

Resettlement Plan - Livelihood Restoration Program

Project Number: 51112-001
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INO: Jawa-1 Liquefied Natural Gas-to-Power Project

Prepared by PT Jawa Satu Power

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Jawa 1 - LNG to Power Project

Livelihood Restoration Program **for Vulnerable Groups Affected by Land Acquisition for the** **Transmission Line Towers, Substation and Facilities in the** **Coastal Area**

28 March 2019

JAWA SATU POWER

1. Project Description and Objective

1.1 Project Description

The PLTGU Jawa-1 LNG to Power Project (the Project) involves the development of a Combined Cycle Gas Turbine (CCGT) Power Plant, a Liquefied Natural Gas (LNG) Floating Storage and Regasification Unit (FSRU) and a 500kV power transmission line and Substation. These project elements will be developed within the Subang, Karawang and Bekasi Regencies of West Java, Indonesia.

The Project has been developed by PT Pertamina (Persero), Sojitz Corporation and Marubeni Corporation via the project company named PT. Jawa Satu Power (JSP). The construction work has been commenced since December 2018 anticipating commercial operations in 2021.

The Project includes the following main components:

- Installation and operation of an FSRU (in Karawang/Subang);
- Construction and operation of seawater intake and seawater discharge pipelines (in Karawang);
- Construction and operation of an onshore gas receiving facility (ORF) (in Karawang);
- Construction and operation of a jetty (in Karawang);
- Gas supply pipelines, both subsea and terrestrial (in Karawang/Subang);
- 1,760 MW CCGT power plant and associated facilities (in Karawang);
- A 52 km 500 kV transmission line (in Karawang/Bekasi); and
- An electricity substation (in Bekasi)

For the development of the Project, JSP acquired the required lands on a willing seller – willing buyer basis (further detail has been stated in in the *Resettlement Plan* (RP) for the Project) where Vulnerable Groups in the onshore area (as defined below) have been identified.

JSP has prepared a *Community Development Plan* (CDP), which has set the framework for the engagement with project-affected people and the surrounding communities, including the 31 households deemed as Vulnerable Groups affected by land acquisition. This Livelihood Restoration Program (LRP) specifically for those Vulnerable Groups has established detail programs to subjective households based on such framework in CDP.

1.2 Objective of LRP

The objectives of this LRP are to:

- 1) Improve the livelihood and welfare for the land owners and land users affected by land acquisition of the Project and identified as “Vulnerable Groups” in Karawang Regency and Bekasi Regency based on the criteria explained in the Section 2; and
- 2) Support for the Vulnerable Groups to achieve sustainable growth in their business and lifecycle

This LRP is set for “3 years program” during the construction period of the Project and shall comply with IFC standards and ADB Safeguards requirements. Based on the overall monitoring of the three year’s program, the LRP may be extended to the operations phase.

2. Beneficiaries Target

The target of this LRP is the following 31 households of ex-land owners/users of transmission line towers, substation and pipeline, access road, pump station and jetty in the coastal area in Karawang Rgency, who are directly impacted by land acquisition, and, most importantly, who have been identified as vulnerable groups based on the following criteria which are in line with IFC standard and ADB Safeguard Policy.

- Households with an income below the poverty line;
- The landless or those without legal title to land;
- The elderly (older than 65 years old assumed to be an unproductive group) as the head of household;
- Female-headed households; and
- Indigenous people and ethnic minorities

Among 154 households which have been involved in the land acquisition of the Project as stated in the updated RP (dated March 2019), the following 31 households have been categorized as the Vulnerable groups (Table 1).

Table 1: Vulnerable Groups identified in RP, March 2019

No.	Location	Category of Vulnerability	Main Livelihood	Status
1.	Coastal	Poverty	Entrepreneur / Pedagang (*)	Land Owner
2.	Coastal	Poverty	Entrepreneur / Pedagang (*)	Land Owner
3.	Coastal	Poverty	Entrepreneur / Pedagang (*)	Land Owner
4.	Coastal	Poverty	Farmer	Land Owner
5.	Coastal	Poverty	Farmer	Land Owner
6.	Coastal	Poverty	Entrepreneur / Pedagang (*)	Land Owner
7.	Coastal	Poverty	Fisherman	Land Owner
8.	Coastal	Poverty	Farmers	Land Owner
9.	T031	Elderly Household	Farmer	Land owner
10.	T40a	Elderly Household	Farmer	Land owner
11.	T043	Elderly Household	Farmer	Land owner
12.	T58C/TS14	Elderly Household	Farmer	Land owner
13.	T059C	Elderly Household	Farmer	Land owner
14.	T60	Elderly Household	Farmer	Land owner
15.	T61C	Elderly Household	Unemployed	Land owner
16.	T63	Elderly Household	Farmers	Land owner
17.	T75	Elderly Household	Farmer	Land owner
18.	T82/TS24	Elderly Household	Farmer	Land owner
19.	T98D	Elderly Household	Farmer	Land owner
20.	T100D/TS36	Elderly Household	Farmer	Land owner

21.	T118	Elderly Household	Farmer	Land owner
22.	Substation	Elderly Household	Farmers	Land owner
23.	Substation	Elderly Household	Trader/distributor	Land user
24.	Coastal	Elderly Household	Entrepreneur	Land owner
25.	Coastal	Elderly Household	Entrepreneur	Land owner
26.	Coastal	Elderly Household	Farmer	Land Owner
27.	Coastal	Elderly Household	Entrepreneur / Pedagang (*)	Land Owner
28.	Coastal	Elderly Household	Others (Renting land)	Land user
29.	T016	Female Headed Household	Unknown	Land Owner
30.	T095	Female Headed Household	Entrepreneur	Land Owner
31.	Coastal	Female Headed Household	Unemployed	Land Owner

(*) Micro scale business to sell groceries, vegetable etc

3. Livelihood Restoration Program

Through the field assessment and some Focus Group Discussions (FGD) for the detail design of the LRP, there were some fundamental issues identified by the vulnerable groups (microscale business, farmers and fishermen), including but not limited to:

- A) They have limited access to capital sources and financing capital institutions (borrowing the money, establishing the loan).
- B) They have lack of capacity to run their business properly and sustainably (technical and soft skill, including product quality, hygiene and packaging).
- C) The business activities have been executed individually and total production is relatively small, lack of the opportunity to tie up with relevant business associations which consist of same business groups in surrounding communities (ex: Assosiasi Pedagang Makanan)

Based on the above considerations, JSP has developed the plans by seeking for sustainable livelihood and long term business growth and opportunity.

Table 2 and Picture 1 below have set out the programs and approaches to each Vulnerable Groups.

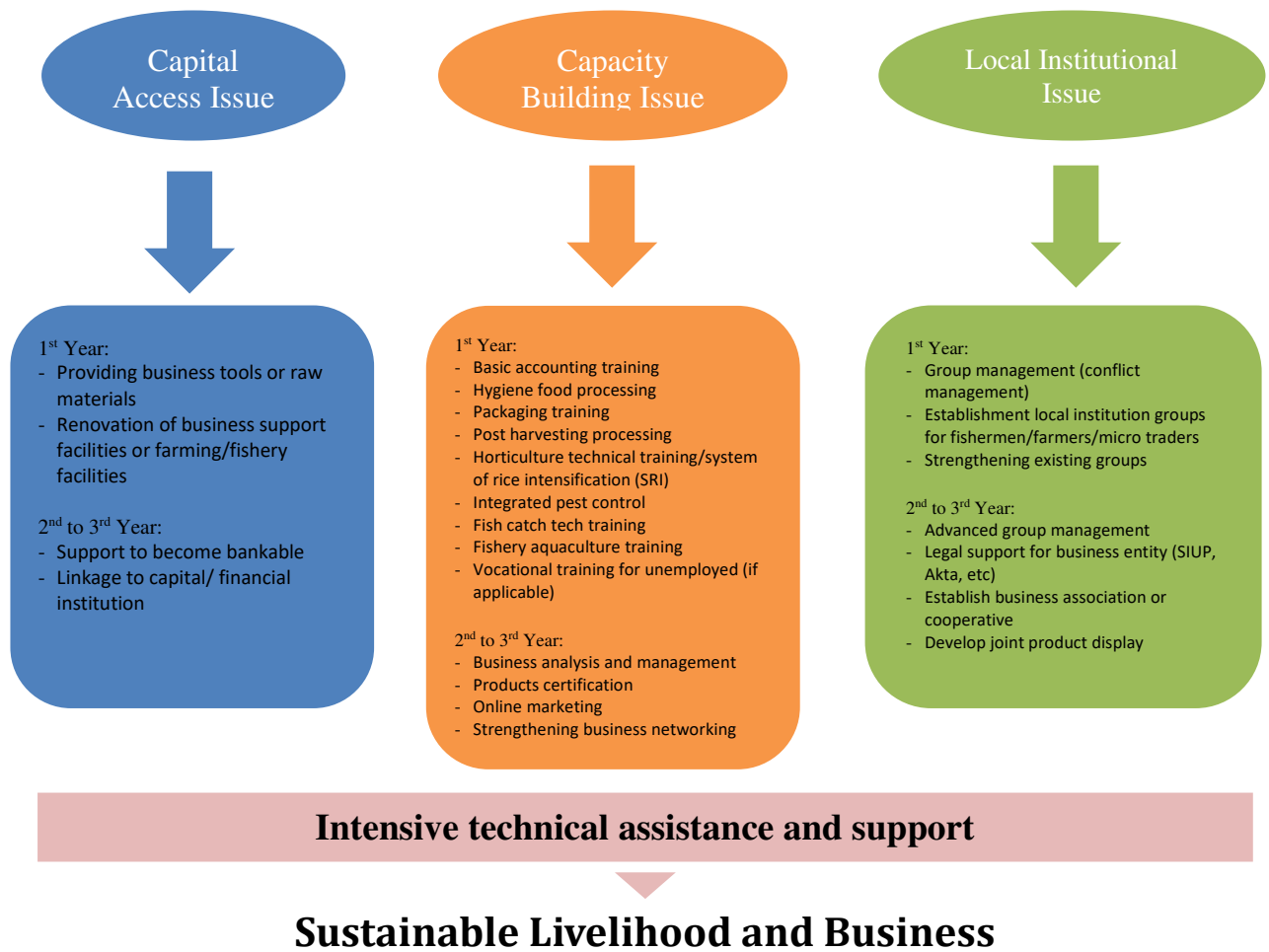
Table 2: Detail LRP for Vulnerable People

Target	Category of Vulnerability	Planned Programs	Implementation
A. Micro Entrepreneur / Pedagang	Poverty	1. Providing Materials for business improvement	
		Vegetable seller: Vegetable delivery box, coller box	JSP to provide such hard material so that the people can efficiently improve their productivity
		Grocery sellers : Renovation of the Kiosk	
		Food/Beverage seller: Portable tent, etalase, kiosk renovation - partially)	
		2. Capacity Building	
		Simple accounting and business management training	JSP to provide such training program by appointing the relevant external experts or consultants
		Skill training (hygiene food processing, packaging, post harvesting, customer satisfaction, marketing and promotion)	
		IT introduction (social media)	
B. Farmers	Poverty / Elderly Household	1. Providing Materials for business improvement	
		Providing seed, fertilizer, bio-pesticide	JSP to provide such hard material or support to improve the productivity and the efficient utilization of the paddy field or vacant land
		Renovation of water drainage	
		Renovation of storage	
		2. Capacity Building	
		Simple accounting training and business management (farming business analysis)	JSP to provide such training program by appointing the relevant external experts or consultants
		SRI training (System of Rice Intensification) familiar in the region	
		Integrated pest control training	
		Mixed horticulture demonstration plot ("tumpang sari" method) - rice mixed with peanut, vegetable, chilli etc.	
		Group management training (especially for Muara Farmers)	

		Establishment and strengthening farmer groups	
C. Fishermen	Poverty	1. Providing Materials for business improvement	
		Providing fish catch tool (net, hook, line, etc), cooling box or cold storage	JSP to provide such hard material to improve the productivity and communication in the fishery group
		Renovation of fishermen group meeting place	
		2. Capacity Building	
		Simple accounting training and business management	JSP to provide such training program by appointing the relevant external experts or consultants
		Fish catch technical training (map read, fish calendar etc)	
Group management training - strengthen existing fishermen group (cooperative etc)			
D The Unemployed	Elderly Household /Female Headed Households	Support for the employment in Project or village, family members	
		<p>Project employment as unskilled worker for elderly land owner or for his/her household members. Land owner of T61C can work near to his house but the Cilamaya site is comparatively far from his house. However, it is unclear whether he would wish to work due to his age and current situation that he has a stable family income. In that case, JSP to provide the support for his employment in the community/region or family business (to be identified).</p> <p>For Female Headed Households, JSP will provide vocation training for the business to enable her to participate business society in relevant communities, which will be based on her request/desire.</p>	JSP to provide the support for the employment of the elderly or his/her household members or provide further support for his/her family business, and desired vocation training to the Female Headed Households

Note: There are some Elderly households in Coastal Area (#24 and #25 in Table 1) that have a stable business where enough incomes have been generated and showed their intention not to be supported by JSP. JSP will keep communicating with them for their desire or request for the involvement or support by the Project.

Picture 1: Grand Design and Approach for the LRP



4. Implementation and Monitoring Plan

The Social and Local Affairs Manager of JSP, assisted by Social and Local Affairs Officer, is responsible for the implementation and monitoring the overall programs stated in CDP, including those set out for the vulnerable groups in this LRP.

JSP may appoint a capable third party for support of the implementation of LRP so that each plan could be implemented properly and timely.

Basic implementation and monitoring plan for 3 years (construction period) are set out in Table 3

Table 3: LRP Implementation and Monitoring Plan During Construction Phase

Year	Implementation	Monitoring
1 st year (2019)	JSP to provide materials and technical skills (capacity building) as per Table 2.	JSP to monitor those materials and skills to be provided will be properly utilized or improve their productivity. Monitoring will be done on quarterly basis
2 nd year (2020)	JSP to review the program (as necessary) and provide supplemental support based on the monitoring result	JSP to monitor the improvement of the productivity and check "sustainability)
3 rd year (2021)	JSP to review the program (as necessary) and provide supplemental support based on the monitoring result	JSP to summarize the whole 3 years program and consider further approach (as necessary)

For the operations phase, JSP may extend the LRP as required. At least three months prior to the Commercial Operation Date, JSP will have reviewed the overall monitoring results of the LRP implementation and establish a comprehensive engagement strategy and plan for the continued engagement with Vulnerable Groups, which might be integrated into the general CSR programs for operations phase as explained in the CDP.

5. Program alignment with JSP, Local Government and Community Priorities

The LRP for Vulnerable Groups affected by land acquisition for the Coastal, Transmission Line and Onshore Facilities shall be aligned with the JSP vision/mission and engagement strategy developed in the CDP. It is also alligned with the local government policy that stipulates the economic development in the region.

6. Program Communication Plan

To leverage program impact, the LRP will be strategically communicated to related stakeholders both using printed and electronic materials. The details of communication strategy and plan will be developed when the programs will be executed, in line with the CDP communication plan.

7. Budget for the Program

IDR 2,000,000,000 per annum and IDR 6,000,000,000 (Approximately USD400,000) for 3 years is the allocated to this program, however, JSP will further investigate and adjust the appropriate budget accordingly.

This budget will be used in line with the implementation and monitoring plan stated in Table 3.

In terms of budget for the operations phase, once JSP sets up the strategy and plan for a continued engagement with the Vulnerable Groups after construction period (3 months prior to commercial operation as stated Section 4 above), the new appropriate budget for another CDP (and LRP) will be developed and allocated for the operations phase.

Table 4: LRP Budget for yearly and total 3 years during construction phase

Programs	Budget per annum (IDR 000)	Budget for 3 years (IDR 000)
Providing of business tools, livelihood raw materials and/or business support facilities	725,000	2,175,000
Technical and soft skill training	725,000	2,175,000
Project Management	390,000	1,160,000
Contingency	160,000	490,000
Total	2,000,000	6,000,000