plus replacement costs;
- (iv) Includes information about the source of funding for the resettlement plan budget.

L. Institutional Arrangements

This section:

- (i) Describes institutional arrangement responsibilities and mechanisms for carrying out the measures of the resettlement plan;
- (ii) Includes institutional capacity building program, including technical assistance, if required;
- (iii) Describes role of NGOs, if involved, and organizations of affected persons in resettlement planning and management; and
- (iv) Describes how women's groups will be involved in resettlement planning and management.

M. Implementation Schedule

This section includes a detailed, time bound, implementation schedule for all key resettlement and rehabilitation activities. The implementation schedule should cover all aspects of resettlement activities synchronized with the project schedule of civil works construction, and provide land acquisition process and timeline.

N. Monitoring and Reporting

This section describes the mechanisms and benchmarks appropriate to the project for monitoring and evaluating the implementation of the resettlement plan, It specifies arrangements for participation of affected persons in the monitoring process. This section will also describe reporting procedures.