

Resettlement Plan

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Federated States of Micronesia: Chuuk Water Supply and Sanitation Project

Prepared by the Chuuk Public Utility Corporation for the Asian Development Bank.

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ABBREVIATIONS

ADB	-	Asian Development Bank
AP	-	Affected persons/people/parties
CBO	-	Community Based Organization
LC	-	Lands Commission
CSL	-	Chuuk State Law
CPUC	-	Chuuk Public Utilities Corporation
DMS	-	Detailed Measurement Surveys
EA	-	Executing Agency
GRM	-	Grievance Redress Mechanism
IR	-	Involuntary Resettlement
ISSS	-	International Social Safeguards Specialist
MOU	-	Memorandum of Understanding
PMU	-	Project Management Unit
ROW	-	Right of Way
RP	-	Resettlement Plan
SES	-	Social and Environmental Specialist
TA	-	Technical Assistance
TOR	-	Terms of Reference

DEFINITION OF TERMS

Compensation	means payment in cash or kind for an asset to be acquired or affected by a project at replacement cost at current market value.
Cut-off-date	means the date after which people will NOT be considered eligible for compensation, i.e., they are not included in the list of APs as defined by the census. Normally, the cut-off date is the date of the detailed measurement survey.
Displaced Persons (AP)	also known as Affected Persons (AP) mean all the people affected by the project through land acquisition, relocation, or loss of incomes and include any person, household (sometimes referred to as project affected family), firms, or public or private institutions. APs therefore include; i) persons affected directly by the safety corridor, right-of-way, tower or pole foundations or construction work area; (ii) persons whose agricultural land or other productive assets such as trees or crops are affected; (iii) persons whose businesses are affected and who might experience loss of income due to the project impact; (iv) persons who lose work/employment as a result of project impact; and (v) people who lose access to community resources/property as a result of the project.
Detailed measurement survey	means the detailed inventory of losses that is completed after detailed design and marking of project boundaries on the ground.
Encroachers	mean those people who move into the project area after the cut-off date and are therefore not eligible for compensation or other rehabilitation measures provided by the project.
Entitlement	means the range of measures comprising cash or kind compensation, relocation cost, income rehabilitation assistance, transfer assistance, income substitution, and relocation which are due to /business restoration which is due to APs, depending on the type and degree nature of their losses, to restore their social and economic base.
Inventory of losses	means the pre-appraisal inventory of assets as a preliminary record of affected or lost assets.
Land acquisition	means the process whereby a person is compelled by a public agency to alienate all or part of the land s/he owns or possesses, to the ownership and possession of that agency, for public purposes, in return for fair compensation.
Non-titled	means those who have no recognizable rights or claims to the land that they are occupying and includes people using private or state land without permission, permit or grant, i.e., those people without legal title to land and structures occupied or used by them. ADB's policy explicitly states that such people cannot be denied compensation for non-land assets and resettlement assistance.
Poor	means those falling below the official national poverty line.
Replacement cost	means the method of valuing assets to replace the loss at the current market value or its nearest equivalent and is the amount of cash or

kind needed to replace an asset in its existing condition, without deduction of transaction costs or for any material salvaged.

Significant impact

means 200 people or more will experience major impacts, which are defined as; (i) being physically displaced from housing, or (ii) losing ten per cent or more of their productive assets (income generating).

Vulnerable

means any people who might suffer disproportionately or face the risk of being marginalized from the effects of resettlement and includes; (i) female-headed households with dependents; (ii) disabled household heads; (iii) poor households (within the meaning given previously); (iv) landless; (v) elderly households with no means of support; (vi) households without security of tenure; (vii) ethnic minorities; and (viii) marginal farmers (with landholdings of five acres or less).

EXECUTIVE SUMMARY

Background

The Government and Chuuk Power Utilities Corporation (CPUC) have requested the Asian Development Banks (ADB) assistance to improve access to safe water and improved sanitation in Chuuk State as critical to achieving the government's development priorities, as articulated in the Strategic Development Plan 2004–2023 of FSM. The project focus is on upgrading of the water supply and sanitation systems including the replacement of the old water mains on Weno Island, connection of additional households to water supply, development of a new water intake, rehabilitation of water storage tanks, and borehole consolidation. Also, the project includes upgrading and extension of sewer pipes and upgrading of lift stations and grinder stations on Weno. The project will also raise Chuuk's community awareness on sound sanitation and hygiene practices to prevent diseases and will foster water conservation.

The purpose of this resettlement plan (RP) as such is to prepare mitigation measures to address the identified loss of land and non-land assets from the proposed project. Secondly, it is to manage any unanticipated involuntary resettlement issues that may arise during project implementation. The assessments and measures are based on the ADB Safeguards Policy Statement 2009 (SPS 2009) and the laws and regulations of FSM. The RP also documents the consultations held with key stakeholders, their concerns, and recommendations as well as measures on how to address them during project implementation.

Scope of land acquisition

The scope of works under the upgrading of the water supply system includes: (i) replacement of the old water mains on Weno Island (10 km); (ii) increase the number of households with legal access to the CPUC water supply network from 378 households to 1,000 households (19% to 50%) or more; (iii) development of run of river water intake from Wichen River; (iv) rehabilitation of the water storage tanks (Sapuk booster and Xavier water tank); (v) rehabilitation of bore holes in the Wichap-Epinup area; and (vi) Weno borehole consolidation. In addition, the scope of works under the upgrading of the sanitation system includes: (i) construction of 2.8 km of sewage pipes to increase household connections from 384 to 900 households or more; (ii) upgrading of two lift stations (LS no. 4 and 10); and (iii) upgrading and operationalization of 12 grinder stations.

Land requirement

The project will not require purchase of land for the upgrade and extension works under the project. The project instead will lease 14 pieces of land (11 leases for water supply and 3 for sanitation). There are 32 proposed project sites belonging to 33 landowners. Of the 32 sites there are 14 water supply locations including deep wells, water tanks, water source, and 14 sanitation sites including lift stations and grinder stations. Eighteen (18) of the 32 sites have existing leases and 14 will be new or through lease renewal with a total of 10,011m² (1ha). At present only fourteen (14) sites belonging to 15 landowners are yet to confirm agreements with CPUC to secure, renew or extend a lease for the project.

The upgrading and extension of water and sanitation pipes along the main road and to the households away from the road will utilize right-of-way as prescribed by Chuuk State Law. Given the above, the project has thus been categorized as Category B for Involuntary Resettlement, within ADB's Safeguard Policy Statement (2009) with the preparation of this RP. If there are changes to the project design during project implementation that require land or cause additional

impacts, additional due diligence will be carried out and the RP will be updated, or a new RP is prepared. The RP will be cleared by ADB and uploaded to the ADB website prior to the commencement of land clearance and construction works.

Entitlements

Potentially affected people will be paid the full replacement cost/value which includes compensation based on fair market value or other transactional cost as per valuation by government and acceptance of landowners/affected persons. Compensation payments will be made from CPUC's development budget. The following table describes the entitlements by affected persons.

Entitlement table

Impact/Type of Loss	Application	Entitled APs	Entitlement
Loss of use of land through temporary occupation by the project	Private land required during repair/rehabilitation activities	Landowners	Lease as negotiated with landowners. All temporary use of land will be through the written agreement with the landowners, and land will be returned to the landowners after rehabilitation to original or better condition.
Permanent loss of residential or business land	Private land to be resumed for the project construction	Landowners, tenants, and users of land	Landowners will be provided with cash compensation at replacement cost.
Partial or total removal of minor structures (fence, etc)	Structures in ROW	Owner of structure	Replacement of minor structures affected or compensation for removed structures, i.e., fence, driveway, at replacement value without deductions for salvaged materials.
Unforeseen or unintended impacts	Any impact identified at the final design stage	Concerned affected people	Determined as per the spirit of this resettlement plan

Consultations and public disclosure

During the project feasibility study, there were at least 211 people (23% women) consulted by CPUC in all 11 villages of Weno between October 2019 to July 2020. Questions raised during consultations included access by interior households to the water and sewer connections, operationalization of non-operational tanks in consulted villages, possible participation in local employment during project construction, and implication to the project if some landowners disagree to provide access. Some landowners in this context voluntarily offered their land to lease for the project. Overall, there was a very high level of support for the project by key stakeholders including government officials, landowners, women, youth, and businesspeople on Weno.

Grievance redress mechanism

A grievance redress mechanism (GRM) will be established by CPUC to uphold social and environmental safeguards performance by addressing concerns and complaints promptly and transparently with no impacts (cost, discrimination) for any reports made by affected peoples. The

GRM works within existing legal and cultural frameworks, providing an additional opportunity to resolve grievances at the local, project level.

Procedures for resolving grievances

Step	Process	Duration
1	Affected Person (AP)/ takes the grievance to the Contractor, (if unresolved taken to CPUC)	Any time
2	Contractor/CPUC reviews issue, and in consultation with the complainant, then record a solution to the problem.	1 week
3	CPUC reports back to AP and gets clearance from the complainant.	1 week
If unresolved or if at any stage and AP is not satisfied with the progress		
AP can take the matter to appropriate state or national court (Trial Court or Supreme Court)		As per judicial system.

Estimated budget

The estimated lease budget to secure lease agreement for the required lands under the upgrading project is estimated to be USD 284,614.30. This figure is a general estimate as negotiations with landowners are still required. Detailed design and land survey for the 14 required sites to be leased by the project (6 with existing structures and 8 sites to be determined during detailed design). The RP will ensure that landowners/APs are paid the fair market price, or its equivalent in Chuuk, as per ADB Safeguards Policy Statement.

SN	Items	Quantity	Cost (USD)
A	Lease Payment		
	(i) Land (sq. m) - private		215,655.00
			5,358.00
		Sub Total (A)	221,013.00
B	(iii) Detailed Measurement Survey		Cost c/o CPUC
C	(iv) Consultations		5,000
		Sub Total (B+C)	5,000
		A+B+C	226,013
		Contingency (10%)	22,601.30
		Total	248,614.30

Institutional arrangements

The executing agency is the Ministry of Finance, and the implementing agency is CPUC. A project steering committee (PSC) will be established to provide strategic direction and guidance to the project. A project management unit (PMU) will also be established within CPUC and will be responsible for the overall implementation of the project.

Implementation schedule

The systematic implementation of the resettlement activities, as laid out in this Resettlement Plan, is essential to prevent undue delays to construction schedule. The following schedule will be updated during the implementation stage.

S.N.	Activities	Estimated Timing	In-Charge
1	CPUC to verify landowners:	Ongoing	CPUC Land Officer and Legal Specialist LO/LS) International Social Safeguards Specialist (ISSS)
2	Consultation with landowners to negotiate lease offer.	Ongoing	CPUC LO/LS ISSS
3	Confirmation of land requirement and leaseholders during detailed design. <i>Note: Detailed Design- Planned to start by December 2020.</i>	Quarter 1-2 (2021)	CPUC LO CPUC Legal Specialist SSS
4	Conduct of survey for required lands requiring a lease.	Quarter 2 (2021)	CPUC Detail Design Consultant ISSS
5	Prepare Valuation Report Including:	Quarter 2 (2021)	CPUC LO/LS ISSS
6	Draft Lease Agreement	Quarters 2-3 (2021)	CPUC LO
7	Meet with landowners and offer lease	Quarters 2-3 (2021)	CPUC Land Acquisition Team
8	Landowners either accept or reject offer	Quarters 2-3 (2021)	CPUC Land Acquisition Team
9	Signing of lease offer.	Quarters 2-3 (2021)	CPUC LO
10	Third Party Validation of agreement	Quarters 2- 3 (2021)	Third Partly Validator
11	Payment of agreed lease amount.	Quarters 2-3 (2021)	CPUC Finance Officer
12	Registration of formal lease with Land Commission.	Quarters 3-4 (2021)	CPUC LO
13	CPUC submits the lease payment report to ADB	Quarter 4 (2021)	CPUC
	Estimated Time Frame	12 Months	
14	Commencement of civil works		

Monitoring

All land lease related tasks will be monitored internally, and progress reported to the government and ADB on quarterly and on a semi-annual basis. Monitoring will be carried out by the CPUC Land Officer and Legal Specialist, with assistance of the social safeguard specialist(s). Process indicators will relate to implementation outputs and deliverables. All data collected will be disaggregated by gender. These will be collected directly from the field and will be reported monthly to the PMU to assess the RP implementation progress and adjust the work plan if necessary.

I. PROJECT DESCRIPTION

A. Background

1. The Government and Chuuk Power Utilities Corporation (CPUC) have requested the Asian Development Banks (ADB) assistance to improve access to safe water and improved sanitation in Chuuk State as critical to achieving the government's development priorities, as articulated in the Strategic Development Plan 2004–2023 of FSM.

2. The latest official statistics for the Federated States of Micronesia (FSM) estimated the total national population was about 103,000, of which 49,000 resided in Chuuk State (Chuuk).¹ Weno Island is Chuuk's administrative center and is the largest urban center within the state with a population of about 14,000 (2,000 households) living in an area of 127 square kilometers. The population of Chuuk is projected to increase to 50,000 by 2025 with most of the growth in Weno.

3. FSM is highly vulnerable to natural hazards, particularly tropical storms and droughts and is susceptible to climate change impacts. The intensity and frequency of days of extreme rainfall and drought are projected to increase, which exacerbates the need for infrastructure that is resilient to the climate change and natural disasters. The project in this context will support the Chuuk State government in responding to this challenge. In Chuuk State, access to public water supplies is limited. The 2010 National Census reported that 7% of households obtained drinking water from the public water supply systems. Other sources of household drinking water were rainwater tanks (69%), wells (8%), springs and streams (11%), and bottled water and other sources (4%).² CPUC has identified a new potential surface water source from the Wichen River. This could expand the water supply, reduce the reliance on groundwater, and substantially cut pumping costs.

4. In Chuuk State, public sanitation services are also limited. The Weno sewerage network system located on the northern and western side of Weno Island, was commissioned in 1973. CPUC has made continuous improvements of the Weno sewerage system since 2011. However, further investment is still required to expand coverage of the sewer network and to rehabilitate the dilapidated sections of the sewer system. Beyond the sewerage network service area, septic tanks and pit toilets are widely used, particularly among poor communities. Septic tank and pit toilets discharge effluent into shallow aquifers and contaminate Weno's groundwater sources. Consequently, diarrhea, particularly among infants is endemic for households using shallow wells for drinking water. Expansion of the sewer system service under the project in this context will also stop the contamination of Weno's aquifers.

5. The project will have the following outcome: efficiency, climate change and disaster resiliency, and sustainability of safe water and sanitation improved in Chuuk State. The project will contribute to goal 6 of the Sustainable Development Goals (SDG). It aligns with the ADB's Strategy 2030 operational priorities to: (i) address remaining poverty and reducing inequalities (OP1); (ii) tackle climate change, building climate and disaster resilience, and enhance environmental sustainability (OP3); (iii) make cities more livable (OP4); and (iv) strengthen governance and institutional capacity (OP6). The project is included in ADB's country operations

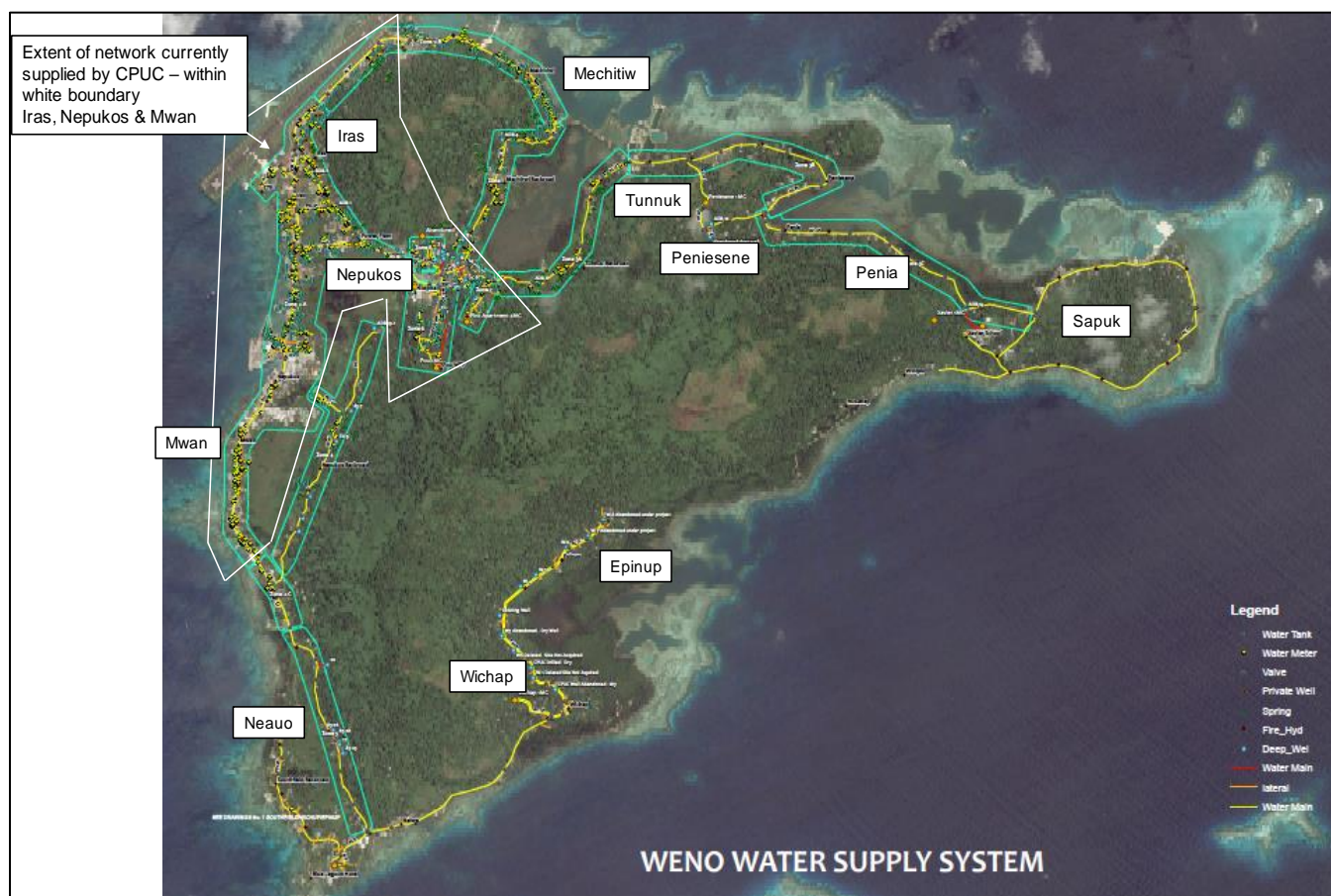
¹ Government of the Federated States of Micronesia. 2014. *Household Income and Expenditure Survey 2013/14 Main Analysis Report*. Palikir.

² Government of the Federated States of Micronesia. 2011. *Summary Analysis of Key Indicators from the FSM 2010 Census of Population and Housing*. Palikir.

business plan (COBP) 2020–2022³ and will have the following outputs: Output 1: Water supply infrastructure and service improved, Output 2: Sanitation infrastructure and service improved, Output 3: Enhanced and sustained awareness and behavior of hygiene and water conservation in Chuuk, and Output 4: Chuuk Public Utility Corporation made financially and technically sustainable.

6. The project focus as illustrated in Figure 1 and 2 is on upgrading of the water supply and sanitation systems including the replacement of the old water mains on Weno Island, connection of additional households to water supply, development of a new water intake, rehabilitation of water storage tanks, and borehole consolidation. The project also includes upgrading and extension of sewer pipes and upgrade of lift stations and grinder stations on Weno. More importantly, it will also raise Chuuk's community awareness on sound sanitation and hygiene practices to prevent diseases whilst fostering water conservation.

Figure 1: Weno water supply system



Source: CWSSP Water Projects Feasibility Assessment, June 2020.

³ ADB. 2019. *Country Operations Business Plan: 11 Small Pacific Island Countries, 2020–2022*. Manila.

Figure 2: Weno sewerage system



Source: CWSSP Sewerage and Sanitation Projects Feasibility Assessment, June 2020.

B. Measures to minimize land acquisition and resettlement

7. To comply with ADB requirements, all efforts have been made to avoid/ minimize negative impacts for the Chuuk Water Supply and Sanitation project. The following measures were adopted in the project design to minimize subproject impacts:

- (i) project to utilize right-of-way as much as possible for the upgrading/extension of water mains and sewer lines to connect households including those far from the road;
- (ii) secure lease instead of purchasing the land required structures such as water tanks and wells;
- (iii) the project to utilize lands within or next to the structures with existing water supply and sanitation structures to reduce land impact to other sites; and
- (iv) project design to avoid affecting private properties and major structures, i.e., buildings and houses.

C. Objectives of resettlement plan

8. The key objective of this RP is to provide an effective and practical guideline to the resettlement and compensation processes for land acquisition resulting from the work upgrades,

in compliance with planning principles and requirements of current laws and practices of the country and ADB Safeguard Policy Statement (2009).

9. The key policies that will guide compliance with involuntary resettlement provisions during the subproject implementation are: (i) land acquisition will be avoided, or where this is not possible, minimized; (ii) compensation will ensure maintenance of pre-project living standards of displaced/affected persons (APs); (iii) APs will be fully consulted/informed on compensation options; (iv) APs socio-cultural institutions will be supported/utilized wherever possible; (v) resettlement and land acquisition procedures will equally apply to women and men; (vi) lack of formal title will not prevent compensation and assistance prescribed in the entitlement matrix; (vii) land acquisition and resettlement will be conceived and executed as an integral part of the Project, with budgets for land acquisition and resettlement to be included in Project (subproject) costs; (viii) impact to structures will be avoided as much as possible; (ix) all land acquisition, resettlement and compensation payments will be completed prior to commencement of civil works.

II. SCOPE OF LAND ACQUISITION AND RESETTLEMENT

A. Scope of works

10. The scope of works proposed under the project includes: (i) the replacement of the old water mains on Weno Island (10 km); (ii) the increase in the number of households with legal access to the CPUC water supply network from 378 households to 1,000 households (19% to 50%) or more; (iii) the development of a run of river water intake system from Wichen River; (iv) rehabilitation of the water storage tanks (Sapuk booster and Xavier water tank); (v) rehabilitation of bore holes in the Wichap-Epinup area; and (vi) the consolidation of the Weno borehole.

11. In addition, the scope of works also includes: (i) the construction of 2.8 km of sewage pipes to increase household connections from 384 to 900 households or more; (ii) upgrading of two lift stations (LS no. 4 and 10); and (iii) upgrading and operationalization of 12 grinder stations. The project will also carry out trainings to raise Chuuk's community awareness on sound sanitation and hygiene practices to prevent diseases whilst fostering water conservation

B. Affected land and non-land assets

12. Water supplies in Chuuk were first initiated by the Japanese pre-World War 2 but very few assets survive – with the exception of the weir on the Wichen River and some others in Tonoas. The current systems in place also include water tanks and wells that were established by the United States from the late 1960's to early 1970's onwards during the Trust Territory days until the creation of CPUC in 1996 under the Chuuk Public Utility Corporation Act. It is noted that a few of these structures did not have a proper lease and CPUC is gradually establishing a formal lease for these structures.

1. Land impacts

13. Impacts to privately-owned lands are primarily on requiring the establishment of leases for 32 sites. These include 11 out of 18 sites (9,926 m²) under the water supply project and 3 out of 14 sites (218. 62 m²) under the sanitation system improvement. Table 1 below, lists the 32 sites, with 33 landowners identified at the feasibility stage, for the water supply and sewerage systems

upgrading. Eighteen (18) of the 32 sites have existing leases to expire presently between 5 to 25 years. However, there are seven (7) leases that expired as early as 2003 thus need to be renewed by CPUC including (i) a water treatment plant, (ii) 3 water tanks (Wichap, Xavier and Michitiw tanks), (iii) Lift Station #10, and (iv) Grinder Station No. 3. Also, another lease needs to be established for Grinder Station #23, whose landowner initially refused to sign a lease with CPUC.

14. In addition to the seven (7) existing structures requiring a lease or lease renewal, there are also an estimated eight (8) new sites under the water supply improvement that can only be identified during detailed design. These include (i) the new intake at Wichen River, (ii) 1 of the water treatment plants, (iii) 4 additional tank, booster and chlorination structures, and (iv) 2 new wells. It is noted that CPUC with the support of project implementation consultants will update this draft RP after more detailed design and consultations with the noted APs, and complete the set of lease documents before award of any works contract or commencement of civil works. Tables 1, 2 and 3 below provide the details of required lease renewals and new leases by the project describing the 18 project sites for water supply upgrade and the 14 sites for sanitation upgrading.

Table 1 Summary of land impacts

Subprojects	Existing structure- With Lease	Existing structure- Without lease	New Site (During Detailed Design)	Total Lots	Total Landowners
1. Water Supply Improvement	7	3	8	18	19
2. Sanitation Improvement	11	3	n/a	14	14
Total	18	7	8	32	33

Table 2: Water supply upgrading lease requirement

Lot No.	Existing/Potential New Land for CWSSP	Land Ownership	Landowner	Status of Lease/Expiration	Land Required (m ²)
A	Water Supply Component				
1	Construction and upgrading of 10 km water mains				
	Water mains upgrading and construction of new pipes connection to households	ROW		None required.	
2	Construction and Upgrading of New/Existing Sites				
(i)	Raw water Booster (Newinkeko/Penisiene)	With lease	Fisingu Nittu	Signed Lease in July 2020	60
(ii)	Sapuk Booster (Epinun, Penia/Sapuk Village)	With lease	Chonsi Hartman	Signed Lease in July 2020	60
(iii)	Intake - new (Wichen River)	To be confirmed during detailed design	TBD	Landowners are known and amenable with lease	450
(iv)	Water Treatment Plant (Adjacent to Penisiene Tank)	To be confirmed during detailed design	TBD	Landowners are known and amenable with lease	400

Lot No.	Existing/Potential New Land for CWSSP	Land Ownership	Landowner	Status of Lease/Expiration	Land Required (m ²)
(i) - (viii)	Tank, booster and chlorination - new/additional land (4x300m ²) in Nantaku, Nepukos and Neauo	To be confirmed during detailed design (4 sites)	TBD	To be negotiated after survey	1,200
(ix)	Well - existing (Wichap)	With lease	Masako Ekiek	11/9/25	60
(x)	Well – existing (Wichap)	With lease	Tatashy Berdon	11/7/25	60
(xi)	Well - existing (Epinup)	With lease	Sachko Poutiw	11/9/25	60
(xii)	Well - existing (Epinup)	With lease	Tai Ichin	11/9/25	60
(xiii)	Well - new	To be confirmed during detailed design	TBD	To be negotiated after survey	60
(xiv)	Well - new	To be determined during detailed design	TBD	To be negotiated after survey	60
(xv)	Wichap Tank	Expired lease; to negotiate	Open Walter & Mercy F. Walter	Pending verification of owners (Land Commission)	1,600
(xvi)	Peniesene Tank	With lease (new)	Masauo Shirai	Signed Lease in July 2020	1,600
(xvii)	Xavier Tank	Expired lease. Draft lease with owner(s)	Mori/Billy	Started negotiation with landowner	1,846
(xviii)	Mechitiw Tank (Pink Apt)	Expired lease. Draft lease with owner(s)	Bualuay/Sound	Started negotiation with landowner (no.1)	2,051
	Mechitiw Tank (Pink Apt)	Expired lease. Draft lease with owner(s)	Killion	Started negotiation with landowner (no.2)	299
18 Sites (with 19 Landowners)			13 required leases (estimated m²)		9,926

Table 3: Sanitation system upgrading lease requirement

Lot No.	Existing/Potential New Land	Land Ownership	Landowner	Status of Lease	Land Required (m ²)
B	B. Sanitation				
	Construction of 2.8 km sewage pipes and rehabilitate 2 pumping stations.				
1	Sewage pipes rehabilitation and construction	ROW		None required.	n/a
2	Rehabilitation of 2 lift stations				
(i)	Lift Station no. 4	Registered	Season Poll	With Lease until 2033	n/a
(ii)	Lift Station no. 10	Registered	TBD	To renew lease.	58.06
3	Rehabilitation of 12 grinder stations:				
(i)	Grinder Stations (GS- 03)	Determination of ownership certificate	Unedo Eko	To renew lease; expired in 2014.	13.38

Lot No.	Existing/Potential New Land	Land Ownership	Landowner	Status of Lease	Land Required (m ²)
(ii)	Grinder Station 8 Nemonok	With lease	Tomiko Hallers	2028	n/a
(iii)	Grinder Station 9 Neimuelong	With lease	Kesia Ch. Irons	2034	n/a
(iv)	Grinder Station 10 Fanaton	With lease	Keres Petrus	2033	n/a
(v)	Grinder Station 16	Determination of ownership certificate	Chenese Daunny	2034	n/a
(vi)	Grinder Station 17	With lease	Evengenia Small	2034	n/a
(vii)	Grinder Station 18	Determination of ownership certificate	Jessy Mefy	2034	n/a
(viii)	Grinder Station 19	Registered	Romeo Osi	2034	n/a
(ix)	Grinder Station 20	Registered	Jeffy Mefy	2034	n/a
(x)	Grinder Station 21	Determination of ownership certificate	Rosemary Malon	2034	n/a
(xi)	Grinder Station 22	Determination of ownership certificate	Chonsi Hartman	2034	n/a
(xii)	Grinder Station 23	No lease; title burned down with Land Commission building	Susan Billy	Require new lease. Started negotiation with landowner for a lease.	13.38
	LEGACY ISSUE				
	Lift Station 3 (not for upgrading under the project but part of the sanitation network)	Pending court case between 2 claimant landowners	TBD	CPUC to ask both landowner claimants to sign a lease and payment to put on escrow fund. (Interpleader to be used.)	
Total 14 sites			3 sites required leases (m2)		84.82

15. The majority of landowners are Chuukese people (both males and females). Landowners include politicians, professionals, business owners, and community leaders. During the land survey carried out and initial meetings with landowners by the CPUC lands team, a number of landowners during the feasibility study phase have started giving consent to leasing or renewing lease to CPUC structures on their lands while others at the minimum have been consulted including those sites with landownership disputes.

16. The proportion of required lands to be leased by the majority of the landowners is between 13.38 m² to 60 m². There are four sites however (Wichap, Penisiene, Michitiw, and Xavier tanks) that require larger land areas ranging from around 1,600 to 2,000 m².

2. Impact to non-land assets

17. There are no impacts to non-land assets identified during the feasibility stage. All existing sites are built within water supply and sanitation structures while the new sites that require

establishment of a new lease, CPUC intends to be built on vacant lots next to existing structures as much as possible to avoid impacts to existing assets by landowners.

3. Legacy issues

18. There is an existing landownership dispute between two landowners claiming ownership of Lift Station No. 3 under the sanitation project. The case is currently in court. This station is not part of the proposed project but is part of the CPUC sanitation system. CPUC will request both landowners to sign a lease pending the court's decision regarding ownership. CPUC will also establish an escrow fund (Interpleader) to set aside appropriate compensation to the landowner confirmed by the court. (See Appendix 1. Process of Creating an Interpleader under the Chuuk Law)

Figure 3: Wichap water tank



Figure 4: Sapuk deep well



Figure 5: Photograph of grinder station



Figure 6 Lift station # 10



Figure 7: Sapuk pump station



C. Other affected assets

19. There are no other affected assets identified during feasibility study. This however will be confirmed during detailed design.

D. Temporary impacts

20. There are expected temporary impacts, i.e., traffic delays expected as a result during the construction of the project. These impacts will be along the road corridor particularly on narrow roads and will be mitigated by the project's traffic management component under the environment assessment.

III. SOCIOECONOMIC INFORMATION

A. Population

21. Prior to European contact, the present-day Federated States of Micronesia were part of a group of islands whose pan-Micronesian subsistence and seafaring populations were in sporadic contact through circular migration to trade with each other, participate in ceremonies, intermarry, give and receive mutual support in times of natural and other disasters. The indigenous people of the Federated States of Micronesia, who constitute most of the population, are ethnically Micronesian, and speak distinct dialects of Austronesian languages that are part of the Malayo-Polynesian family. The latest official statistics for the Federated States of Micronesia (FSM) estimated the total national population was about 103,000, of which the majority of approximately 50,000 resided in Chuuk State (Chuuk).⁴ Weno is Chuuk's administrative center and is the only urban center within the state with a population of about 14,000 (2,000 households) and an area of 127 square kilometers. The population of Chuuk is projected to increase to 50,000 by 2025 with most of the growth in Weno. The project will be carried out on Weno which is comprised of 11 villages.

22. In pre-colonial times, land was generally plentiful, though with higher population densities in Chuuk than in the other States. Since the dramatic decline in population due to post-contact epidemics, and the continuing overall trend to decline due to later marriage, lower birthrates and migration, population pressure has not been a large issue in the country, though ownership, use, control and inheritance of particular plots may still be locally sensitive. In Chuuk, most land and aquatic areas are privately owned and acquired through inheritance, gift or, recently, by purchase. In all states, land cannot be sold to non-citizens of the FSM, thus these land and aquatic ownership patterns greatly influence the strategies and actions required to sustainably manage the natural resources of the nation. Some States have made a concerted effort to have land titles registered, and to declare unregistered land as Government land. Custom mechanisms for ascertaining land rights have played an important part in this process. In some States, Government land may be designated as Homestead land for eligible clans and individuals and could be legally allocated as replacement land if eminent domain powers were exercised in downstream projects.

B. Economy

23. Overall, 78% of the population is rural, and subsistence farming and fishing are still the main means of livelihood. Almost half the women and two thirds of the men of economically active age participate in the labor force. One third of working men, and more than half working women (56%) are in unpaid occupations. The 2010 unemployment rate for men is 15.5%, and 17% for women. While most households engage in agricultural production and fishing (94.6% and 70.7% respectively in 2010), only around 1% produces exclusively for sale. Around 10% sells some of their production.

24. Of those aged 15 or more with cash income in 2000, 43% received wages or salaries, 21% had income from their own business, 41% received remittance income and 7% received social security or other income from Government. Public administration, education, health, social work and utilities supply accounted for just over half of paid jobs. The only other significant sector was

⁴ Government of the Federated States of Micronesia. 2014. *Household Income and Expenditure Survey 2013/14 Main Analysis Report*. Palikir.

wholesale and retail repair and supply of vehicles and household goods, which employed 13% of the work force. Average household income in 2005 was \$13,421. Female headed households earned over \$2,000 less than the average, while foreigners (non-FSM residents) earned almost \$7,000 more than the average. These figures include cash and non-cash income, so are not necessarily a good indication of purchasing power for cash goods. Per capita GDP on a Purchasing Power Parity basis was estimated at US\$3,165 in 2012.⁵

25. It is estimated that two-thirds of the labor force occupation in the Federated States of Micronesia including Chuuk State is government employment.⁶ Based on the socioeconomic survey conducted by CPUC in June 2020 on Weno, 46% households reported to make \$200 and below per payday. A ratio of 4 male to 1 female in the household bring in the income. The main source of income is business and government employment and not too far behind is remittances as the secondary household income for majority of the households. 76% of households reported having 4 or more members, 16.7% of households have 10 or more people, and .5% have 20 or more members. All landowners in Chuuk are considered better off as ownership of land is considered as a major asset on the island.

C. Education

26. Literacy levels are generally high. Over 95% of those 15-24 or older are literate, with women's rates at 96% slightly higher than men at 94.2% in 2000. Overall, girls have higher participation rates than boys at both elementary and high school levels, though Yap, the most traditional State, features lower high school enrolment rates for girls than boys. In 2000, 11.7% of persons over 25 were college graduates. This rose to 11.8% in 2010.

27. Due to the multiplicity of indigenous languages and dialects, which though related, are not always easily mutually intelligible, English has been adopted as the sole official language, and is the medium of instruction in high schools and tertiary institutions. Good English language ability is an advantage in the employment market. In 2010, 75.9% over the age of five were literate in English, with higher levels amongst the young and those of economically active age.

D. Health

28. In FSM, the delivery of healthcare services is mixed. A great deal of the population relies on a public health care system that is controlled and regulated by the states governments. The public health care system consists of the overarching, FSM National Department of Health and Social Affairs and the four state governments: Chuuk State Department of Health Services, Kosrae State Department of Health Services, Pohnpei State Department of Health Services and Yap State Department of Health Services. The present health care system in the FSM has three levels; the community dispensaries, the state hospitals and referral to hospitals outside of the FSM. Total expenditure on health in the country was \$473 per head in 2014. This was about 13.7% of GDP.

29. The Chuuk State Hospital which was originally built back in the trust territory era has a 120-bed capacity, and it is the only in-patient facility in the State of Chuuk, serving over half of the FSM population spread out over dozens of islands inside and beyond the Chuuk Lagoon.

⁵ Castalia. 2018. *Energy Master Plans for the Federated States of Micronesia – Social Assessment Report*.

⁶ https://en.wikipedia.org/wiki/Economy_of_the_Federated_States_of_Micronesia#:~:text=Financial%20assistance%20from%20the%20US,impediments%20to%20long%2Dterm%20growth.

E. Access to basic social services

30. **Water supply.** From the June 2020 socioeconomic survey carried out for the project, the number one source of water for general household use and for water and drinking comes from water tank or rain catchment at 78%. Only 21% of household relies on CPUC water as their main source of household water. For drinking and cooking, only 4% of households use CPUC water for that purpose. Most households reported having access to safe drinking water without relying on CPUC.

31. A total of 357 households reported to use 5 gallons for cooking and drinking and of 303 household reported to using 10 gallons for drinking and cooking per week. Gallons of water mostly ranging from 0 gallon to 20 gallons per week. Most households reported they obtain water for cooking and drinking from water tanks from rain catchment. Deep well and rain catchment are the primary sources for bathing. For washing clothes, most households rely on deep well water.

32. In summary, even with the reliance on the rainwater catchment, 78% of households reported to have access to safe drinking water. A total of 365 households reported spending nothing per month on managing general water use. About 85% of households are willing to pay for \$10 a month for a clean water supply and connections with CPUC, while 55% of households are willing to pay for \$20/month for clean water from CPUC to be connected to their homes. Around 42% households are willing to pay \$25 as one-off charge to be connected to CPUC's water system, while only 4% are willing to pay \$50 for installation of water

33. **Sanitation.** From the same survey, a total of 77% households reported having access to sanitation facilities. Around 42% of households reported to having indoor flush toilets connected to their own septic tanks, with 20% households connected to CPUCs sewage system. Another 18% reported to use outdoor benjo or the basic pit latrine. Not many households on Weno are thus connected to CPUCs sewage system. Within the households 22% of the fathers of the households are responsible for paying sewer services while only 9% of mothers, pay for sewage system. About 5% households are connected to someone else's sewerage system. Surveys further reported that only 15% households pay for their sewage and 61% of households are not paying for sewage

34. **Maintenance of water and sanitation.** For most households, 41% of the mothers are responsible for maintaining their water source while 25% is maintained by the fathers. However, when water infrastructure needs fixing, 53% of fathers are responsible, while only 6% of the mothers and 35% of other family members undertake the fixing of the structures. In addition, around 36% of households reported that mothers are responsible for cleaning the household water areas, while 21% are maintained by fathers and 23% are cleaned by other members. When it comes to cleaning facilities 47% of mothers, 29% of other members, and 16% of fathers are responsible for cleaning toilet facilities. However, when it comes to plumbing 40% of fathers, 15% of mothers and 36% of other family members are responsible for plumbing of their sanitation facilities.

35. Domestic duties at the household level is thus largely managed by women. Most households rely on water catchment with not many households connected to CPUC lines. Women are essential in maintenance and cleaning both water and sewerage source and while most of the respondents claimed to be married, more women are responsible for cleaning and maintaining water and sanitation facilities. The largest challenge mentioned by households is the lack of connections to the CPUC water supply primarily when water shortages are prevalent during drier seasons of the year.

36. In summary, water quantity rather than water quality is seen as the major need by the Weno community. There is a large degree of water self-sufficiency however this can become limiting during periods of low rainfall.

F. Vulnerable households

37. From the socioeconomic survey, there were 248 out of 1,514 surveyed households (24%) who are female-headed households. Based on the Household Income and Expenditure Survey in 2013-2014, 55.9% of female-headed households are below the poverty line. Due however to ownership of significant assets such as land, none of the identified landowners or APs were defined to be vulnerable due to low income, having special needs child or unemployed female-headed household supporting young children.

G. Project specific community

38. **Population.** The project area Weno, the capital of Chuuk State, is comprised of 11 villages with an estimated population of 13,856 based on the latest census data (FSM Census 2010). Weno hosts the main business houses in Chuuk including five hotels (L5 Hotel and Cafe, Truk Stop Hotel and Restaurant, High Tide Hotel, Takarajima, and Truk Blue Lagoon Resort), government offices, and residential areas. Scuba diving in Truk Lagoon for WW2 shipwrecks is one of the most popular tourism attractions in Chuuk State.

39. **Education.** There are five high schools on Weno including Chuuk High School, Xavier High School, Chuuk Seventh Day Adventist School, Saramean Chuuk Academy and Berea Christian School. All 11 village communities have access to these institutions.

40. **Health.** The health service system in FSM including Chuuk is comprised of community dispensaries, the state hospital and referral to hospitals outside of FSM. Chuuk State Hospital provides the main public health service in Chuuk.

41. **Energy.** CPUC, together with water supply and sanitation services, also provides power connection to people, business, and government offices in Weno.

42. **Communication.** FSM Telecom provides telephone and internet services in Chuuk. A submarine cable entered into service in April 2019⁷ facilitating faster internet connection in Chuuk particularly in Weno.

⁷ <http://documents1.worldbank.org/curated/en/468921577144992889/pdf/Disclosable-Version-of-the-ISR-Pacific-Regional-Connectivity-Program-2-FSM-Connectivity-Project-P130592-Sequence-No-09.pdf>

IV. OBJECTIVES, LEGAL AND POLICY FRAMEWORK, AND ENTITLEMENTS

A. Objectives

43. The objective of the project is to avoid involuntary resettlement wherever possible; to minimize resettlement impacts by exploring project and design alternatives; to enhance, or at least restore, the livelihoods of all affected people (APs)⁸ relative to pre-project levels; and to improve the standards of living of the poor APs and other vulnerable groups, if applicable. The RP aims to provide a process of resettlement impact assessment, implementation of compensation for APs. It covers both 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 a land acquisition or restriction on land use or on access to parks and protected area.

44. To avoid and minimize resettlement impacts, the project will adopt these criteria: (i) the proposed upgrading water supply and sanitation mains will be constructed within existing ROW/boundary or on government/public land; and (ii) if land impact cannot be avoided, design without significant resettlement impacts will be selected. The project is guided by the ADB's safeguard requirements on involuntary resettlement as embedded in the Safeguards Policy Statement (2009), the Constitution and relevant laws of the Federated States of Micronesia. Where differences exist between the local laws and ADB requirements, the resettlement policy will be resolved in favor of the latter.

B. Legal framework

45. Regarding involuntary land acquisition and resettlement, the FSM Constitution declares that “a person may not be deprived of life, liberty, or property without due process of law” (Article IV. Section 3). In addition, a noncitizen, or a corporation not wholly owned by citizens, may not acquire title to land or waters in Micronesia (FSM Constitution, Article XIII. Section 4).

46. **Eminent domain.** FSM law inherited from US Trust Territory days (FSM Code 2014, Title 56) makes provisions for the “central Government” (now federal government) and for a “district legal entity” (now state government) to exercise Eminent Domain (Chapter 1) and Real Property Acquisition (Chapter 2). The exercise of eminent domain allows the government “to condemn a property for public use or purposes and to appropriate the ownership and possession of such property for such public use upon paying the owner a just compensation to be ascertained according to the law” (§ 101). This FSM law will not be invoked under the present project, as the Chuuk state government will use negotiated agreement to establish a lease with the different landowners.

47. In cases of involuntary land acquisition, FSM safeguards do not fully align with ADB requirements in certain procedures, but no special measures need be developed to fill those gaps because the government will not pursue involuntary land acquisition. If they did, then ADB safeguard policies would apply. The situation is rather different in cases of involuntary resettlement of people and nonland assets from government land. Federal and state laws provide no explicit

⁸ Affected person is the term used in ADB safeguard policy and includes 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 livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land or on access to legally designated parks and protected areas.

protection for people who are trespassing on government land. The project will not involve involuntary physical displacement of residences or economic displacement of non-land assets as most of the land, except the new surface water source site, already have existing water supply or sanitation structures requiring new or renewal of leases.

48. **Chuuk laws and constitution.** In Chuuk, 95% of land is approximately privately-owned⁹ belonging to extended families (lineage groups) or individuals. According to Chuuk Constitution, inheritance of lineage land is owned by matrilineal descendants. Patrilineal descendants – or *afokur*- have no rights to lineage land. They only enjoy permissive rights of usage from the members of the lineage. Mere usage of lineage land by *afokur* does not constitute title of any sort even if the usage lasts a lifetime. Transfer of lineage land to any descendants of male members requires the clear agreement of the Clan (Article IV, Section 4).¹⁰ Only 5% is estimated to be public land.

49. Public lands are defined as being those lands situated within the Trust Territory which were owned or maintained by the Japanese government as government or public lands, and such other lands as the government of the Trust Territory has acquired or may hereafter acquire for public purposes. (Code 1966, § 925; Code 1970, tit. 67, § 1.)¹¹ A noncitizen, or a corporation not wholly owned by citizens, may also not acquire title to land or waters in Micronesia (Article XIII. Section 4). The Chuuk State constitution also states that “traditional rights over all reefs, tidelands, and other submerged lands, including their water columns, and successors rights thereto, are recognized and that the Legislature may regulate their reasonable use” (Article IV, Section 4).

50. The Chuuk Constitution (Chapter XI), makes provision for compulsory acquisition of (a right in) land and administration of public land in the State of Chuuk. The Chapter defines the duties of the Governor as regards the proper administration of land, sets out criteria and procedures for the condemnation of land and provides the determination and award of compensation, the determination of claims by a Claims Board and the resolution of disputes regarding titles in land or compensation.

51. The Chuuk Water Supply and Sanitation Project will require leasing of private lands for the project upgrading including water tanks, water treatment plant, grinder stations, lift stations, among others. The Land Lease Procedures detailed below is based on the Chuuk Constitution, Section 2, which mandates that “Negotiations with the owner for voluntary lease shall be fully exhausted before a taking may occur”. It lays out steps required for the state to determine the rightful owners of private land and then negotiate with them to secure lease on the land for 25 years, under the duration of a standard land lease. (Under the Chuuk State Land Lease Law, lease of up to 99 years is also possible for other types of leases.)

52. Because the objective of the project is to avoid involuntary resettlement wherever possible, under Chuuk State Law No. 10-10-18, which lays out the procedures for taking of private land by the Government is not applicable. Rather, Chuuk State Law No. 06-03-18 and its amendment Chuuk State Law 8-05-13, which establishes requirement for special leasing of land will be used as guidance. It includes procedures for advance payments, length, rent adjustments, and recording of leases, among others.

⁹ <http://www.micsem.org/pubs/counselor/frames/landchkfr.htm>

¹⁰ <http://fsmilaw.org/chuuk/constitution/article04.htm>

¹¹ https://929ba224-a441-4bf6-8deb-baaad52388ca.filesusr.com/ugd/d7cb25_c4417bcad2724490b5c84ee39ec04f24.pdf

53. **Land leasing process (CSL No. 06-03-18 and Amendment CSL 8-05-13).** The Land Acquisition Procedures below lays out the steps required for the state to determine the rightful owners of private land and then negotiate with them to establish a leasehold interest in the land. CPUC will initially conduct a due diligence procedure to identify individual or group of people (lineage) who own the land. Landowners identification will include meeting with the Land Commission to determine if the land is registered or not. Obtain land documents including title or determination of ownership or maps, obtain previous lease agreements with government, if any. Also, for CPUC to obtain a verification letter from the Land Commission. It is not required but a good practice especially when the asset sits on two plots of land. Moreover, obtain verification letter from the land court to ensure that there is no pending case. Land officer will also meet with landowners to discuss any potential lease issues.

54. **Valuation.** CPUC land officer will draft an internal valuation report for CEO's review, which includes the pertinent information: (i) Landowners (ii) Lot number and size (iii) Square meter of area to be leased; (iv) Term of lease; (v) Indicate the zone based on Executive Order 04-2007; (vi) Calculate the lease rate and total to be paid; (vii) Calculate any back rent for use; and Other relevant information. The offered lease rate will be based on fair market value.

55. **Draft lease agreement.** After valuation report is approved, then the land officer will draft the lease using a standard lease form in English that is translated into Chuukese.

56. **Meet with landowners and offer lease.** This will be carried out by CPUC Land Officer and senior management with landowners to secure agreement for proposed lease. Land officer may answer questions. Landowners generally take some time to review the lease.

57. **Acceptance or rejection of lease offer.** If accepted, lease agreement is signed and executed; payment is made to landowner; If rejected, land officer will discuss next steps with CEO; and a second offer is generally made.

58. **Payment of lease.** After initial payment by CPUC to the landowners, CPUC, or its contractor, may begin work on site.

59. **Registration of the lease.** Section 8 and 9 of CSL No. 6-03-18 require that land leases be recorded with the State Recording Office and failure to record such lease shall be deemed void.

C. ADB's Policy on Involuntary Resettlement

60. The ADB Safeguards Policy Statement (2009) requires ADB-assisted projects to (i) avoid resettlement impacts wherever possible; (ii) minimize impacts by exploring project design alternatives; (iii) enhance, or at least restore the livelihoods of all APs in real terms relative to pre-project levels; and (iv) improve the standards of living of the affected poor and other vulnerable. It covers both economic and physical displacement.

61. The key principles of the ADB safeguards policy on resettlement are as follows:

- (i) screen early the projects resettlement impacts and risks;
- (ii) carry out meaningful consultations with the participation of affected persons (APs)/Displaced persons (APs), inform all APs/APs of their entitlements and resettlement options. Pay particular attention to the needs of vulnerable groups;
- (iii) establish a grievance redress mechanism;

- (iv) improve, or at least restore the livelihoods of all APs/APs through (i) land-based resettlement or cash compensation at replacement value as relevant, (ii) prompt replacement of assets, (iii) Prompt compensation at full replacement cost, and (iv) additional revenues and services through benefit sharing schemes where possible;
- (v) provide APs/APs with needed assistance including i) if there is relocation, secured tenure to relocation and better housing; ii) transitional support and development assistance, and iii) civic infrastructure and community services as required;
- (vi) improve the standards of living of the displaced poor and vulnerable groups to at least national minimum standards;
- (vii) develop procedure in a transparent, consistent and equitable manner if land acquisition is through a negotiated settlement;
- (viii) ensure that APs/APs without titles are eligible for resettlement assistance and compensation for loss of non-land assets;
- (ix) prepare an RP elaborating on APs/APs entitlements, income and livelihood restoration strategy;
- (x) disclose an RP in an accessible place and a form and languages understandable to the APs/APs and other stakeholders;
- (xi) conceive and execute resettlement as part of a development project or program;
- (xii) provide compensation and other entitlements before physical or economic displacement; and
- (xiii) monitor and assess resettlement outcomes and their impacts on the standards of living of APs/APs.

D. Policy differences between ADB Policy and FSM and Chuuk State law and gap-filling measures

62. The Chuuk State Constitution and the ADB SPS (2009) is generally similar ~~have~~ on some key policy points in compulsory acquisition of land. The constitution require that the state should negotiate a voluntary lease, sale or exchange, if possible. Instead of an involuntary taking of land even for public purpose. However, the land acquisition (leasing) law does not require preparation of a "plan" documenting the process, consultation undertaken with APs, the procedure of acquisition and compensation. Also, the Law does not cover APs without title or ownership records, such as informal settlers/squatters (non-titled APs) or people with structures or food gardens (encroachments). While the Law includes a provision for interest on compensation amounts to be paid to a claimant, the amount of the award is not free of taxes or other deductions, as required under the ADB policy. Furthermore, the legislation does not take into account the social and economic consequence of land acquisition regarding the restoration of lost income.

63. Finally, the Law does not differentiate between major and minor impacts on APs whereas ADB policy clearly identifies significant impacts as requiring specific and additional measures of mitigation, including measures to address the needs of vulnerable groups or APs. Table 4 below summarizes the differences between the Act and the ADB safeguard policy and identifies remedial measures to fill the gaps.

Table 4: Comparison of FSM and Chuuk State Law and ADB Policy and Gap-filling Measures

FSM/Chuuk State Law Provisions	ADB Safeguard Policy Requirements	Gap-filling Measures
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Require adequate consultation with affected parties.	Disclosure of project information (incl. acquisition process and compensation); Broad-based and meaningful consultation with community and APs required (incl. non-titled APs).	The RP to be disclosed on ADB's website made available for public perusal at CPUC office; Summary of RP to be made available in English and Chuukese. Adequate consultations to be conducted and documented.
Compensation does not cover taxes or other deductions.	All transaction costs associated with the acquisition to be included in compensation award, i.e., there should be no cost to APs.	Compensation to include amounts due for taxes and any other costs associated with the transfer or acquisition. No cost to APs on land acquisition.
Does not provide for compensation for structures if they are illegal or encroaching.	Compensation and other forms of assistance to be provided for non-titled APs.	All APs including non-titled will be entitled to compensation for existing structures or assets within the ROW identified before the cut-off date, but structures or assets erected in the ROW after the cut-off date will be ineligible for compensation.
Does not provide for lost income/livelihoods resulting from the acquisition of land or assets.	Livelihoods to be restored to at least pre-project conditions.	Additional measures required to ensure that APs' livelihood is restored and any impacts from loss of income are mitigated.
Does not require preparation of a plan or report setting out acquisition, compensation, or other measures.	Requires plan prepared to elaborate APs' entitlements, livelihood restoration measures, implementation arrangements, and budget.	RP to be prepared. The assessment and planning will be based on the level of significance of impacts.

E. The Project's principles and policies

64. Consistent with the ADB safeguard policy, this RP will apply to all three categories of APs: (i) persons with formal or legal rights to land lost in its entirety or in part; (ii) persons who lost the land they occupy in its entirety or in part who have no formal or legal rights to such land, but who have claims to such land that are recognized or recognizable under national laws; and (iii) persons who lost the land they occupy in its entirety or in part who have neither formal legal rights nor recognized or recognizable claims to such land.

65. The project will follow both the national laws and regulations and the ADB safeguard policy. In cases of any gap, the ADB policy will apply. The project's key resettlement principles are: (i) avoid or minimize involuntary land acquisition and resettlement through careful design; (ii) APs will receive compensation at replacement cost and/or assistance so that they will be as well-off as without the project; (iii) APs will be consulted during project cycle; (iv) absence of formal title will not be a barrier to compensation for house, structure and trees/crops and particular attention will be paid to vulnerable groups; (v) land compensation and resettlement assistance will be completed before start of civil works; and (vi) land acquisition and resettlement will be conceived as part of the project and costs related to resettlement will be included in and financed out of the project cost.

66. The project will follow eligibility and provisions in the RP for compensating all types of losses resulting from land acquisition or restriction on land use or access. APs will receive compensation at replacement value. Titled APs will receive compensation for land acquired by the project. Non-titled APs are not eligible for compensation of land but will receive compensation for assets attached to land and other assistance as required.

IV. CONSULTATION, PARTICIPATION AND DISCLOSURE

A. Stakeholders

67. There are three groups of stakeholders under this project: (i) government, (ii) affected persons (landowners) and customers (iii) civil society including NGOs and businesses in Weno. Government stakeholders include CPUC, State Government, and the Land Commission. Affected persons include landowners of the water supply and sanitation infrastructures such as water tanks and grinder stations. The customers include connected and soon-to-be connected households and business establishments. Civil society include Chuuk Women's Council and Chuuk State Chamber of Commerce.

68. Information shared with stakeholders include the proposed project design (upgrade of water supply and sanitation network and extension to connect additional households). Additional information for APs also includes the scope of works, affected land, entitlement on compensation, and grievance redress mechanism particularly whom to contact if stakeholders have any questions or complaints and how to achieve resolution to complaints.

B. Consultations held

69. During the project feasibility study, there were at least 211 people (23% women) consulted by CPUC in all 11 villages of Weno between October 2019 to July 2020. Table 5 below lists the communities consulted by the CPUC Outreach Team. Introduction of project scope, establishment of new lease or lease renewal for mostly existing structures, and discussion of questions and concerns by participants were carried out during these community consultations. **Table 6** lists the focus group discussions that were carried out with women and youth groups during project preparation. Moreover, individual consultations were carried out with landowners or their representatives between October 2019 up to the present. Lastly, a public consultation in Weno was held on 14 July 2020 to update stakeholders on latest project design and the corresponding lease requirements under the project (see Appendix 2

70.

71. LIST OF ATTENDANCE

72.).

Figure 8: CPUC Community Consultation



CPUC Management consulting with community leaders including Weno Mayor and Chiefs, and Commissioners regarding the proposed project.

Table 5: Community consultations held by CPUC

Date	Community	Participants	Male	Female
10 October 2019	Epinup Village	34	26	8
23 June 2020	Nepukos Village	12	6	6
13 December 2019	Mwan Village	24	22	2
6 December 2019	Neauo Village	23	18	5
24 October 2019	Eor, Sapuk Village	23	15	8
15 November 2019	Nemwan, Sapuk Village	22	20	2
22 November 2019	Nukanap, Sapuk Village	19	15	4
01 November 2019	Winipis, Sapuk Village	17	12	5
19 October 2019	Wichap Village	23	19	4
9 April 2020	Penisiene Village	25	20	5
14 July 2020	Weno	34	26	8
	Total	211	162	49

73. Three focus group discussions were also held by CPUC between 11 to 17 July 2020 targeting selected women and youth leaders and members. In-depth discussions were also held to validate key socioeconomic results, willingness and ability to pay, gender roles regarding water supply and sanitation, land requirements, and concerns and recommendations by participants.

Table 6: Focus group discussions

Date	Group	Participants	Male	Female
10 July 2020	Women Leaders and volunteers	6		6
11 July 2020	Youth representatives	3	3	
11 July 2020	Community representatives	2		2

74. A socioeconomic survey was conducted between 3-26 June 2020 covering about 75% of households within 11 villages of Weno (1,521 of 2030 households, 2010 Census). During the survey, the enumerators also briefed each household about the proposed project and general scope of works prior to administering the survey.

75. During the public consultations, there was a high level of support for the project from all elected leaders, chiefs, and landowner representatives from Weno. The high level of support stems from their priority to have a reliable and safe water supply and sanitation services in Weno that for a long time had been an issue in the capital of Chuuk. During the socioeconomic survey and FGDs, households have reportedly resorted to relying on multiple sources of water including rainwater and piped spring water for drinking, ground water for household use such as washing and cleaning, and although costly, buying bottled water for drinking. This is common for most households in all 11 villages on Weno.

76. As a proof of their support for the project, an Assurance Letter was signed on 2 September 2019 by all 11 village leaders of Weno including the Mayor, Deputy Mayor, Village Chiefs, and Commissioners of Weno as an evidence of their support to the project particularly in establishing a lease for the required sites (see Appendix 3

77.

78. ASSURANCE LETTER FROM WENO CHIEFS

79.).

80. During the public consultations carried out by CPUC, the following were the main points raised by participants:

- (i) interest to be involve in local employment during construction;
- (ii) how will CPUC to ensure fairness in terms of project benefits and not only to few families;
- (iii) impact to the project if the landowners do not agree with the lease;
- (iv) are households far from the road to be connected to the water supply and sanitation services;
- (v) inquiries if old water sources and tanks in the consulted villages be rehabilitated and become operational again under the project including tanks built by the Japanese during World War 2;
- (vi) delay of CPUC tanker water delivery and different water charges for households connected and not connected with power;
- (vii) adequacy of water supply for everyone;
- (viii) at least one landowner offering land to CPUC to lease under the project; and
- (ix) if compensation for works within the easement or someone's land to be provided by CPUC and availability of funding from CPUC.

81. Table 1Table 7 below provides the key discussions during the community consultations. Details are in Appendix 4

82.

83. PUBLIC CONSULTATION MINUTES DURING FEASIBILITY STUDY

84.

Table 7: Summary of community consultation minutes

Date	Site/Discussions	Comments/Questions	Response
Oct 2019- June 2020	1. Introduction of the proposed project and required land.	All participants appreciate the proposed project.	
	Epinup, Neauo and Winipis	1. Who will do the construction? Can they hire people from our village?	Construction companies and yes, people from here can apply to work. (CPUC OT)
	Mwan and Nukanap	2. Many projects in Chuuk are allocated to a very few individual families. Will the water project be fair to all people?	Yes. The project objective is to remove and replace the existing waterlines and deep wells. (CPUC OT)
	Mwan, Neauo, Sapuk inc Eor , Nemwan, Nukanap and Winipis	4. If landowners disagree, what will happen to the project?	ADB can withdraw from the project should there be disagreement with the project. However, the law can intervene to settle or move the project forward.
	Neauo, Mwan, Eor, Nemwan and Winipis	4. Will the water project also consider reactivating the spring water in our village?	Deviation of scope of works. We will take note and will share with CPUC management.

Date	Site/Discussions	Comments/Questions	Response
	Eor and Winipis	5. Why it takes a long time for CPUC truck to deliver water to our place?	CPUC is trying its best but only have 2 tankers to deliver to the whole island.
	Neauo, Eor and Winipis	6. Will the water line go as far as the houses far from the road?	Yes, with the support from the community to allow CPUC to work beyond the road, CPUC can extend the water lateral to your house.
	Eor, Nemwan, Nukanap and Winipis	7. Why the price for water tanker delivery is not the same?	The CPUC Customers with water and power account have discounted price than those without an account.
	Additional Questions from the ff. villages: 1. Epinup Village	8. Will the water supply be adequate for Epinup village?	Yes, there is adequate water to supply the village with the existing deep wells and water storage. (CPUC Outreach Team)
		9. If Wichap village do not allow waterline to cross to Epinup, then village will not be able to access water?	ADB may withdraw grants if this happens. (CPUC OT)
		10. Are there lands available for CPUC that have water source?	We are taking note of this for future consideration. (CPUC OT)
		11. There are existing Japanese built water tanks that can be repaired and used for water storage.	Response as above.
		12. Will there be dispute to excavate and work along the easement? (Mr. Satoshi)	No. As long as the works is within the right of way (ROW). (CPUC OT)
		13. I own lands in Suksou, Fanmeina, Winuun, Neinketen (Epinup Village) and Sapuk Village that CPUC can lease. (Kerementa Ermut)	We will look into this offer should CPUC need lands.
	2. Nepukos Village	14. Minutes of meeting still to be provided.	
	3. Mwan Village	15. Frequently sewer manholes near Logan Memorial Church overflows and spill onto my property. Can CPUC fix the problem?	Please call CPUC number at 330-2763 to fix it. Most likely an overflow is caused by power fluctuations and other mechanical issues affecting operations of lift stations.
		16. Any funds to lease the lands that CPUC will use for the project?	Yes, there is fund for the project but unsure of lease funds.
		17. Why some parts of Mwan at times do not get CPUC water?	Due to water loses from water lines. After the new road pavement project, the gate valves are to be replaced under the new water project.
4.	5. Nemwan, Sapuk Village	18. Why does the Million Gallon storage tank in Sapuk only supplies water to Xavier High School and not entire Sapuk Village?	Unsure about arrangement between CPUC and Xavier High School.

Date	Site/Discussions	Comments/Questions	Response
	5. Nukanap, Sapuk Village	19. If the water project will involve excavation and removal of land, then we will claim for compensation?	Will inform CPUC.
		20. If the water lines placed in our lands in Nukanap, will the water be free of charge for the residents?	No. We will install water meters. Water will not be free.
		21. if the residents of Nukanap and disagree and not allow the water project, is it going to affect the electricity provided by CPUC?	Yes, it will affect the service.
	6. Wichap Village	22. Minutes of meeting to be provided.	
	7. Penisienne Village	23. Call for support for the project by Lt. Governor John Elimo.	
	8. Weno	24. Anselmo Daniel: asking question about the land issue with the outdated rates, what are alternative options attractive to landowners?	CPUC is reviewing and looking into rates. There seems to be a 4.5% increase in GDP. CPUC is willing to go with that with additional 1% inflation—decision however must be in accordance with the law. CPUC does not pay landowners for water pipes that run underground. It only pays when there is a nuisance and when it affects value of property. (Kembo Mida, CEO, CPUC)
		25. Dr. Margarita Cholymay congratulates CPUC and encourages CPUC to continue conducting public consultation and outreach especially to the community. Also wishes for the landowners to be giving. The ADB grant is very important to Chuukese community and it's a real blessing for them.	
		26. Vice President Redley Killion wants to thank CPUC for successfully getting such important grant for developing the state infrastructure.	
		27. Will the pipes or services reach the far remote communities on top of the hill of Epinup and Wichap and other areas without access to CPUC pipes? (Vthree Raisom and Kathy Sos)	It is possible but we also need the experts in surveying and analyzing before we can answer accurately. (Kembo Mida, CEO, CPUC)

Date	Site/Discussions	Comments/Questions	Response
		28. What is the project timeline? (Johnny Meippen)	Early 2021 we expect to start but project is up until 2027. We may experience delay due to COVID 19 and with our expert team unable to reach Weno. (Kembo Mida, CEO, CPUC)
		29. Have you secured the water tanks? (Tesime Kofot)	We're in the process as we're reviewing the law for rates and meeting with all the landowners.

3. Further consultations

85. Based on the concept design, there are 14 identified sites that require renewal of lease for existing structures (4) or new lease for sites still to be identified during detailed design (8). Landowners have been initially consulted and have given indication of willingness to sign a lease with CPUC pending agreement on rate to be offered by CPUC.

86. Prior to construction, consultation and awareness activities will be continuously carried out through regular meetings organized by the project resettlement specialists. This is to ensure that the landowners and possible affected persons, businesses and organizations are aware of the proposed design and measurement of required land and compensation.

87. CPUC and its project consultants, continued to consult and work with the Land Commission during the feasibility study. These consultations facilitated access to land records of land required for leasing including confirmation of landowners, and land history including possible ownership disputes in or out of court. CPUC will be responsible for disclosure requirements to landowners prior to construction and disclosure of the updated RP on the CPUC and ADB's website.

V. GRIEVANCE REDRESS MECHANISM

A. Resolving disputes over land ownership

88. Any disputes arising over land about ownership will be settled by the disputing parties (commonly family members). If this fails, disputes may end up in court. Disputes over the award of payment of lease, if not settled amount claimants, are settled in the state court or national court.

B. Grievance redress mechanism

89. During implementation, it is possible that people may have concerns about the project's safeguards performance including implementation of any RPs. The following process will be used to address concerns quickly and transparently at subproject level based on the existing system for dispute resolution.

90. During implementation, CPUC will have a designated staff member responsible for implementing the Grievance Redress Mechanism (GRM). CPUC's Project Manager will be the focal point for assisting the contractor to receive and address project related concerns. If possible,

complaints will be resolved first by the Project Manager on-site, followed by CPUC, and then, if unresolved, escalate to responsible government authorities, as described below:

91. During the construction period, the Contractor, together with CPUC, will be a key participant in the resolution of grievances.

- (i) The AP first will discuss their complaint directly with the Contractor's representative on site, where the Contractor will record the details of the complaint in the GRM register. If the AP is not satisfied with the response, take the complaint to the subproject office or to the CPUC. Straightforward complaints will be resolved by determination of issues locally on the spot. All such issues are recorded by the subproject staff.
- (ii) If the AP is not satisfied with the outcome, the complaint is next discussed by the complainant and CPUC, assisted by the its Lands Officer, PMU's Social and Environment Safeguards Officer (SESO), and members of the Community Support Committee (CSC), to be formed under the project by CPUC's contractor. The CSC will be comprised by selected community representatives, including Church and women's groups and other leaders who have good standing in the community. The SESO will record all complaints (date, complainant, grievance, attempts to resolve the complaint and outcomes) and have a maximum of seven days to resolve the complaint and convey a decision to the AP. If the complaint of AP is dismissed, the AP will be informed of their rights in taking it to the next step.
- (iii) Should the AP not be satisfied with the decision of CPUC, depending on the nature of the complaint, the AP may take the complaint to the State Court.
- (iv) If a satisfactory conclusion cannot be obtained through this process, the AP can take the matter to the courts (Trial Division or State Supreme Court). This will be at the AP's cost, but if the court shows that the government agency has been negligent in making their determination, the AP will be able to seek costs reimbursement.

92. Through public consultations, APs will be informed that they have a right to complaint/grievance resolution. The record of the grievance redress mechanism will be the subject of monitoring.

93. During construction/implementation, the GRM Register will be held at project site office, maintained by the Contractor and monitored by the SESO. All complaints arriving at a site office are to be entered in a Register (by, date, name, contact address and the reason for the complaint) that is kept at the site. A duplicate copy of the entry is given to the AP for their record at the time of registering the complaint. The Register will show who has been directed to deal with the complaint and the date when this was made together with the date when the AP was informed of the decision and how the decision was conveyed to the AP.

94. The Register is then signed off by the person who is responsible for the decision and dated. The Register is to be kept at the front desk of the site office and is a public document. The duplicate copy given to the AP will also show the procedure that will be followed in assessing the complaint, together with a statement affirming the rights of the AP to make a complaint. For anybody making a complaint, no costs will be charged to the AP.

95. In the event of grievances related to the ownership of lands to be leased that cannot be resolved at the local level, CPUC will hold the compensation amounts in escrow or trust account (interpleader). Compensation will be paid in full upon final resolution of the case in the courts or another forum, by the entitlements of the AP.

Table 8: Procedures for resolving grievances

Step	Process	Duration
1	Affected Person (AP)/ takes the grievance to the Contractor, (if unresolved taken to CPUC)	Any time
2	Contractor/CPUC reviews issue, and in consultation with the complainant, then record a solution to the problem.	One week
3	CPUC reports back to AP and gets clearance from the complainant.	1 week
If unresolved or if at any stage and AP is not satisfied with the progress		
	AP can take the matter to appropriate state or national court (Trial Court or Supreme Court)	As per judicial system.

VI. ENTITLEMENTS, ASSISTANCE AND BENEFITS

A. Entitlements to compensation

96. All landowners are eligible for compensation under the RP for the project. Land will not be purchased thus no land title change will be required, only registration of the lease on land title or land certificate.

97. Affected people will be paid the full replacement cost/value which includes compensation based on fair market value or other transactional cost as per valuation by government and acceptance of landowners/affected persons. In this context, compensation for the lease of required land will be determined through negotiation with landowners based on the equivalent of latest market land valuation. This will be guided by the 2007 ADB land market valuation (stated as valid market rate until 2017 by Chuuk State as the baseline for the lease rate negotiation and the Chuuk State Law Act prescribing increase of government lease to be paid for land to be not more than 1% annually. Also, important considerations such as being able to offer landowners a lease amount they may consider acceptable, at the same time CPUC can afford, to secure agreement from landowners. The agreed lease amount will be from the annual budget of CPUC. The transaction costs e.g. land survey cost and consultations will be funded by the project.

98. The proposed project components are not expected to result in partial losses to structures, residences, or community assets (land or non-land) as the project will replace existing structures including water mains and sewage pipes. In instances where new structures are required e.g., Wichen River, the site is away from residential areas and the project will avoid impacting residential and productive assets such as crops and trees and to be considered during detailed design. However, if impacts to productive assets could not be avoided, the project will utilize the schedule of payments under the Department of Agriculture and Forestry. In cases of residence and other structures, this will be determined jointly by both the CPUC and the affected landowner based on replacement cost of the said structure, residence, or community asset. This will be confirmed during completion of negotiations with landowners prior to construction.

B. The Valuation process (lease amount)

99. An initial asset valuation will be undertaken by CPUC and the Project team. Before the commencement of construction works, the CPUC's lease negotiation team with support from the CWSSP safeguards and financial consultants, will calculate the proposed lease rate to be offered to the landowners. Landowners/APs will be involved in the determination of the lease amount. If the landowner/AP agrees with the offered amount, an agreement will be signed by CPUC and the landowner. The detailed measurement survey will be used as the basis for calculation during detailed design. If the landowner/AP disagrees with the offered lease amount, CPUC will again make a counteroffer to the landowners and so forth until an agreement is reached. If an agreement cannot be reached, CPUC will consider an alternative site or other options.

Table 9: Entitlement table

Impact/Type of Loss	Application	Entitled APs	Entitlement
Loss of use of land through temporary occupation by the project	Private land required during repair/rehabilitation activities	Landowners	Lease as negotiated with landowners. All temporary use of land will be through the written agreement with the landowners, and land will be returned to the landowners after rehabilitation to original or better condition.

Impact/Type of Loss	Application	Entitled APs	Entitlement
Permanent loss of residential or business land	Private land to be resumed for the project construction	Landowners, tenants, and users of land	Landowners will be provided with cash compensation at replacement cost.
Partial or total removal of minor structures (fence, etc)	Structures in ROW	Owner of structure	Replacement of minor structures affected or compensation for removed structures, i.e., fence, driveway, at replacement value without deductions for salvaged materials.
Unforeseen or unintended impacts	Any impact identified at the final design stage	Concerned affected people	Determined as per the spirit of this resettlement plan

VII. INSTITUTIONAL ARRANGEMENTS

A. Chuuk Public Utilities Corporation

100. The FSM Department of Finance and Administration (DFA) is the executing agency (EA). The CPUC will be the implementing agency and has overall responsibility to manage the Resettlement Plan. The CPUC will undertake the land surveys and will send a request to the Land Commission for ownership verification of lands prior to negotiation for a formal lease agreement. CPUC will ensure that entitlements and measures in this RP and suitable budgetary provisions are made for its timely implementation. CPUC will also coordinate with the Lands Commission and other relevant government agencies during the lease negotiation process.

101. Under the proposed project, a Project Management Unit (PMU), with the inclusion of a social safeguards' specialist, will be established in CPUC. The social safeguards specialist will be responsible for social safeguards implementation and provisions of this RP including consultation with landowners/APs and timely payment of lease and adequate compensation of damaged assets, if any. The designated CPUC Land Officer will be responsible for ensuring that entitlements and mitigation measures under the RP will be implemented on time. A land lease completion report will be submitted to ADB by CPUC for no-objection prior to the possession of the proposed sites and the start of civil works.

B. Chuuk State Land Commission

102. The CPUC Land Officer will ensure that funds for compensation and entitlements under the RP, provided by CPUC or its contractors, are fully provided to landowners/APs before the commencement of civil work activities. The Land Commission and its relevant offices will provide necessary support to CPUC in carrying out land lease activities. As this project requires only leasing of land, and not outright purchase, the Land Commission will be required to provide mainly documentation support prior to and during the lease negotiation process. CPUC, through its Land Lease Team and with support from the Land Commission, will identify lands and its landowners, participate in consultations, prepare declarations and notices as required, undertake land survey, facilitate lease negotiations and secure lease agreements for the project.

103. CPUC will undertake a census and land survey after confirmation of project detailed designs and land lease requirement. Also, following identification of required sites, CPUC will carry out consultations with landowners and a lease offer will be prepared and signed by the landowner and CPUC. During detailed design stage, the CPUC Land Officer will be responsible for documenting the process, the lease agreement including the responsibilities of each party and what compensation will be provided to the landowners for temporary loss of land during the lease

period and identify any individuals/households/businesses who are using the land, if any, and the compensation they will receive for any loss or removal of assets.

C. Project Management Unit

104. A project management unit located within CPUC will be hired by the project. The PMU will be responsible for the implementation of the provisions and monitoring of this RP. The progress in the RP implementation will be reported by the contractor to the PMU, and the PMU to CPUC, the Water Committee, government and ADB.

VIII. INCOME RESTORATION AND REHABILITATION

105. This section is not applicable as there will be no physical relocation of residential structures or productive assets. Also, there will be no title change resulting from the project as lands required by the project will be secured through negotiated lease agreement.

106. There maybe affected public utilities such as power poles, water pipes and underground communication lines. Inventory of these government assets will be undertaken by CPUC during detailed design. CPUC will also consult with FSM Telekom and FSMT Cable Corporation, the owners of the submarine cable company, to coordinate civil works upgrading activities and avoid damage to these infrastructures.

IX. RESETTLEMENT BUDGET AND FINANCING SOURCE

107. The estimated lease budget to secure lease agreement for the required lands under the upgrading project is estimated to be USD 284,614.30. This figure is a general estimate as negotiations with landowners are still required. Detailed design and land survey for the 14 required sites to be leased by the project (6 with existing structures and 8 sites to be determined during detailed design). The RP will ensure that landowners/APs are paid the fair market price, or its equivalent in Chuuk, as per the ADB Safeguards Policy Statement.

Table 10. Estimated budget

SN	Items	Quantity	Cost (USD)
A	Lease Payment		
	(I) Land (sq. m) - private		215,655.00
			5,358.00
		Sub Total (A)	221,013.00
B	(iii) Detailed Measurement Survey		Cost c/o CPUC
C	(iv) Consultations		5,000
		Sub Total (B+C)	5,000
		A+B+C	226,013
		Contingency (10%)	22,601.30
		Total	248,614.30

Note: Based on a 25-year lease arrangement by CPUC.

X. IMPLEMENTATION SCHEDULE

108. The systematic implementation of the resettlement activities, as laid out in this RP, is essential to prevent undue delays to the construction schedule. The following schedule will be updated during the detailed design stage:

Table 11: Implementation schedule

S.N.	Activities	Estimated Timing	In-Charge
1	<p>CPUC to verify landowners:</p> <ul style="list-style-type: none"> • Meet with the Land Commission; ▪ Determine if land is registered; ▪ Obtain land documents, including title or determination of ownership, or maps; ▪ Obtain previous lease agreements with government, if any. • Obtain a verification letter; <p>useful when asset sits on two plots of land;</p> <ul style="list-style-type: none"> ▪ Land management will verify landowners, lot size, and area where asset sits. • Obtain verification letter from court that there is no pending case. • Land officer will meet with landowners to discuss the potential lease. 	Ongoing	<p>CPUC Land Officer (LO)</p> <p>CPUC Legal Specialist</p> <p>International Social Safeguards Specialist (ISSS)</p>
2	<p>Consultation with landowners to negotiate lease offer.</p> <ul style="list-style-type: none"> • CPUC land officer will draft an internal valuation report for CEO's review, which includes: <ul style="list-style-type: none"> • Landowners; • Lot no and size; • Square meter of area to be leased; • Term of lease; • Indicate the zone based on Executive Order 04-2007. • Calculate the lease rate and total to be paid; • Calculate any back rent for use; • Other relevant information. 	Ongoing	<p>CPUC LO</p> <p>CPUC Legal Specialist</p> <p>ISSS</p>
3	<p>Confirmation of land requirement and leaseholders during detailed design.</p> <p><i>Note: Detailed Design- Planned to start by December 2020.</i></p>	Quarter 1-2 (2021)	<p>CPUC LO</p> <p>CPUC Legal Specialist</p> <p>SSS</p>
4	<p>Conduct of survey for required lands requiring a lease.</p>	Quarter 2 (2021)	<p>CPUC</p> <p>Detail Design Consultant</p> <p>ISSS</p>

5	<p>Prepare Valuation Report Including:</p> <p>CPUC land officer will draft an internal valuation report for CEO's review, which include:</p> <ul style="list-style-type: none"> • Landowners; • Lot no and size; • Square meter of area to be leased; • Term of lease; • Indicate the zone based on Executive Order 04-2007. • Calculate the lease rate and total to be paid; • Calculate any back rent for use; • Other relevant information. 	Quarter 2 (2021)	<p>CPUC LO</p> <p>CPUC Legal Specialist</p> <p>ISSS</p>
6	<p>Draft Lease Agreement</p> <p>After valuation report is approved, then land officer will draft the lease using a standard lease form that is translated in Chuukese.</p>	Quarters 2-3 (2021)	CPUC LO
7	<p>Meet with landowners and offer lease</p> <ul style="list-style-type: none"> • Land officer may answer questions; • Landowners generally take some time to review the lease. 	Quarters 2-3 (2021)	CPUC Land Acquisition Team
8	<p>Landowners either accept or reject offer</p> <ul style="list-style-type: none"> • If accepted, lease agreement is signed and executed; • Payment is made to landowner; • If rejected, land officer will discuss next steps with CEO; • A second offer will be made. 	Quarters 2-3 2021	CPUC Land Acquisition Team
9	Signing of lease offer.	Quarters 2-3 (2021)	CPUC LO
10	Third Party Validation of agreement	Quarters 2- 3 (2021)	Third Partly Validator
11	Payment of agreed lease amount.	Quarters 2-3 (2021)	CPUC Finance Officer
12	Registration of formal lease with Land Commission.	Quarters 3 - 4 2021	CPUC LO
13	CPUC submits the lease payment report to ADB	Quarter 4 (2021)	CPUC
	Estimated Time Frame	12 Months	
14	Commencement of civil works		

XI. MONITORING AND EVALUATION

109. The primary objective of monitoring is to identify as early as possible the activities achieved and the cause(s) of constraints so that the arrangements in the RP implementation can be adjusted. Also, to get the landowner's or Affected Person's feedback on the RP implementation and corrective actions, if required. Monitoring is essential because RP implementation is often the critical path for any project where civil works are involved due to issues of land compensation and physical or economic involuntary resettlement that may cause a delay in civil works. The early identification of the causes of delay will enable CPUC (with support from the design and supervision consultants), to prepare the mitigating measures during RP implementation.

110. All land lease related tasks will be monitored internally, and progress reported to the government and ADB on a quarterly and semi-annual basis. Monitoring will be carried out by the CPUC Lands Officer, with the assistance of the social safeguard specialist(s). Process indicators will relate to implementation outputs and deliverables. All data collected will be disaggregated by gender. These will be collected directly from the field and will be reported monthly to the PMU to assess the RP implementation progress and adjust the work plan if necessary. These reports will be consolidated in the supervision reports for ADB and submitted semi-annually.

111. Upon the completion of civil works, CPUC will prepare a post-RP implementation evaluation report that will assess both the permanent (or temporary) land acquisition and other project impacts focusing on the conditions of APs especially those who were identified as vulnerable, if applicable.

PROCESS OF CREATING AN INTERPLEADER UNDER THE CHUUUK LAW

1. There are instances where there are different claimants to a land that CPUC is interested in leasing or purchasing for their network. The creation of a fund to temporarily deposit the payment while waiting for the court's decision has been a common approach carried out by CPUC for the corporation to be able to continue with the project even though the landowner for the land they require for lease or purchase is still in dispute. Following are the steps to follow when establishing a fund or interpleader under the Chuuk law (FSM Civ. R. 22 or Chk. Civ. R. 22¹²):

A. Procedures

2. **Step 1.** Initially, CPUC would file an interpleader cause of action and name the parties to be interpleaded. This is how one court describes the process:

"Interpleader is a two-step process. During the first stage, the court must make a determination whether the party invoking the remedy of interpleader has met its burden to establish its right to interplead the defendants. If it has, the court will order the sums deposited in the court's registry and, upon deposit, will then discharge the plaintiff. The action then proceeds to its second stage. This usually consists of enjoining the parties from prosecuting any other proceeding related to the same subject matter, and then proceeding to determine the remaining parties' respective rights to the money." Bank of the FSM v. Aisek, 13 FSM R. 162, 164-65 (Chk. 2005).

3. **Step 2.** Once CPUC has met its burden to interplead, then the court will require that CPUC deposit the sum, which in this case would be the lease payment amount for the 25 years. Then the court will discharge CPUC from the case. The parties who are interpleaded will then go to trial to demonstrate why they should be entitled to the deposited sums. This includes conducting discovery and then going to trial. The court will then rule on who has the right to the sums deposited.

B. Timeframe

4. This depends on how fast the court decides with the case. Generally it can take a year or even longer. For example, there is one case where the court has held the interpleader case in abeyance because there is another case with the same parties in the state court. Once that state court appeal is finalized, then the interpleader case can move forward. It has not been at least 10 years since the interpleader was filed. That is likely an exception and most cases will be done within 1 or 2 years. Nearly impossible to put a timeline on cases that are in court.

C. Law Governing the Establishment of an Interpleader

5. **Rule 22.** This process is governed by the rules of civil procedure, which is the same rule for state and national court. The rule does not specially outline the process as you can see below.

¹² Source: CPUC Lawyer, July 2020.

"Persons having claims against the plaintiff may be joined as defendants and required to interplead when their claims are such that the plaintiff is or may be exposed to double or multiple liability. It is not ground for objection to the joinder that the claims of the several claimants or the titles on which their claims depend do not have a common origin or are not identical but are adverse to and independent of one another, or that the plaintiff avers that the plaintiff is not liable in whole or in part to any or all of the claimants. A defendant exposed to similar liability may obtain such interpleader by way of cross-claim or counter-claim. The provisions of this rule supplement and do not in any way limit the joinder of parties permitted in Rule 20."

The purpose behind the rule is to avoid "double or multiple liability."

LIST OF ATTENDANCE

Community Outreach to Epinup Village	
October 12, 2019	
Signing Sheet	
Name	Signature
1. Hago	
2. EDINE WILDA	
3. Bob	
4. Alex	
5. Martin	
6. So. Kida	
7. Jayson Moses	
8. Edmeit	
9. tataichi	
10. C. Oh. Koa	
11. Marino S. Sulu	
12. Iansano	
13. ARIUTRO	
14. Anesia Sam	
15. P4	
16. Unuchan	
17. ATOSY	
18. einin	
19. Kinison	
20. Soso Anuk	
21. J. Jay Joseph	
22. Michael	
23. Erick Paul	
24. Julian Harkman	
25. Kembemida JP	
26. Larry Goulard	
27. Albert Francis	
28. Marcello Rold	
29. Fernie Esah	
30. Francis Stanley	
31. EROCH Ruperthie	
32. Jay. Ed. Elias	
33. ESTINOIHIRO	
34. Ham Ham	
35.	

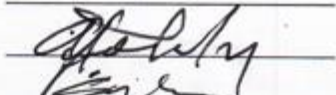
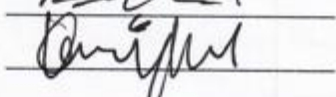
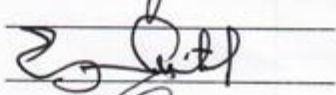

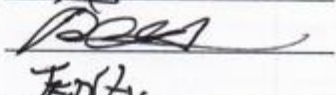
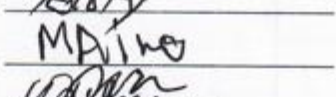
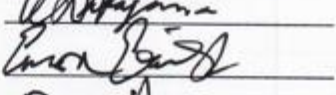
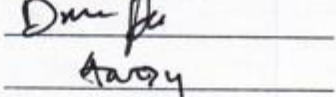
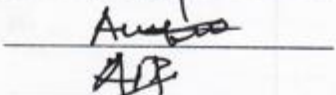
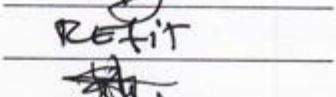
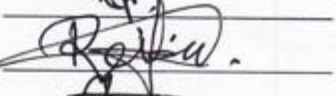
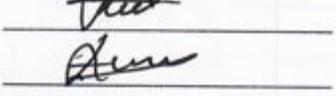
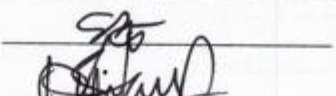
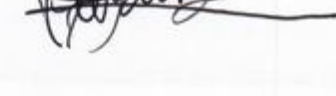



Public Consultations Participant list: Weno Nepukos Village

[illegible]

Community Outreach to Sefin MwanVillage

December 13, 2019

Signing Sheet

Name	Signature
1. <u>May Simiron</u>	
2. <u>AFTER LUDWIG</u>	
3. <u>ERAM SUTTON</u>	
4. <u>KUNJOSE SETHU</u>	
5. <u>Believe Rofit</u>	
6. <u>Egoner Gitef</u>	
7. <u>FRAS MONON</u>	
8. <u>ANSO SOALS</u>	
9. <u>REASON. SUTTON</u>	
10. <u>SELY</u>	
11. <u>MAIVO</u>	
12. <u>Whimson. N</u>	
13. <u>Enson Ernst</u>	
14. <u>D.M. HOWO</u>	
15. <u>ANDY REANK</u>	
16. <u>ANGELO MONON</u>	
17. <u>AT REANK</u>	
18. <u>RAYLANT</u>	
19. <u>Keren</u>	
20. <u>SIWINSON.</u>	
21. <u>RANKO ROENT</u>	
22. <u>ARAF ROENT</u>	
23. <u>Sidney Nakayana</u>	
(24) <u>Pau</u>	

Community Outreach to Neauo Village

December 06, 2019

Signing Sheet

Name	Signature
1. Ranny Ropi	
2. Seferino	
3. Tosimichy Toie	
4. Fapiro Titus	
5. Webster	
6. Sannova Year	
7. Larry Gubul	
8. Albert	
9. Marcella Lucy	
10. Fernie Esaa	
11. Eric Paul	
12. Bender Robert	
13. JONAS	
14. ERENSON	
15. ESTORTITUS	
16. Linda Sarau	
17. Mayle Lukun	
18. Sefeno Kann	
19. Amerino Kintaro	
20. Rifer Titus	
21. Nenica Kintaro	
22. FAPIONA Titus	
23. Jayt Titus	

Community Outreach to Eor, Sapuk Village

October 24, 2019

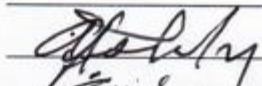
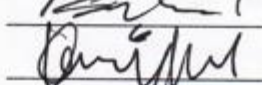

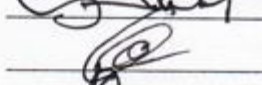

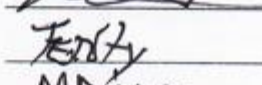
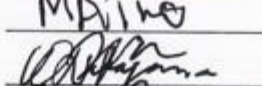
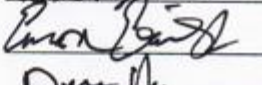
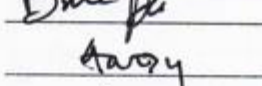
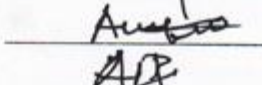
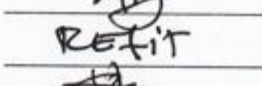

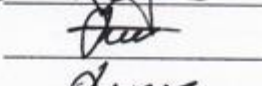
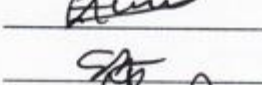
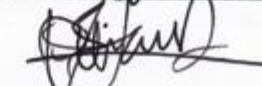




Signing Sheet

Name	Signature
1. <u>KERAI SOS</u>	
2. <u>OIMICHY. SIPA</u>	
3. <u>JAMICHY. SAM</u>	
4. <u>TERMY. SOS</u>	
5. <u>Winpuna Winior</u>	
6. <u>Gloria Jim Esah</u>	
7. <u>Junior- Sonis.</u>	
8. <u>Minok SOS</u>	
9. <u>FRONITA Roaney</u>	
10. <u>Kensen SOS</u>	<u>Kensen</u>
11. <u>Thomas Bernard</u>	<u>Thomas</u>
12. <u>Kiamichy. SOS</u>	<u>Kiamichy</u>
13. <u>Sampur Oikawa</u>	<u>Sampur</u>
14. <u>Somko Onno</u>	<u>Somko</u>
15. <u>Teresita Samuel</u>	<u>Teresita</u>
16. <u>Jenny Poeh</u>	<u>Jenny</u>
17. <u>Kironuna SOS</u>	<u>Kironuna</u>
18. <u>Kis Hano</u>	
19. <u>Angim</u>	
20. <u>Aspet Kaa</u>	
21. <u>Geos. W</u>	
22. <u>Kelos</u>	
23. <u>KIRO.N</u>	

Community Outreach to Sefin MwanVillage

December 13, 2019





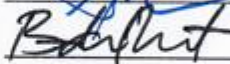

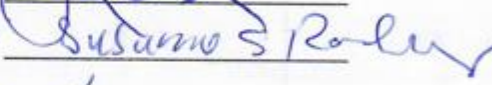
Signing Sheet

Name	Signature
1. <u>May Simiron</u>	
2. <u>AFTER LUDWIG</u>	
3. <u>EPERAM SUTTON</u>	
4. <u>KANJOSS SETHU</u>	
5. <u>Believe R. it</u>	
6. <u>Egner Cital</u>	
7. <u>FRAS MONON</u>	
8. <u>ANUSO SOKIS</u>	
9. <u>REPSON. SUTTON</u>	
10. <u>Sody</u>	
11. <u>MAIWO</u>	
12. <u>Whimson. N</u>	
13. <u>Enson Ernst</u>	
14. <u>D.M. Hono</u>	
15. <u>ANDY RANK</u>	
16. <u>ANGELO MONON</u>	
17. <u>AT RANK</u>	
18. <u>RAYLANT</u>	
19. <u>Keren</u>	
20. <u>Siwinson.</u>	
21. <u>RANKO RORANT</u>	
22. <u>ARAF RORANT</u>	
23. <u>Sidney Nakayear</u>	
<u>(24) Pau</u>	

Community Outreach to Nukanap, Sapuk Village

November 22, 2019

Signing Sheet

Name	Signature
1. James Adams	
2. Bryan Sukong	
3. Bob Lee	
4. Archie Akitekkit	
5. Nicholas	
6. Miter. Samuel	
7. Bkay Akitekkit	
8. Rufino Luke	
9. Em Ressa	
10. Junior Josoa	
11. Donny Maken	
12. Ruky. R	
13. INTIAN - J	
14. Fenne. Esaa	
15. SAVER RUDEN	
16. Berdey Robert	
17. HUDSON Tomira	
18. Larry Gombus	
19. James & Relya	 Susarno S. Relya
20. _____	
21. _____	
22. _____	
23. _____	

Community Outreach to Winipis, Sapuk Village

November 01, 2019







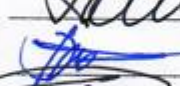


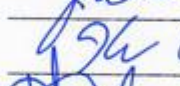



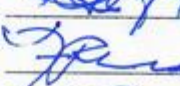

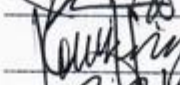
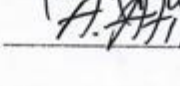




Signing Sheet

Name	Signature
1. <u>Enita Kau</u>	<u>Enita Kau</u>
2. <u>Weif Km</u>	<u>Weif Km</u>
3. <u>Nerily & Sime</u>	<u>Nerily & Sime</u>
4. <u>Dantina Kau</u>	<u>Dantina Kau</u>
5. <u>Kampe A Samuel</u>	<u>Kampe A Samuel</u>
6. <u>Okker Soap</u>	<u>Okker Soap</u>
7. <u>Tionis Kimi</u>	<u>Tionis Kimi</u>
8. <u>SO LKE</u>	<u>SO LKE</u>
9. <u>ANTASIO.R</u>	<u>ANTASIO.R</u>
10. <u>Neirne</u>	<u>Neirne</u>
11. <u>Pius</u>	<u>Pius</u>
12. <u>Rosky Emuk</u>	<u>Rosky Emuk</u>
13. <u>Terimie</u>	<u>Terimie Terimie</u>
14. <u>Bartono</u>	<u>Bartono</u>
15. <u>WERIS</u>	<u>WERIS</u>
16. <u>ONOSEER, Arthur</u>	<u>ONOSEER, Arthur</u>
17. <u>Am Arica</u>	<u>Am Arica</u>
18. _____	_____
19. _____	_____
20. _____	_____
21. _____	_____
22. _____	_____
23. _____	_____

Community Outreach to Wichap Village

October 19, 2019

Signing Sheet

Name	Signature
1. LEON LEE Yav	
2. Mino Rueloph	
3. WIDNEY NAKAYAMA	
4. Ernest, Seigun	
5. Ceper Raulito	
6. ALFANZO M	
7. Jay.O	
8. Raul - Kerat	
9. 	
10. Val Fadian	
11. Eric Paul	
12. JULIAN. HARRISON	
13. Kembo Nda	
14. Larry Goulard	
15. Anthony Klocis	
16. Dominic Romer	
17. Karato Kerat	
18. Faimein Kuu	
19. Marino Ahi	
20. ORNIN	
21. JJay Joseph	
22. Lopes H	
23. Atin On. A	

CWSSP PUBLIC CONSULTATIONS PARTICIPANTS LIST:

July 14, 2020

Date	Place/Town/Village	Name of the Person	Address	Tel/Cell No	Signature
7/14/20	Wend Penia	NICHOLAS E. OWENS	CPUC	930-2410	Nicholas E. Owens
"	Mechitiw	Angelina Roskew			Angelina Roskew
"	Sapuk	Kalvin Assilo			Kalvin Assilo
"	Penia/Pemeseue	Arisebue Daniel			Arisebue Daniel
"	Sapuk	Teferu Rain			Teferu Rain
"	Mwotomung	Kirisos Vultu			Kirisos Vultu
"	Nantaka	ROCKY T. NEK			Rocky T. Nek
"	Wend, WEND	STANLEY WILLIAM			Stanley William
"	Pemeseue, WEND	Kathy Lukas			Kathy Lukas
"	Wend Penia	Sam Sam			Sam Sam
Penia/Pemeseue	Johnny Robert	Johnny Robert			Johnny Robert
"	Pemeseue	Keswick Natus			Keswick Natus
"	Neauo	Morim Morim			Morim Morim
"	Tras	Margaret Chokymay	CPUC		Margaret Chokymay
7/14/20	UNAN	CHRISTOPHER RAY			Christopher Ray
"	Napukos	REDLEY KILLION			Redley Killion
"	"	DOUGLAS HARAN			Douglas Haran
"	Napukos	TES NAKANGANG			Tes Nakangang
"	Sapuk	Tesime Kefel			Tesime Kefel
"	Namaka Pou	Dino Alivan	CGF	930-2672	Dino Alivan
"	Mechitiw	JESSY P. WILLIAM	CSL	933-4148	Jessy P. William
"	Johnny Marapet	Johnny Marapet			Johnny Marapet
"	Pemeseue	Jennifer Theodore		933-6500	Jennifer Theodore
"	Pemeseue	Aka Akua		930-9911	Aka Akua
"	Tras	Harrie Rain			Harrie Rain
"	Sapuk	ERIC PAUL	CPUC	930-3700	Eric Paul
"	Pou/Edukahua	Seaciful Ender		933-5831	Seaciful Ender
"	Wichapi, WEND	Job ETC	PAS	933-1445	Job ETC
"	Sapuk WEND	V-Three Rayson	COM		V-Three Rayson
"		Jay Ueda	C+I	930-3832	Jay Ueda
	Myjolyne Kim		Presenter		Myjolyne Kim
	Kembo Mida, Jr.		CPUC		Kembo Mida, Jr.
		Leialoha Shirai	CPUC		Leialoha Shirai
		Christopher Etop			Christopher Etop
		Flyonna Lynn John			Flyonna Lynn John
		Charlie Rutes	CPUC		Charlie Rutes

CWSSP PUBLIC CONSULTATIONS PARTICIPANTS LIST:

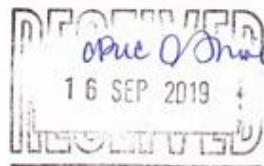
July 14, 2020

Date	Place/Town/Village	Name of the Person	Address	Tel/Cell No	Signature
7/14/20	UDOT MONONG	PETER ATEN		931-288	Peter Aten
7/14/20	BH-W Regan	John Eto		330-7700	John Eto
7/14/20	Newo	Wilfred Robert		510-2012	Wilfred Robert

ASSURANCE LETTER FROM WENO CHIEFS

September 2, 2019

Chuuk Public Utility Corporation
P.O Box 910
Weno, Chuuk State
FM 96942



Subject : Assurance Letter

To Whom It May Concern:

This letter is from the Mayor, Deputy Mayor, Village Chiefs and Commissioners of Weno Municipal government on behalf of the residents and the landowners of Weno Municipality. CPUC will undergo the "Water Improvement Project on Weno Municipality which is funded by the ADB Asian Development Bank of 18.5 Million Dollars". The project will include replacement of pipe lines on the main road, improvement of water deep wells, water reservoirs, water storage tanks and water quality and production on the main water system on the island. The intent of this letter is allow CPUC to undergo the project without any interference from the landowners on Weno Municipality.

We the undersigned Mayor, Deputy Mayor, Village Chiefs and Commissioners of Weno Municipality representing the residents and the landowners of Weno Municipality here as follows:

1. Weno Mayor Faustino Stephen
2. Weno Deputy Mayor Benedick Irons
3. Chairman of Village Chiefs, Joseph Sapong
4. Vice/Chairman, Antario Erwin
5. Mwan Village Chief Petrus Ezra
6. Mwan Commissioner, Esner Aiten
7. Nepukos Village Chief, Antario Erwin
8. Wichap Village Chief, Leon Lee Yar
9. Sangkumy Commissioner, Wilson Uri
10. Neauo Village Chief, Rony Robi
11. Epinup Village Chief, Iowane Sikari
12. Iras Village Chief, Kamino Noket
13. Mechitiw Village Chief, Sitango Dawe
14. Mechitiw Commissioner, Pency Andon
15. Tunnuk Village Chief, Pettu Silluk
16. Tunnuk Commissioner, Domeninus Perkin
17. Peniesene Village Chief, Sapong Joseph
18. Penia Village Chief, Anry Santer
19. Nemwan, Sapuk Village Chief,
Benecher Wainis
20. Eor, Sapuk Village Chief, Asaichy Onno
21. Eor, Commissioner, Kuto Nachu

22. Winipis, Sapuk Village Chief, Angi Kau
23. Winipis Commissioner, Larry Fiti
24. Nukanap, Sapuk Village Chief,
Hermes Cholymay

PUBLIC CONSULTATION MINUTES DURING FEASIBILITY STUDY

Chuuk Water Supply and Sanitation Project
Public Consultation
DATE: July 14, 2020
10am
Chuuk State Auditorium
Minutes Template for Public Consultation
Facilitator: Mori-M Mori

No.	Name of Participant/Position	Activity Question/Comment
	Mori-M Mori	Welcoming remarks
	Deacon Kirisos Victus	Opening Prayer
	Kembo Mida CEO, CPUC	<p><u>Overview of the ADB Water and Sanitation Project</u> Who: ADB Grant of \$20 million to FSM in partnership with CPUC What: To improve water and sanitation systems. Need 5 tanks to source water supply</p> <p>When: Timeline, complete socioeconomic survey, start in 2021, may experience delay with construction, land survey and others due to COVID 19 and since the borders are closed off to experts and consultants.</p> <p>We can expect to see improvements in 2022 to run water pipes from Kurassa to Sapuk and from Mwan to Epinup. Pwou area should also see water line through Tunnuk and back. Another issue we have is land issues. There will be no \$ disbursed until all lands are secured. Land lease for major tanks as well as water sources.</p> <p>CPUC needs 5 water tanks, currently we only have two. Project will not move forward with only one-two tank, not even when it has four. It has to have five tanks.</p> <p>We need to secure land and work with landowners on land rates. ADB rates are outdate, 2017 was the 10th year, CPUC is reviewing the rates for land lease and we're looking at GDP, inflation and the current books but in accordance with existing law. If landowners demand more, we may have to ask Government leadership but from experience that does not work out at all.</p> <p>We need 2 million for Wichen River/Tank Water/Treatment Tank. This water will supply Sapuk, Peniesene, Penia and TUnnuk Central Weno. Right before Mwan.</p> <p>Wichap, water tank needs to be rehabilitated and will source all of the southern area of Weno. About 2.25 million will be allocated to the tank in Wichap \$1.5 million will go to adding deep well.</p>

		<p>\$2.25 million for new pipes. \$1.35 million in laterals We will also need to rehabilitate sewer facilities which can rehabilitate 500 new homes. Septic tank can cause issues for our water system, we need to connect more homes</p> <p>We don't have enough customers, we don't bring in enough money...50% is lost, 20 million gallon each year and we lose 10 million gallons. While it can be leakages in pipes, experts would claim that's not enough to reach that amount. Most of the missing water is lost due to illegal connection.</p> <p>CPUC does not have the capacity and resources to check this out but we hope to have smart prepaid meters which will show water used in real time. For sewer, we cannot disconnect sewer connection. So if households don't pay for sewer connection, then we lose.</p>	
	Myjolyne Kim	Overview of the Household Socioeconomic Survey with key findings	
	Q&A	Anselmo Daniel: asking question about the land issue with the outdated rates, what are alternative options attractive to landowners	<p>Answer: CPUC is reviewing and looking into rates. There seems to be a 4.5 percent increase in GDP. CPUC is willing to go with that with additional 1% inflation—decision however must be in accordance with the law. CPUC does not pay landowners for water pipes that run underground. It only pays when there is a nuisance and when it affects value of your property.</p> <p>As you get farther from the port, the rate or value for land also decreases.</p>
		Dr. Margarita Cholymay congratulates CPUC and encourages CPUC to continue conducting public consultation and outreach especially to the community. Also wishes for the landowners to be giving. The ADB grant is very important to our Chuukese community and it's a real blessing for us.	
		Vice President Redley Killion wants to thank CPUC for successfully getting such important grant for developing our infrastructure. He commented that \$\$ for road infrastructure and improvement should also be considered with this water and sanitation project. But it is	

		important to have the pipes laid before the road is fixed.	
		Vthree Raisom Will the pipes or services reach the far remote communities on top of the hill of Epinup and Wichap	Answer: It is possible but we also need the experts in surveying and analyzing before we can answer accurately
		Kathy Sos Will the pipes reach certain communities who can't access the CPUC pipes	Response similar to the previous question.
		Johnny Meippen What is the timeline	Early 2021 we expect to start but project is up until 2027. We may experience delay due to COVID 19 and with our expert team unable to reach Weno.
		Tesime Kofot Have you secured the water tanks?	We're in the process as we're reviewing the law for rates and meeting with all the landowners.

Date	Location	No. of Participants	Discussions	Comments/Questions	Response
			1. Introduction of the proposed project and required land.	Common to questions:	
				1. Who will do the construction? Can they hire people from our village? (Epinup, Neauo and Winipis)	Construction companies and yes, people from here can apply to work. (CPUC OT)
				2. Many projects in Chuuk are allocated to a very few individual families. Will the water project be fair to all people? (Mwan and Nukanap)	Yes. The project objective is to remove and replace the existing waterlines and deep wells. (CPUC OT)
				3. If landowners disagree, what will the project? (Mwan, Neauo, Sapuk i Nemwan, Nukanap and Winipis)	ADB can withdraw from the project should there be disagreement with the project. However, the law can intervene to settle or move the project forward.
				4. Will the water project also consider reactivating the spring water in our village? (Neauo, Mwan, Eor, Nemwan and Winipis)	Deviation of scope of works. We will take note and will share with CPUC management.
				5. Why it takes a long time for CPUC truck to deliver water to our place? (Eor and Winipis)	CPUC is trying its best but only have 2 tankers to deliver to the whole island.
				6. Will the water line go as far as the houses far from the road? (Neauo, Eor and Winipis)	Yes, with the support from the community to allow CPUC to work beyond the road, CPUC can extend the water lateral to your house.
				7. Why the price for water tanker delivery is not the same? (Eor, Nemwan, Nukanap and Winipis)	The CPUC Customers with water and power account have discounted price than those without an account.
#####	Epinup Village	34	2. Questions and answers.	1. Will the water supply be adequate for Epinup village?	1. Yes, there is adequate water to supply the village with the existing deep wells and water storage. (CPUC Outreach Team)

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				2. If Wichap village do not allow waterline to cross to Epinup, then village will not be able to access water?	2. ADB may withdraw grants if this happens. (CPUC OT)
				3. Are there lands available for CPUC that have water source?	3. We are taking note of this for future consideration. (CPUC OT)
				4. There are existing Japanese built water tanks that can be repaired and used for water storage.	4. Response as above.
				5. Will there be dispute to excavate and work along the easement? (Mr. Satoshy)	5. No. As long as the works is within the right of way (ROW). (CPUC OT)
				7. I own lands in Suksou, Fanmeina, Winuun, Neinketen (Epinup Village) and Sapuk Village that CPUC can lease. (Kerementa Ermut)	7. We will look into this offer should CPUC need lands.
#####	Nepukos Village	12		Minutes of meeting still to be provided.	
#####	Mwan Village	24	Questions and Answers.	2. Frequently sewer manholes near Logan Memorial Church overflows and spill onto my property. Can CPUC fix the problem?	2. Please call CPUC number at 330-2763 to fix it. Most likely an overflow is caused by power fluctuations and other mechanical issues affecting operations of lift stations.
				4. Any funds to lease the lands that CPUC will use for the project?	4. Yes, there is fund for the project but unsure of lease funds.
				6. Why some parts of Mwan at times do not get CPUC water?	6. Due to water loses from water lines. After the new road pavement project, the gate valves are to be replaced under the new water project.
#####	Neauo Village	23	Question and Answers.		
#####	Eor, Sapuk Village	23	Question and Answers.		
#####	Nemwan, Sapuk Village	22	Question and Answers.	4. Why does the Million Gallon storage tank in Sapuk only supplies water to Xavier High School and not entire Sapuk Village?	4. Unsure about arrangement between CPUC and Xavier High School.

Date	Location	No. of Participants	Discussions	Comments/Questions	Response
#####	Nukanap, Sapuk Village	19	Question and Answers.	2. If the water project will involve excavation and removal of land, then we will claim for compensation?	2. Will inform CPUC.
				4. If the water lines is placed in our lands in Nukanap, will the water be free of charge for the residents?	4. No. We will install water meters. Water will not be free.
				5. if the residents of Nukanap and disagree and not allow the water project, is it going to affect the electricity provided by CPUC?	5. Yes, it will affect the service.
#####	Winipis, Sapuk Village	17	Question and Answers.		
#####	Wichap Village	23	Question and Answers.	Minutes of meeting to be provided.	
#####	Penisiene Village	25	Question and Answers.	Call for support for the project by Lt. Governor John Elimo.	
#####	Weno	34	Question and Answers.	1. Anselmo Daniel: asking question about the land issue with the outdated rates, what are alternative options attractive to landowners?	1. CPUC is reviewing and looking into rates. There seems to be a 4.5 percent increase in GDP. CPUC is willing to go with that with additional 1% inflation—decision however must be in accordance with the law. CPUC does not pay landowners for water pipes that run underground. It only pays when there is a nuisance and when it affects value of your property. (Kembo Mida, CEO, CPUC)
				2. Dr. Margarita Cholymay congratulates CPUC and encourages CPUC to continue conducting public consultation and outreach especially to the community. Also wishes for the landowners to be giving. The ADB grant is very important to our Chuukese community and it's a real blessing for us.	

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				3. Vice President Redley Killion wants to thank CPUC for successfully getting such important grant for developing our infrastructure. He commented that \$\$ for road infrastructure and improvement should also be considered with this water and sanitation project. But it is important to have the pipes laid before the road is fixed.	
				4. Will the pipes or services reach the far remote communities on top of the hill of Epinup and Wichap (Vthree Raisom)	4. It is possible but we also need the experts in surveying and analyzing before we can answer accurately. (Kembo Mida, CEO, CPUC)
				5. Will the pipes reach certain communities who can't access the CPUC pipes? (Kathy Sos)	5. Still to confirm; being studied by experts.(Kembo Mida, CEO, CPUC)
				6. What is the project timeline? (Johnny Meippen) 7. Have you secured the water tanks? (Tesime Kofot)	6. Early 2021 we expect to start but project is up until 2027. We may experience delay due to COVID 19 and with our expert team unable to reach Weno. (Kembo Mida, CEO, CPUC) 7. We're in the process as we're reviewing the law for rates and meeting with all the landowners.

SOCIOECONOMIC SURVEY

(available upon request)