Resettlement Policy Framework (RPF), October 2013

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Resettlement Policy Frame Work (RPF)  
(Updated Final)

TABLE OF CONTENTS

EXECUTIVE SUMMARY ...........................................................................................................................................I

1. INTRODUCTION .......................................................................................................................................................1

2. OBJECTIVE AND METHODOLOGY OF RPF ............................................................................................................2

3. DESCRIPTION OF THE PROJECT ROAD .............................................................................................................3

  3.1 PHYSICAL CONDITION .........................................................................................................................................3
  3.2 SOCIO ECONOMIC CONDITION ..........................................................................................................................3

4. PROJECT IMPACT .....................................................................................................................................................4

  4.1 IMPACTS ON THE SOCIO-ECONOMIC ENVIRONMENT ......................................................................................4

5. POLICY, LEGAL AND ADMINISTRATIVE FRAMEWORK ..........................................................................................6

  5.1 CONSTITUTION OF FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA .................................................................6
  5.2 FDRE LEGISLATION ON EXPROPRIATION OF LAND HOLDINGS [PROCLAMATION NO. 455/2005] .................8
  5.3 FDRE COUNCIL OF MINISTERS REGULATION [PROCLAMATION NO. 135/2007] ...........................................9
  5.4 RURAL LAND ADMINISTRATION AND LAND USE PROCLAMATION .............................................................9
  5.5 WORLD BANK POLICY ON INVOLUNTARY RESETTLEMENT [OP 4.12] ...............................................................10
  5.6 GAPS BETWEEN ETHIOPIAN LEGISLATION AND WB POLICIES .................................................................10
  5.7 WORLD BANK POLICY ON CULTURAL PROPERTY ..........................................................................................12
  5.8 WORLD BANK POLICY OP 4.10 ON INDIGENOUS PEOPLE ...........................................................................12
  5.9 ROAD SECTOR DEVELOPMENT PROGRAMME (RSDP) ......................................................................................13
  5.10 NATIONAL POLICY ON HIV/AIDS ................................................................................................................13
  5.11 ETHIOPIAN ROADS AUTHORITY POLICY FOR HIV/AIDS ........................................................................14
  5.12 PROCLAMATION ON RESEARCH AND CONSERVATION OF CULTURAL HERITAGE .........................15

6. INSTITUTIONAL AND ADMINISTRATIVE FRAMEWORK ......................................................................................16

  6.1 ETHIOPIAN ROADS AUTHORITY ......................................................................................................................16
  6.2 ERA’S RESETTLEMENT/REHABILITATION POLICY FRAMEWORK ........................................................................16
  6.3 PROCLAMATION TO ESTABLISH ENVIRONMENTAL PROTECTION AUTHORITY .....................................17

7. THE RESETTLEMENT ACTION PLAN ...................................................................................................................18

  7.1 HOUSEHOLD CENSUS AND BASELINE SOCIO - ECONOMIC SURVEY .............................................................18

8. COMMUNITY PARTICIPATION AND PUBLIC CONSULTATION ...........................................................................19

  8.1 SUMMARY OF ISSUES AND OUTCOME OF PUBLIC CONSULTATIONS ............................................................20
  8.2 SUBSEQUENT PLANS FOR PUBLIC CONSULTATION ........................................................................................23

9. VALUATION AND COMPENSATION METHODS FOR LOSS OF ASSETS ...............................................................24

  9.1 COMPENSATION PROCEDURES & APPROACH ...............................................................................................24
  9.2 INCOME RESTORATION ....................................................................................................................................25
  9.3 METHODOLOGY IN VALUING LOSSES ..............................................................................................................26
  9.4 REPLACEMENT COSTS FOR LAND, HOUSES & PUBLIC INFRASTRUCTURES ....................................................27
  9.5 BASIS FOR VALUATION .....................................................................................................................................27
  9.6 SPECIAL ATTENTION TO THE NEEDS OF VULNERABLE GROUPS .....................................................................30

10. ORGANIZATIONAL RESPONSIBILITY ..................................................................................................................33

  10.1 ORGANIZATIONS AT FEDERAL GOVERNMENT LEVEL ......................................................................................33
  10.2 REGIONAL GOVERNMENT LEVEL ....................................................................................................................34
  10.3 OROMIA AND AMHARA NATIONAL REGIONAL STATES ...................................................................................34
  10.4 REPRESENTATIVES OF PAPs AND NGOs .........................................................................................................35
LIST OF TABLES

TABLE 1: GAPS BETWEEN ETHIOPIAN LAW & WB POLICY.......................................................................................... 11
TABLE 2: REPLACEMENT COST BY TYPE OF IMPACT........................................................................................................... 27
TABLE 3: VALUATION FORMULA FOR PERENNIAL CROPS.................................................................................................. 29
TABLE 4: TYPES OF LOSSES FROM AGRICULTURAL LAND .................................................................................................. 29
TABLE 5: LIST OF INSTITUTIONS/STAKEHOLDERS AT FEDERAL GOVERNMENT LEVEL.......................................................... 33
TABLE 6: LIST OF ORGANIZATIONS RESPONSIBLE FOR THIS RAP AT REGIONAL GOVERNMENT LEVEL................................. 34
TABLE 7: ENTITLEMENT MATRIX ............................................................................................................................................. 40

LIST OF FIGURES

FIGURE 1: PROJECT LOCATION MAP ........................................................................................................................................... III

List of Associated Reports

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description of Report</th>
<th>Source</th>
<th>YEAR</th>
</tr>
</thead>
<tbody>
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<td>ESIA</td>
<td>AIC IN JV ENGINEER ZEW DIE</td>
<td>Feb-2013</td>
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<td>2</td>
<td>SIA</td>
<td>AIC IN JV ENGINEER ZEW DIE</td>
<td>May-2013</td>
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# Abbreviation/Acronym

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<th>Full Form</th>
</tr>
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<td>BP</td>
<td>Bank Procedures</td>
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<td>CSA</td>
<td>Central Statistical Authority</td>
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<td>EIA</td>
<td>Environmental &amp; Social Impact Assessment</td>
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<td>Environmental &amp; Social Management Team</td>
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<td>EEPCO</td>
<td>Ethiopian Electric Power Corporation</td>
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<td>ESAP</td>
<td>Environmental and Social Assessment Procedures</td>
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<td>Ethiopian Telecommunication Corporation</td>
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<td>ERA</td>
<td>Ethiopian Roads Authority</td>
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<td>FDRE</td>
<td>Federal Democratic Republic of Ethiopia</td>
</tr>
<tr>
<td>FGD</td>
<td>Focus Group Discussion</td>
</tr>
<tr>
<td>FHH</td>
<td>Female Headed</td>
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<tr>
<td>GCRC</td>
<td>Gross Current Replacement Cost</td>
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<td>HH</td>
<td>Household</td>
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<td>HIV/AIDS</td>
<td>Human Immuno Virus/Acquired Deficiency Syndrome</td>
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<td>HAPCO</td>
<td>HIV/AIDS Prevention and Control Office</td>
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<td>IMT</td>
<td>Intermediate means of Transport</td>
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<td>Non-Governmental Organization</td>
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<tr>
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<td>Project Affected Persons</td>
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<td>Public Information Center</td>
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<td>Road Sector Development Programme</td>
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<td>ROW</td>
<td>Right of Way</td>
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EXECUTIVE SUMMARY

This is a resettlement Policy Framework (RFP for Nekemte – Bure road project. The content of this RPF is within Ethiopia’s existing legal and administrative framework and that of the World Bank’s (WB) policy on Involuntary Resettlement Policy (OP4.12).

Involuntary resettlement is one of the major outcomes of development projects, such as, the construction of roads, where land acquisition is a mandatory process. People living within the Right of Way (ROW) may be affected in such a way that they could be forced to leave the ROW and be resettled or relocated to a new area.

Past experiences from road projects reveal that, unless adverse social impact induced by road project operations are mitigated, might lead to severe socio-economic impacts, such as, loss of income and assets, loss of farm lands, loss of trees (perennial and other types); disintegration of community and social networks and associations; disintegration of close relatives, family members, neighborhoods; and it may also create adverse impact on social values, assets; and as well as psychological and other related social problems.

In order to minimize the effect of road construction works on the local population living within the ROW of the project road, a Resettlement Action Plan (RAP) has to be prepared.

The Nekemte – Bure road starts at the outskirts of Nekemte town, which is located in the western part of Ethiopia, some 335 km from Addis Ababa. The project road connects two administrative zones located in two Regional States; namely: East Wollega and HoroGuduru Zones of Oromia National Regional State (ONRS) and West Gojam Zone of the Amhara National Regional State (ANRS). The road is currently gravel-surfaced with a total length of about 258 kms; and it traverses towns such as, Sasiga, GutoGida, GidaAyana, Kiramu and Bure.

Topographically, most sections of the road lies in flat to rolling terrain except at some sections (such as 195+00-221+000) where Mountainous to escapement topography is encountered.

In terms of impact, the project road is expected to have both positive and negative impacts in the direct Project Influence Area (PIA), as well in the indirect influence area. The potential social impacts will be quicker felt in the direct influence area. The adverse (or negative) social impacts are very minimal and could not make significant impacts that will impede the life of the local population.

The construction of the project road will improve the livelihood of the local populations that are crossed by the road project. It could also contribute to the growth and development of trade and urban centers, improvement of crop and livestock production and its marketing network. The natural resource and human resource potentials are also highly important in contributing to the development of the project area.

The RPF outlines the basic policy and legal instruments, procedures and guideline that should be adhered while preparing The Resettlement Action Plan for the project road.
Policy, Legal & Institutional Frameworks

In the policy, legal and institutional framework Federal Democratic Republic of Ethiopia (FDRE) policies and guidelines pertinent to the project are reviewed and discussed, World Bank Operational Policy and Bank Procedures on Involuntary Resettlement (OP/BP 4.12) are also discussed. Similarly, Ethiopian Roads Authority (ERA) Resettlement/Rehabilitation Policy Framework (RPF) is also reviewed and discussed.

Land in Ethiopia is a public property and that no individual person has the legal right to ownership as per the Constitution of FDRE. Since there is no private ownership of land in Ethiopia, and hence, rural or urban land could not be sold or mortgaged or transferred; citizens have only usufruct right only over land. A usufruct right gives the user of the land the right to use and the right to benefit from the fruits of her/his labor which may be crops, trees, etc. found on the land or any permanent works such as buildings etc.

Loss of farmland is one of the major impacts observed in the upgrading of the project road corridor.

Regarding expropriation of land for public use, the Federal Democratic Republic of Ethiopia (FDRE) has issued two proclamations. The first one being Proclamation No. 455/2005, which deals about the expropriation of land holdings for public purposes and payment of compensation and second on is Council of Ministers regulation No.135/2007, which details and basis on the payment of compensation for property situated on land holdings expropriated for public purposes.

The ERA has also prepared RPF for road projects which serve as a policy document for the valuation and compensation of Project Affected Persons (PAP). The RPF ensures that Project Affected Persons (PAP) will not be impoverished due to the adverse social impacts induced by road projects and that PAPs should be compensated for loss of assets at replacement cost and be assisted in case of relocation or resettlement.

The preparation of RAP for road projects and its implementation Ethiopian Roads Authority (ERA) is responsible and has the mandate. In ERA, Environmental & Social Management Team (ESMT) and Right-of-Way (ROW) Teams are directly responsible for the review, monitoring and implementation of Environmental and Social Impact Assessment (ESIA) and Resettlement Action Plan. ESMT is also in charge for the identification of adverse environmental and social impacts and its mitigation measures.

The ROW Teams of the Regional Directorate is accountable for the implementation of the expropriation/compensation operations, registration of PAPs, establishment of compensation committees, assessment and establishment of compensation rates and payment of compensation.
Figure 1: Project Location Map
1. INTRODUCTION

The objective of this Resettlement Policy Framework (RPF) is to provide guideline in the preparation of Resettlement Action Plan for Nekmete - Bure road project. The RPF reviews FDRE Government policies and legislations, World Bank policies and procedure about resettlement, valuation and compensation procedures and relocation, establishes compensation measures for losses incurred and it also establishes income restoration measures and resettlement assistance.

On the basis of the socio economic survey, the upgrading of the project road will have impacts both in the rural and urban sections due to the widening of the Right of Way and will force some households to lose their residential and business buildings and income; similarly, in rural section of the road, farmers will lose strip of their farm land for the construction works. The preparation of this RPF is based on the Federal Democratic Republic Ethiopia laws, policies and procedures pertaining to involuntary resettlement; and also that of World Bank policies and procedures (OP/BP 4.12) on involuntary resettlement.

In addition, the RPF is complemented by a Social Impact Assessment (SIA) that: assesses the socio economic environment of the project area; and identifies vulnerable groups, potential sources of social impacts; proposes measures aimed at avoiding or minimizing adverse impacts; and enhancing positive benefits. The project also conducted public consultation on the SIA and prepared Social Management and Monitoring Plans.
2. OBJECTIVE AND METHODOLOGY OF RPF

The objectives of the RPF is to minimizes the risks by avoiding displacement of people without a well-designed compensation procedures and relocation, establishes compensation measures for losses incurred and it also establishes income restoration measures and resettlement assistance.

The key objectives of the RPF are related to:

- review of the existing policies and development strategies, legal and institutional frameworks pertaining to the project;
- carry out public consultation regarding the potential social benefits accruing from the construction of the project road;
- conduct survey to identify affected properties & assets, and estimate compensation costs;
- Identification of the most appropriate social management and monitoring framework, which will ensure that reinforcement measures for the positive impacts and the mitigation of adverse social impacts are fully addressed; and
- Define the eligibility criteria for identification of Project Affected persons and entitlements.
3. DESCRIPTION OF THE PROJECT ROAD

3.1 Physical Condition

The Nekemte – Bure road starts at the outskirts of Nekemte town, which is located in the western part of Ethiopia, some 335 km from Addis Ababa. The project road connects two administrative zones located in two Regional States; namely: East Wollega and HoroGuduru Zones of Oromia National Regional State (ONRS) and West Gojam Zone of the Amhara National Regional State (ANRS). The road is currently gravel-surfaced with a total length of about 258 kms; and it traverses towns such as, Sasiga, GutoGida, GidaAyana, Kiramu and Bure.

Topographically, most sections of the road lies in flat to rolling terrain except at some sections especially in Blue Nile gorge where Mountainous to escapement topography is encountered.

The Project Road is classified as Link road B32 and its current status is gravel road with variable width between 5.5 and 7 meters. The project will be upgraded to paved road standard to Design Standard (DS4) as per ERA Geometric Design Manual.

The designated project, Nekemp-Bure Road Project, is to be financed through China EXIM Bank- World Bank Joint Financing, which includes design, construction and post-construction works through Design-Build-Maintain (D-B-M) project delivery strategy.

3.2 Socio Economic Condition

The socio-economic background of the project area is predominately rural type where majority of the population is dependent on farming.

Agriculture is the mainstay for the population in the project area. Apart from crop farming and livestock keeping, there is very small economic activity in the project influence area. The major types of agricultural crops that grow in the area include Maize, Teff, Wheat, Barley, Neug, Haricot Bean and Legumes in the highland part and sesame ‘Selit’ in the lowland area.

The economy in the project road corridor is dependent on small holder farming and livestock keeping. Farming activities are practiced by using traditional hand tools and oxen plow. Regarding food security, all the woredas traversed by the project road are surplus producer.

As mentioned above, the populations in the road corridor mainly depend on farming and allied activities. Crop farming is the main agricultural activity. Cereal crop is the major crop produced in all woredas. Cereals produced include Teff, Barely, wheat, maize, sorghum, millet; oil seeds include Niger seed, Rape seed and sesame; Pulses include Fabian and Soya bean.

The livelihood of the population in the urban sections mainly depends on small scale businesses, and employment in public and private sectors. Industrial and trade development is also at its infant stage. The town of Nekemp which is the zonal capital and being one of the major cities in western Oromia does not have major industries. It mainly depends on the service sector and small businesses.
4. PROJECT IMPACT

As it is the case for most other road construction projects, this road project will entail displacement of households from their current dwellings and loss of farmland and trees. The planning and design of the project should consider the potential socio-economic impacts and issues to avoid and/or minimize the damages to be caused. It is, therefore, important to identify the socio-economic components that are likely to be affected by the project. This would assist to propose appropriate remedial measures in advance for those factors that may have adverse impacts, and for their timely inclusion in the design of the project.

The construction of the project road will create subsequent increase and utilization of agricultural inputs and services that will result in increased production (crop and livestock) and, due to lower transport costs and improved and extended market access and opportunities, there will be higher farm gate prices for local produce.

The road corridor will face a number of negative impacts, such as, loss of productive assets, including strip of farm land & income; loss of housing; spread communicable diseases (Malaria), spread of Sexually Transmitted Disease (STD) and HIV/AIDS, growth of squatters & uncontrolled settlements, and spoil dumping on farm lands and near water points.

4.1 Impacts on the Socio-economic Environment

The implementation of the road project connecting those woredas in East Wollega zone of the Oromia Regional State and Bure Woredas of the Amhara Regional State brings substantial economic and social benefits to the localities and to the neighbouring woredas of the both regional states; as well as at national level. However, there would also be some adverse impacts posed on the socio-economic environment of those areas falling within the ROW width. The envisaged road project will entail impacts of considerable number of households from their current dwelling particularly in towns.

The land requirement for the road construction works may entail relocation of some houses located along the project road and in Right of Way. However, the project road may not require involuntary resettlement of the rural population because it will only take strips of land particularly along its rural route. Except the escarpment section of Gida Ayana woreda, Abay side of Amuru Woreda and Bure woreda all the lands close to the project road are farm lands. Therefore, acquisition of the strips of land will cause some income loss but not necessarily cause displacement since the PAPs have adequate alternative landholding elsewhere. The relocation will be mainly for PAPS in the urban areas and who may lose their houses fully. Observations at different locations of the whole stretch revealed that some parts of the following towns are going to be demolished either to keep the standard width or to accommodate the demand of town master plans.

- Anger Gutin, km 65 +000
- Burka Soruma Village, km 135 + 300
- Kiramu town section km 146 + 500
- Agamsa town entrance km 170
- Joj village km 183
- Alefa village km 248
- Bure town section

The exact location is not certain. However, it is estimated that about 1,600 persons may be impacted; more than 250 houses are expected to be demolished; and the size of farmland that will be affected due to the widening of the ROW is about 9.8 hectares. Therefore, to mitigate
any negative social impacts, a detailed Resettlement Action Plan (RAP) will be prepared, cleared and disclosed before the commencement of civil works.

Since the project is a ‘Design-Build-Maintain’, the detail survey and inventory of PAPs, assets and properties will be carried out by the responsible contractor, and all the RAP requirements will be adequately fulfilled before construction starts.

**Impacts on Public Utilities**

Disruption to public utilities would be moderate for this project as the route mainly falls within less developed rural settlements. However, in some villages along the road sides, there are utility service lines that fall within the ROW and may need relocation. Public utilities that may be affected due to the construction of the project road include overhead telecommunication and electricity poles and cables and water supply lines.

**Impact on Local Economy**

Due to the nature of the proposed project, there might be external workforce coming from neighboring woredas. This influx will not cause significant conflict between the host community and the workforce or will it trigger ethnic tension. However, it will add some pressure on limited social services like hospitals, schools, water supply etc. Further, the influx of people can create increased demand for goods and services. The price of the available commodities may increase and affect the local consumers, while on the other hand, it will benefit those who sale the goods and services. Since the intended road construction will be done mainly on the existing road, we do not expect environmental problems or deforestation, usually associated with the workforce/immigrant.

**Loss of Plots of Land**

Loss of agricultural land or grazing land can occur either temporarily or permanently. The road upgrading follows mainly an existing old road alignment and does not require significant size of new land. However, there will be alignments to connect Ayana the centre of Gida Ayana Woreda, clearing and grabbing works were already done during the site survey under Universal Rural Road Access Programme (URRAP). Land would be required in those sections where the road widths will be increased from the existing alignment. Plots of land required for this purpose would be permanently removed from use for other purposes. Substantial area of land would be required temporarily for quarry and borrow pit, for access road to the material extraction sites, for detour roads, for camps and garages including for crashers, explosives storages and for asphalt plants establishment. Loss of plot of land is expected at the proposed quarry site at km 22+800(LHS) and at km 33 +00 (100LHS).

**Loss of Houses and Property**

Loss of property, utility service lines and houses will be encountered, especially in town and village centres including Nekemte, Uke, Ayana, Kiramu, Haro, Amuru, Kucki towns and in some other villages where houses and infrastructures in the ROW have to be removed and relocated for widening of the carriage width and shoulder construction. There are patches of tree hedges along the road sides at many locations and at material sites that are expected to be affected during the construction work. Eucalyptus is the major tree to be affected near Nekemte, Ayana and in the affected towns in Bure Woreda.
5. POLICY, LEGAL AND ADMINISTRATIVE FRAMEWORK

This RPF builds on ERA’s Resettlement/Rehabilitation Policy Framework and World Bank’s policy on Involuntary Resettlement (OP/BP 4.12). The WB policy on involuntary resettlement addresses the need for the treatment of project impacts, which cannot be avoided. The WB policy objectives are either to avoid or minimize involuntary resettlement; if carried out to execute as sustainable development programme and to provide assistance to displaced persons so that they could be able to restore or improve their livelihood.

This RPF sets the policy and legal framework and institutional framework which are applicable for the project. It reviews FDRE Constitution and legislation and procedures that are pertinent to resettlement.

5.1 Constitution of Federal Democratic Republic of Ethiopia

The Constitution of FDRE is the highest policy and legal document that presents the basis for all laws and policies in the country. In Ethiopia, land ownership and expropriation is basically a constitutional issue. It is because of this that FDRE constitution is discussed in this RAP.

Land in Ethiopia is a public property & that no individual person has the legal right of ownership, and hence, rural or urban land could not be sold or mortgaged or transferred; citizens have usufruct right only over land. A usufruct right gives the user of the land the right to use and the right to benefit from the fruits of her/his labor which may be crops, trees, etc. found on the land or any permanent works such as buildings etc. According to the Constitution of Federal Democratic Republic of Ethiopia (FDRE) article 40.3, land is a public property that no individual person has the legal right of ownership. There is no private ownership of land in Ethiopia, as per FDRE constitution Article 40 (the Right to property) No.2,

“Land is a common property of the Ethiopian Nations, Nationalities and Peoples of Ethiopia and shall not be subject to sale or to other means of exchange”.

The Constitution Federal Democratic Republic of Ethiopia clearly states that the Government has the right to expropriate private property for public use subject to payment in advance of compensation commensurate to the value of the property. The FDRE Constitution (Article 40, No. 8) states that the Government has the right to expropriate private property for public purposes by providing the appropriate compensation.

FDRE Constitution lays down the basis for the property to be compensated in case of expropriation as a result of State programs or projects in both rural and urban areas. Persons who have lost their land as a result of acquisition of such land for the purpose of public projects are entitled to be compensated to a similar land plus the related costs arising from relocation; assets such as buildings, crops or fruit trees that are part of the land etc.

The law does not make any limit on the rural land use right for peasant farmers, semi pastoralists and pastoralists. If the government wants the land for public use farmers will be compensated for the property and crop on the land.

In accordance with the proclamation rural land administration and land use, agricultural land can be transferred to immediate family members, mainly to children and very close relatives. Children who lost their parents shall have the right to use rural land through legal guardians until they attain 18 years of age. A person who wants to make his living through agriculture will
have access to rural land from his parents by donation, inheritance or from the competent authority.

Women have equal right & access to rural land if they want to be engaged in agricultural activities as FDRE constitution. A land that belongs to household is registered under the name of the wife and the husband and holding entitlement now belongs to both. Hence, Article 40 No. 7 FDRE Constitution states the right of citizens to develop the land and to have immovable property and make permanent improvements. “Every Ethiopian shall have the full right to the immovable property he builds and to the permanent improvements he brings about on the land by his labour or capital. This right shall include the right to alienate, to bequeath, and, where the right use expires, to remove his property, transfer his title, or claim compensation for it. Particulars shall be determined by law”.

Article 40, No. 8 of the Constitution, states that if the land that is used by an individual is expropriated for public use, the person is entitled for compensation; “… the Government has the right to expropriate private property for public purposes subject to payment in advance of compensation commensurate to the value of property”.

Regarding displacement of the public due to development projects, the FDRE Constitution of Article 44 (Environmental Rights) No.2 states that:

“All persons who have been displaced or whose livelihoods have been adversely affected as a result of state programs have the right to commensurate monetary or alternative means of compensation, including relocation with adequate state assistance”.

Above all, the Ethiopian Constitution recognizes the presence of different socio-cultural groups, including historically disadvantaged and underserved communities, pastoralists, and minorities, as well as their rights to socioeconomic equity and justice.

Article 39 of the Ethiopian Constitution recognizes the rights of groups identified as “Nations, Nationalities and Peoples”. They are defined as “a group of people who have or share a large measure of common culture or similar customs, mutual intelligibility of language, belief in a common or related identities, a common psychological make-up, and who inhabit an identifiable, predominantly contiguous territory.” This represents some 75 out of the 80 groups who are members of the House of Federation, which is the second chamber of the Ethiopian legislature. The Constitution recognizes the rights of these Nations, Nationalities and Peoples to: self-determination, including the right to secession; speak, write and develop their own languages; express, develop and promote their cultures; preserve their history; and, self-government, which includes the right to establish institutions of government in the territory that they inhabit and equitable representation in state and Federal governments. Although, the project target communities, do not belong to the above groups, however, the implementation of this project will respect the spirit and intent of the constitution and will provide special assistance to vulnerable groups, impacted by land take and disruption of economic activities in the target communities.
5.2 FDRE Legislation on Expropriation of Land Holdings [Proclamation No. 455/2005]

The Government of FDRE has issued legislation in July 2005 for the expropriation of landholdings, which is known as “Expropriation of Land Holdings for Public Purposes and Payment of Compensation (Proclamation No. 455/2005).” The objectives of the proclamation are to minimize and mitigate the impacts due to the expropriation of landholdings for public purposes.

The proclamation clarifies and defines who has the power to expropriate landholdings either in urban or rural sections of the country. As per the proclamation, the power of expropriation of landholdings mainly rests on Woreda or urban administration authorities. Article 3 No.1 of the proclamation states that:

“A Woreda or an urban administration shall, upon payment in advance of compensation in accordance with this proclamation, have the power to expropriate rural or urban landholdings for public purpose where it believes that it should be used for a better development project to be carried out by public entities, private investors, cooperative societies or other organs, or where such expropriation has been decided by the appropriate higher regional or federal government organ for the same purpose.”

A land holder whose land has been expropriated for public use by the concerned government authorities is entitled for compensation for his property situated on the land and for the permanent improvements he made on the land.

The amount compensation to be paid for the property situated on the expropriated land will be determined or calculated on the basis of full replacement cost. For houses in urban areas, the amount of compensation will not be less than the current market value of construction.

Woreda or urban administration once received details on land acquisition for the construction works from ERA has to notify in writing to the entity (which is either an individual or an organization) to be expropriated indicating the time not less than 90 days when the land has to be vacated and the amount of compensation to be paid. The PAPs once notified will be immediately compensated for lost assets and properties prior to their relocation or vacating the land.

A rural land holder, where his land does not have any crop or other property on the expropriated land should hand over within 30 days.

The proclamation also clarifies how utility lines that are owned and provided by Federal or Regional government offices, or by a public enterprise should be treated and compensated. Utility lines could only be removed from expropriated land by payment of compensation. The project owner has the responsibility to inform the utility provider in writing by indicating the exact location of the lines that will be removed.

The utility provider is responsible in determining the amount compensation which is required for replacing the lines within 30 days of notice; and the body which requested the removal of utility line has also to pay compensation within 30 days from the date of the receipt of the valuation.

Any expropriated property; in addition to the amount of compensation payment it will also receive a provision for cost of removal, transportation and erection.
Consultancy Services for Design Review, Preparation of Concept Design and Tender Document For Nekempt – Bure Road DESIGN-BUILD- MAINTENANCE Project

Concerning displacement compensation for rural land holdings; A rural landholder whose land holding has been permanently expropriated shall, also be paid displacement compensation equivalent to ten times the average annual income he secured during the five years preceding the expropriation of the land (Part 3, article 8).

The above proclamation also states that the valuation of property shall be determined on the basis of valuation formula to be adopted at national level by the Ministry of Federal Affairs. However, until such time valuation of properties will be carried out by property valuation committees to be established both in rural and urban areas as stated in article 10 of the proclamation.

5.3 FDRE Council of Ministers Regulation [Proclamation No. 135/2007]

FDRE Council of ministers issued a regulation on July 2007, regarding the payment of compensation for property situated on land holdings expropriated for public purposes. The regulation provides the basis for compensation of affected properties and to assist the displaced or affected persons to restore their livelihood.

The regulation sets the methods for the assessment of compensation, provision of land for land replacement and payment of displacement compensation.

The methodology followed by the regulation for the assessment of compensation establishes the basis and formula for compensation that will be made for the different types of assets and categorized into ten parts.

The regulation recognizes that land replacement should be made for urban and rural lands. In rural areas if land replacement is not possible for permanently affected land, PAPs will be compensated for the affected perennial crops ten times of the annual production. For temporary impact the amount of compensation will be calculated by the number of years the land is occupied by the project.

5.4 Rural Land Administration and Land use Proclamation

FDRE has also issued proclamation on rural land administration and land use (proclamation 456/2005). The proclamation mainly states the right to hold and use of rural land, and rural land use restrictions.

As per to the proclamation; farmers and pastoralists engaged in agriculture for living shall be given land free of charge. Young people above the age of 18 who want to engage in agriculture also have the right use rural land. It also recognizes that women have the right to get and use rural land.

The legislation also recognizes that citizens who have the right to use rural land may get rural land from his family by donation, inheritance or from competent authorities. It also brings new initiatives which were not there in the past, such as, certificate of holding to be prepared by competent authority. It also recognizes transfer of lease through lease to farmers or investors of land.

In relation to compensation payment to be made for a holder in relation public works either by the Federal or Regional Governments, section two, article 7, no. 3 states that:
“Holder of rural land who is evicted for purpose of public use shall be given compensation proportional to the development he has made on the land and the property acquired or shall be given substitute land thereon. Where the rural land holder is evicted by the federal government, the rate of compensation would be determined based on the federal land administration law. Where the rural land holder is evicted by their regional governments, the rate of compensation would be determined based on the rural land administration laws of regions”.

5.5 World Bank Policy on Involuntary Resettlement [OP 4.12]

The World Bank (WB) has set a policy and procedures on involuntary resettlement (OP/BP 4.12). The policy addresses the need for the treatment of project impacts, which cannot be avoided. The policy also sets eligibility criteria, resettlement instruments and monitoring, and other provisions.

The objectives of the WB policy include:

- Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs;
- Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programmes, providing sufficient investment resources to enable persons displaced by the project to share in project benefits. Displaced should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programmes;
- Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

The World Bank Operational Policy (OP 4.12) includes safeguards to address and mitigate the involuntary resettlement of PAPs. The World Bank’s Policy objectives urge that involuntary resettlement be avoided whenever possible. If unavoidable, displaced persons need to:

- Share in project benefits;
- Participate in planning and implementation of resettlement programs, assisted and
- Be assisted in their efforts to improve their livelihoods or standard of livings or at least; to restore them, in real terms, to pre-displacement levels or levels prevailing prior to the beginning of project implementation, whichever is higher.

Specific details of WB policy are also mentioned under each relevant topic.

5.6 Gaps between Ethiopian Legislation and WB Policies

The preparation and content of this RAP is within Ethiopia’s existing legal and administrative framework and that of the World Bank’s policy on involuntary resettlement. The Ethiopian law and regulations and requirements for resettlement and rehabilitation are not fully compatible and it has some difference with that of WB.
Table 1: Gaps between Ethiopian Law & WB Policy

<table>
<thead>
<tr>
<th>Section</th>
<th>Ethiopian Law</th>
<th>World Bank Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Squatters &amp; illegal settlers</td>
<td>The Ethiopian law does not accommodate squatters and illegal settlers.</td>
<td>OP 4.12 states that squatters have equal rights for land entitlement and compensation</td>
</tr>
<tr>
<td>Assistance to tenants</td>
<td>The law does not provide any assistance for those tenants renting houses either from individuals or government. It only mentions provision of rehabilitation support to the extent possible. It does not specify what this rehabilitation support will be and how it will be provided.</td>
<td>WB policy states that tenants should be provided with rent and related supports and with income restoration measures.</td>
</tr>
<tr>
<td>Grievance redress</td>
<td>Fails to recognise that PAPs should have a voice by electing their representatives to the arbitral tribunal or being represented in the other committees.</td>
<td>WB policy recognizes that PAPs should be represented and that their grievances addressed.</td>
</tr>
<tr>
<td>Compensation payment and relocation</td>
<td>The Ethiopian law also does not make clear provisions for relocation related costs and it also does not mention about provision of social infrastructures and facilities for resettled/relocated persons in their new location.</td>
<td>PAPs should be given a number of supports including socio economic support, infrastructural and livelihood restoration measures.</td>
</tr>
<tr>
<td>Locational Advantage</td>
<td>Ethiopia’s law fails to consider the locational advantage that both business and residential houses will have on compensation estimate.</td>
<td>Compensation payment should consider all the benefits PAPs will lose by being relocated and that compensation estimates are made on the basis of replacement cost and also consider market values in relation to the locational advantage of the lost property and asset.</td>
</tr>
<tr>
<td>Involvement of NGOs and CBOs</td>
<td>The Ethiopian law also does not clearly show how NGOs, CBOs and Faith based organization can participate and contribute.</td>
<td>Cy clearly states the involvement of non state actors such as NGOs and CBOs in monitoring and providing socio economic support to displaced populations.</td>
</tr>
<tr>
<td>Public Consultation</td>
<td>Proclamation 455/2005 does not clarify or specify how and why public consultation should be carried out.</td>
<td>Bank policy states and gives high importance to public consultations and considers their views and opinion to influence the implementation of the project</td>
</tr>
<tr>
<td>Support to vulnerable groups</td>
<td>Does not have any provision to assist Vulnerable and disadvantaged groups.</td>
<td>Bank policy gives high importance that vulnerable groups should be given fair treatment and also receive support in training and rehabilitation measures.</td>
</tr>
</tbody>
</table>

Resettlement Policy Framework (RPF), October 2013

ETHIO Infra Engineering Plc
ERA commits itself to adopt OP 4.12 and BP 4.12 as working documents in the implementation of resettlement and rehabilitation of PAPs. The commitment of ERA to comply with the requirements of World Bank’s Operational Policies (OP 4.12) and Bank’s Procedures (BP 4.12) has been demonstrated, in the implementation of all other projects financed by WB and undertaken by ERA.

In case of conflicts or gaps between the Federal Democratic Republic of Ethiopia (FDRE) law and World Bank Policies, WB policies will prevail as the final and this RAP will be an international credit agreement between the Government of Ethiopia and WB.

5.7 World Bank Policy on Cultural Property

Operational Policy 4.11 of the World Bank defines Cultural Property to include both remains left by previous human inhabitants (e.g. middens, shrines) and unique natural environmental features such as canyons and waterfalls. The Bank does not support projects that will significantly damage non-replicable cultural property and assists only those projects that are sited or designated so as to prevent such damage.

5.8 World Bank Policy OP 4.10 on Indigenous People

The World Bank Operational Policy 4.10 on Indigenous people deals with the effect of development projects on indigenous community within the project areas. The Policy requires identifying adverse impacts and developing a plan to address them. The design of projects, as far as possible, should reflect the cultural preferences of the indigenous peoples or underserved communities.

According to the Policy, projects must avoid or mitigate potentially adverse effects on indigenous people whose social and economic status restricts their capacity to assert their interests and rights in land and other productive resources. The project will conduct an in-depth consultation of underserved communities when the policy is triggered at all stages of the project cycle.

The outcome of the screening undertaken by the World Bank on the proposed road project sites, indicate that the project will be carried out within an existing gravel road. The communities living along the proposed asphalt road were screened for sociocultural and biophysical characteristics to determine the potential social impacts of the project as relates to OP4.10 criteria. Overall, the World Bank observed that the majority of the community members are farmers and few are in livestock business. The communities are part of the dominate Oromia or Amhara ethnic groups in their respective regions and are predominately Amharic linguistic communities; there are no visible social discrimination in these communities. However, the project will involve land take because of the proposed road expansion/widening. Therefore, since the application of OP 4.10 in Ethiopia is project based, the OP4.10 policy is not triggered for this project because the World Bank is satisfied that the communities where the road traverse did not meet the four criteria of OP4.10 of self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; (b) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories; (c) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and (d) an indigenous language, often different from the official language of the country or region.
5.9 Road Sector Development Programme (RSDP)

In Ethiopia, road transport is the major means of transport for both passenger and freight transport. In the last 16 years, ERA has implemented four Road Sector Development Programmes (RSDP), the fourth RSDP will be completed in 2015. The first Road Sector Development Programme (RSDP) was launched in 1997 with significant support from the donor community.

RSDP is given high priority in the FDRE National Development plan, which is the Growth and Transformation Plan (GTP).

The 2010 RSDP review states that over the thirteen years of the RSDP, physical works have been undertaken on a total of 39,965 km of roads, of which 18,188 km was on federal roads and 21,777 km was on regional roads.

5.10 National Policy on HIV/AIDS

The HIV/AIDS pandemic is spreading worldwide and heating hard poor countries mainly. Sub Saharan Africa, with only 10% of the world population is having 80% of the world HIV infection and AIDS cases. Among the Sub Saharan African countries, Ethiopia stands fifth in HIV/AIDS infection.

The movement of people from place to place, either voluntarily or involuntarily contributes to the spread of HIV/AIDS. HIV/AIDS now is no more health or clinical problem only; it has now become a major social and economic problem of a country.

Having understood the magnitude of the problem as well as the huge resource needed to combat HIV/AIDS, the Ethiopian Government issued a policy, which calls for an integrated effort of multi-sectoral response to control the epidemic. The Federal Democratic Republic of Ethiopia published a Policy on HIV/AIDS in 1998. The Ethiopian Government’s HIV/AIDS policy urges communities at large, including government ministries, local governments and the civil society to assume responsibility for carrying out HIV/AIDS awareness and prevention campaigns.

The general objective of the policy is “to provide an enabling environment for the prevention and control of HIV/AIDS in the country”.

Specific Objectives

The specific objectives of the policy are stated as follows:

- To establish effective HIV/AIDS preventative and control strategies in order to curb the spread of the epidemic;
- To promote a broad multi-sectoral response to HIV/AIDS epidemic, coordination of the activities of different sectors and the mobilisation of resources for the control of the epidemic;
- To encourage government sectors, non-governmental organisations, the private sector and communities to take measures in order to alleviate the social and economic impact of HIV/AIDS;
• To promote proper institutional, home and community based health care and psychological support for people living with HIV/AIDS, orphans and surviving dependents;
• To safeguard the human rights of people living with HIV/AIDS and avoid discrimination against them;
• To promote and encourage researches and studies on HIV/AIDS and make use of the outcomes for preventative, curative and rehabilitative purposes.

In 2000, National AIDS Council was established under the Chairmanship of the FDRE President; and in 2002 HIV/AIDS Prevention and Control Office (HAPCO) was established to address the problem.

The policy introduces and outlines the large social, psychological, demographic and economic impact that HIV/AIDS will be having and introduces a number of issues relating to HIV/AIDS. These are:

• That HIV/AIDS is not only a health problem but also a developmental problem,
• That gender inequality contributes to the further spread of HIV/AIDS;
• That women, including women living with HIV/AIDS, need access to information and services regarding HIV/AIDS and to family planning provision to help them make reproductive choices and decisions;
• That the magnitude of the problem will need considerable resources and a multi-sectoral effort to control the HIV/AIDS epidemic;
• That there is a need for a holistic approach in the provision of care to people living with HIV/AIDS;
• That the human rights of people living with HIV/AIDS needs to be recognized;
• That HIV/AIDS has the potential for catastrophic impact.

5.11 Ethiopian Roads Authority Policy for HIV/AIDS

Ethiopia is one of the countries in the world that is facing HIV/AIDS pandemics, and about 6% of the population is said to be HIV/AIDS positive. The transport and construction sectors are among the most the susceptible sectors for the spread of HIV/AIDS. It is due to this that ERA has issued a policy for HIV/AIDS in the workplaces and a three-year strategic work plan for HIV/AIDS prevention and control in June 2004. The policy acknowledges that HIV/AIDS pandemic is a reality in the workplace, which may have detrimental effects on its work force. The policy is prepared with the objective of developing and implementing an effective workplace programme.

Some of the objectives of ERA’s HIV/AIDS policy are to create awareness among its employees and promote effective ways to managing HIV/AIDS, and to create supportive environment for those affected.

The principles of the policy are to ensure that employees living with HIV/AIDS have the same rights and obligations; to avoid discrimination and stigmatization of employees with HIV/AIDS to receive equal treatment; seek to minimize the social, economic and developmental consequences, provide support, counseling and educational services to infected and affected employees; establish and maintain an employee assistance programme, and ensure sustainable resources for the prevention and control.
5.12 Proclamation on Research and Conservation of Cultural Heritage

FDRE Proclamation on Research and Conservation of Cultural Heritages (No. 209/2000) provides the legal basis for the Research and Conservation of Cultural Heritage in Ethiopia. The Authority for Research and Conservation of Cultural Heritage (ARCCH) is the main authorized body that is responsible to carry out research and conservation activities on cultural heritages.

The Authority (ARCCH) is expected to carry out a scientific registration and supervision of Cultural Heritage; protect Cultural Heritage against man-made and natural disasters; enable the benefits of Cultural Heritage assist in the economic and social development of the country; and discover and study Cultural Heritage.

Among the powers and duties of the Authority are:

- Registers Cultural Heritage in cooperation with the appropriate body;
- Protects and supervises Cultural Heritage, collects information on Cultural Heritage, defines the nature and classify the standard of same;
- Gives the necessary education and advice on the content, benefit and preservation of Cultural Heritage; and
- Collects Cultural Heritage in museum and makes available same to visitors and researchers.

In the proclamation, under miscellaneous provisions, it states that, any person who holds permit to conduct construction works in a reserved area [an area declared to be containing an assemblage of immovable Cultural Heritage or an archaeological site] and who discovers Cultural Heritage in the course of construction activities shall stop construction and shall forthwith report same in writing to the Authority.
6. INSTITUTIONAL AND ADMINISTRATIVE FRAMEWORK

6.1 Ethiopian Roads Authority

The Ethiopian Roads Authority (ERA) is an autonomous Federal Government office and is accountable to the Ministry of Transport. It is re-established recently for the second time by the council of Minister’s regulation No. 247/2011. ERA is managed by a Board whose members are assigned by the Government and its day to day management is carried out by a Director General assigned by the Government.

The objectives for its reestablishment are to develop and administer roads, create conducive conditions for the coordinated development of road networks; and ensure the maintenance of standards in road construction.

The construction of roads requires land acquisition and expropriation for the ROW, Access road construction, Campsites, Quarry sites; borrow pit and other similar activities. According to the reestablishment of proclamation of ERA; it is responsible for the preparation of RAP for road projects and to initiate land acquisition and expropriation. As stated in its powers and duties ERA is responsible for the following activities that are directly related to land acquisition and many others.

- Prepare or cause the preparation of designs and feasibility, environmental and other related studies required for road works;
- Determining the extent of land required for its activities in the adjacency of roads;
- Cause the use of, free of charge, land and quarry substances required for the purpose of road works, camp, offices, storage of equipment and other related services;
- Acquire land required for road works by paying compensation for land possessors and property owners in accordance with the law;
- Take necessary measures to protect the environment whenever road works are undertaken.

Following its reestablishment, ERA has now become a regulatory body which has a number of regional offices. Its previous, organizational setup is restructured and the own force account has become an independent public enterprise agency.

6.2 ERA’s Resettlement/Rehabilitation Policy Framework

ERA’s Resettlement/Rehabilitation Policy Framework (RPF), February 2002 and revised in December 2006 contains various elements that ERA should be following regarding compensation procedures.

The RPF also clarifies the principles of reinforcement measures for the positive social impacts and mitigation measures for addressing negative social impacts induced by road projects. The Policy Framework stresses that Project Affected Persons (PAPs) should be consulted and compensated in relation to resettlement / relocation, and for loss of assets and properties that are affected due to the construction of road projects.

Regarding compensation procedures and establishing compensation rates, ERA establishes compensation committees at project area level by enlisting representatives from government offices and representatives of project affected persons (PAPs). The compensation committees
have the function of conducting the registration of affected properties and the number of PAPs and determining the compensation rates.

If a dispute arises regarding the amount of compensation to be paid to the project affected persons, recourse is available to the courts. However, aggrieved PAPs will also have a chance to make their complaints to the Right of Way (ROW) agent, the consultant and finally to the compensation committee.

ERA’s Environmental and Social Management Team (ESMT); ESMT established in January 1998 under the Planning and Programming Directorate. The major responsibilities of ESMT are setting and implementing ERA’s environmental guidelines in support of the national level requirements. The ESMT holds the capacity of advisory, co-ordination and supervision aspects that are pertinent to the road environmental impacts and implication assessment as well as co-ordination with the respective ERA regional Directorates.

The Right-of-Way Team in each Directorate organizes property valuation committee from appropriate Woreda level officials, community elders and introduces the committee with the standard methodology and procedures of valuation of properties set in the proclamation 455/2005 for affected crop and other assets.

ROW Team investigates claims and disputes arising from land acquisition; recommends acceptance or rejection of compensation claims and ensures that payments are effected as agreed with claimants or as decided by the competent authority; secures receipts and land transfers for road construction. In consultation and expert opinions or such organizations for the valuation of property or, where appropriate establishes arbitration appraisal committee for conducting negotiations with property owners or their representatives, ensures that accepted appraisal methods and techniques are followed in the valuation of property.

6.3 Proclamation to Establish Environmental Protection Authority

The Environmental Protection Authority (EPA) was established in August 1995, under Proclamation 9/1995, and is an autonomous government body reporting directly to the Council of Ministers. It has a broad mandate covering environmental matters at federal level. EPA’s proclamation sets out the main responsibilities and broad organizational structure, which includes: to establish a system for EIA of projects, policies, strategies, laws and programs and to enforce implementation of this EIA process (i.e. Review EIA reports) and the recommendations which result from it for projects that are subject to Federal licensing, execution or supervision. EPA is also responsible to provide advice and technical support to the regions on environmental matters.
7. THE RESETTLEMENT ACTION PLAN

The preparation of a Resettlement Action Plan (RAP) should adopt the following key planning concepts that are taken into account in the preparation of this RPF:

i. Checking on the availability of any resettlement and rehabilitation policy framework;
ii. Defining entitlement and eligibility of PAPs. Who is entitled for what? Who will receive compensation payment and how will these measures be carried out?
iii. Preparing the cost and budget for the implementation of RAP and clarifying how this RAP will be financed and by whom?
iv. Identifying organizations and institutions that will be responsible for its implementation;
v. Identifying the major stakeholders and partners who will be taking part in the preparation and implementation of RAP.

7.1 Household Census and Baseline Socio - Economic Survey

Household census of PAPs is one of the core components of RAP; because it is at this step that all the relevant data and information concerning the livelihood of PAPs is collected and compiled. The household census identified the current occupants of the right-of-way to avoid inflow of people for eligibility of compensation.

The baseline information and data collected on livelihoods of PAPs and affected assets and properties includes:

- Household information of PAPs: Name, age, gender, ethnicity, family size, number of dependents;
- Information on livelihood activities: Profession (or occupation);
- Information and data on the production systems and labor;
- Types of properties to be affected: Location, size and type of farmland, major crops, annual production and income; i.e. houses (residential, business); type of business to be affected; magnitude of the expected loss (total or partial of assets), and the extent of displacement, physical or economic;
- Impacts on agricultural land with the names of owners/users of the individual farmers presumably in size (m²), and croplands, trees, such as; fruit and permanent, cash crops (Coffee and Chat plants) assessed;
- Information on vulnerable groups (Female Headed Households, disabled, elderly) or persons (for whom special provision may have to be made);
- The patterns of social interaction in the affected communities, including social networks and social support systems, and how they will be affected by the project;
- Affected public utilities, infrastructure and social services to be affected by the construction works;
- Conditions squatters (illegal built houses in the ROW), if any, and number of houses (with types), locations (locality), size, status & conditions of these people, and how they are going to be treated and compensated.
8. COMMUNITY PARTICIPATION AND PUBLIC CONSULTATION

The primary purpose of public consultation is to inform and create awareness all concerned stakeholders’ and the local community about the implementation of the project and the potential impacts due to the construction and also to solicit the views of all the concerned stakeholders. Public consultation gives opportunity for the affected people to influence the project to reduce adverse impacts, maximize additional benefits, and ensure that their concerns are addressed properly. It also helps that the interest of affected persons/communities, especially the poor and vulnerable groups is taken into account.

FDRE Constitution also reaffirms the participation of the public, in policies and projects that affect their livelihood. Article 43 No.2 states that: “Nationals have the right to participate in national development and, in particular, to be consulted with respect to policies and projects affecting their community”.

Public consultations were undertaken in different towns and kebeles that are located in Oromia and Amhara Regional States. In some locations public consultations were held more than one time. Public consultations were held through meetings with the general public, Focus Group Discussions and Key Informant Interviews. Public consultations were carried out in most localities that are crossed by the project road during Feasibility stage (Route selection), Environmental and Social Impact Assessment and preparation of Resettlement Action Plan. In the project road corridor, public and stakeholders’ consultation was carried out through formal meetings held with woreda and kebele officials, sector office heads in each of the woredas, focused group discussions, and also through informal meetings held with different sections of the community.

Public and Stakeholders’ consultation was also conducted to increase the participation of all the stakeholders, including people residing in the project area, local government officials, Kebele administrations and Woreda experts and professionals from every sector and in almost all locations where the road traverses. Stakeholders’ consultation was held with the objective of influencing the identified stakeholders in each key stage of the study of the project road, and that concerns of stakeholders are reflected in the road design and construction works. The consultation was held in every woreda capital located in the project area.

The RPF has been consulted upon, with the different groups of public and private organizations, community groups and individuals who participated in the public and stakeholders consultations include:

- Elders and informal leaders;
- Woreda Administration and Sector Offices;
- Kebele Administrations (rural and Urban);
- School Teachers, Health Workers and Agricultural Development Agents;
- Business men (Hotel and Restaurant owners, Transporters, Traders, etc).
8.1 Summary of issues and outcome of Public consultations

Public consultation meetings were held in the following woredas both in rural kebels and town sections both with the public and woreda authorities;

a) Nekempt town,
   b) Sasiga woreda,
   c) Guto Gida woreda,
   d) Gida Ayana worede,
   e) Kiramu woreda,
   f) Amuru woreda and
   g) Bure woreda.

At the first instance, in most of the meetings, the participants underlined that the upgrading of the road is overdue and that it is long time question of the community. Since the upgrading of the road is highly important and critical for the development of the project area, the public have been demanding for its upgrading for many years and requested both local and regional authorities at different occasions for its implementation.

The community and the respective woreda administrations showed willingness to cooperate in administering and handling the compensation and resettlement issues for the affected group, in spite of all the adverse impacts (dislocation of houses and people, damages to properties in the right of way). Regarding social concerns, the community has weighed both positive and adverse consequences of the project and gave their opinions freely.

Although the consultations were held in different localities, very similar opinions were expressed with regard to the points of discussion mentioned above. Accordingly all residents of the towns, farmers, community elders and woreda/town/Kebele administrative personnel agreed on the following major points:

- All the participants of the consultations expressed that the construction of the road has of paramount importance for the development and wellbeing of the society in terms of economic, social, cultural and political values. They are all eagerly waiting for the implementation of the project as the road construction will improve their current persisting socio-economic problems such as lack of access to health services, educational facilities, poor connectivity with other regions/towns thereby decreasing the earnings of the society as a result of lack of ease of access to market to sell their agricultural products;
- All the participants also agreed that compensations have to be paid for all people whose properties (including but not limited to buildings, housings, farm lands, grazing lands, tree plantations, etc) will be demolished due to construction of the road as per the national law;
- It was also agreed that no one is going to exercise/carry out any development activities such as construction of houses, tree planting and farming inside the ROW limit or within the premise of 15 – 25 meters from the centre of the road along both sides of the road and/or on the envisaged width of the Master Plan of town sections. Municipalities have also agreed and promised to maintain the ROW limit and monitor that no construction activities are carried out inside the ROW;
The participants expressed that they are all committed to work towards the implementation of the mitigation measures for the potential economic, social and environmental impacts of the project with the contractors/consultant(s);

All participants of the meetings requested that the road width at the town sections must be to the standard in order to avoid accidents and for future development and growth of the towns.

**Public consultation at different locations**

### Issues raised by participants from Gida Ayana woreda

During the consultation held in Gida Ayana and other villages and town in the woreda, the elders remembered the establishment year of the woreda which was 1813 i.e. earlier than the establishment of Addis Ababa. They also regrettfully mentioned that Gida Ayana town is not considered as one of the control points. The public of Gida Ayana have been requesting and demanding for the construction of the road since the last 40 and more years since the time of Emperor Haile Selassie’s Government.

The public have stressed the importance of the road connecting the town of Gida Ayana and insisted that the project could not be considered as it has achieved its objective if it fails traversing the town of Ayana. The participant also confirmed the best option for the section is diverting from the existing road at Gendo (Gida Gudina kebele), then cross through Ayana joining the existing road at Ejere (Ejere Kebele). The other request made by the public was to make the design of the road in the town section a double carriage way, having pedestrian walk way and parking lanes.
Issues raised by participants from Kiramu wereda

Kiramu wereda participants also requested ERA to provide double lane, walkway and parking lane. They have mentioned as Kiramu does not have master plan so far that their request should not be undermined or overlooked due to the absence of the master plan. Other issue raised during the consultation and in particular to Kiramu was the problem of large gullies that are located in the outskirt of the town. They are worried that the construction of the road might aggravate and worsen the existing condition of the gullies. To minimize the problem and the risk that might be caused due to the gully, the public have proposed that the contractor to use it as spoil disposal site by having made proper treatment after leveling.

Issues raised by participants from Amuru woreda

Consultation in Amuru woreda on other hand gave high weight to the problem of transportation. People and commodity have been transported together due to absence of the transportation. Due to absence of public transport service in the area people are forced to use trucks for public transport. It is common to see medium sized trucks which has loading capacity of 35 quintals (or 3.5 Tones) carrying each time about 200 people to be transported. Some of the participants of the consultation meeting complained that they have been indirectly denied their constitutional right of ownership of property like a vehicle while having the capacity to do it. They mentioned absence of road as a cause for poor living standard in the rural area contrary to their high agricultural production and productivity.

There are large numbers of investors in the woredas traversed by the road. But it is reported that some of the investors were discouraged by the poor road condition which will have its own impact on the local job opportunity and economic development.

Participants have thanked ERA for pre-informing them concerning the adverse social impacts of the project. The local administrations promised to avail replacement land for the land loss, for the house loss and for business house loss provided that ERA is ready and willing to pay compensation for properties and assets that will be affected due to the construction works. They also positively responded not to carry out any activity within the ROW after this consultation.

Issues raised by participants from Sasiga woreda

Since the existing road is muddy and slippery during the rainy season it takes longer time to transport goods and passengers to the different destinations. Similarly, during the dry season the road is dusty and it creates inconvenience to drivers and the local people. Due high dust problem there were incidence of respiratory diseases in the villages and towns crossed by the road. Indeed, there were incidences of accidents created by invisibility due to the dust. According to the consultations held with the three influenced kebeles in Sasiga woreda (Tokuma Tsega, Beraso Jarso and Anbelta) health diseases like asthmatics, respiratory diseases, eye diseases) and accidents due to dust was raised similarly. Lack of transportation is one of the impacts due to car owner apprehension of breakdown which leads to high cost of spare parts.
8.2 Subsequent Plans for public consultation

Subsequent public consultations with PAPs and the community will be carried out during construction works and after completion of the road construction works. ERA’s ROW Agent and the Sociologist that will be employed by the supervision consultant will conduct public consultations with PAPs during the construction phase to monitor the implementation of this RAP, the procedures for compensation payment and income restoration measures as planned. If there are complaints and inappropriate measures taken either by the committee or contractor, both ERA’s Row Agent and the supervising Sociologist will inform the responsible authorities and insist that the implementation of the RAP is carried out as planned.
9. VALUATION AND COMPENSATION METHODS FOR LOSS OF ASSETS

9.1 Compensation Procedures & Approach

The strategy adopted for compensation of the affected properties / assets follows the Federal Government and Regional Government laws and regulations. In addition to the FDRE & Regional Governments laws and regulations, ERA’s RPF and WB policies and other supplementary guidelines are adopted in the process setting procedures for compensation payment.

The compensation procedures and approach in this RAP will adopt the following three steps.

1) Establishment of Property valuation committees: Property valuation committees will be established both in rural and urban areas that are traversed by the project road. The composition and number of the committee members will be as per FDRE law. The property valuation committee for rural and urban areas will be different. The property valuation committees will provide PAPs with adequate valuation of affected properties and assets and estimates the compensation for the assets they will be losing; proper valuation will be undertaken by the valuation committee & reviewed by the resettlement/compensation committee.

2) Assessment of properties & assets: All properties & assets affected by the project will be assessed at a full replacement cost, which is based on the present value of replacement.

3) Establishing unit rates: Unit rates will be established for each of the expropriated assets and properties by the project. The unit rates will be established for each of the affected properties and assets that are expropriated due to the construction works of the road on the basis of the current market value.

The compensation procedure and approach will be determined on the willingness and readiness of owners of a resource to give up their rights.

Compensation payment to PAPs will be effected after the property valuation committee makes the final estimate of compensation payable for the affected properties at a full replacement cost and reviewed by the Resettlement committee and finally approved by ERA’s Western Region Directorate.

Payment to affected properties and assets will be effected before the commencement of the road construction works. The payment procedures and mechanisms to be adopted will be simple and easily understandable to PAPs also.

Compensation payment will address the following four questions:

• What to compensate for (e.g. land, structures, businesses, fixed improvements or temporary impacts, lost income);
• How to compensate;
• When to compensate; and
• Amount to be compensated.

Compensation for land structures, business, fixed improvements and other temporary impacts are based on among other things on market valuation, production & productivity valuation,
negotiated settlements, material and labour valuation, disposition of salvage materials and other fees paid. If relocation of business becomes necessary, access to customers and suppliers should be assured. In addition, workers losing employment in the process of relocating should be entitled to transitional income support. The compensation approach will be determined on the willingness and readiness of owners of a resource to give up their rights.

Compensation for temporary impacts will be calculated on the basis of the criterion/principles:

- Compensation equivalent to lost income required for the duration of impact;
- Compensation equivalent to lost income required for loss of access; and
- Physical restoration of assets (or access).

In addition, PAPs will be entitled to transitional assistance which include moving expenses, temporary residence (if necessary), employment training and income support while awaiting employment and should have an option for full replacement cost if duration of impact is to exceed two years. In preparing the valuation average costs will have to be assumed. It should be noted that costs of construction vary from one locality to the other.

PAPs that do not have license or legal permit and even squatters will be eligible for compensation payment. According to WB policies that lack of license or permit will not be a bar to compensation. Because, even squatters have construction costs relative to design, materials employed, workmanship and final finish.

9.2 Income Restoration

Income restoration refers to reestablishment of income levels for the PAPs prevalent at the time of displacement. Income restoration is an important component for the resettlement of PAPs who have lost their productive base, businesses, jobs, or other income sources, regardless of whether they have also lost their houses.

In income restoration, issues such as, source of livelihood (monetary and non monetary), availability of land for replacement, existing skills of PAPs, employment opportunities and other income restoration options will be provided.

The strategy for PAPs who have lost their assets and properties, income restoration plans or programmes may require support and services in the long and short term basis.

The short term strategy will be to provide support plans which will include compensation payment made for lost assets and properties before relocation, allowances for transportation and moving agricultural extension and other related supports until the income level of PAPs is restored. This short term support also involves provision of employment opportunities at project construction site.

Long-term income strategy for income restoration involves land and non-land-based economic activities that will provide a sustained source of income over a longer period of time and to enable income restoration, or better still, improvements in PAPs standard of living.

PAPs may also need to receive skill training, employment opportunities to restore their livelihood. Tailor made skill training programmes could be planned and implemented on the need and interest of PAPs. During implementation of the RAP social development plans, such as skill training associated with credit services could be provided to PAPs in order to establish
themselves. ERA needs to work closely with micro finance institutions and micro enterprise development organizations; and NGOs working in such activities.

The changes brought to the livelihood of PAPs after the training and employment opportunities and other supports provided to them by the project office has to be monitored regularly. PAPs whose farmland is located within the ROW and permanently and temporarily lost for the construction works of the project road will receive monetary compensation at full replacement cost.

PAPs losing trees (fruit and non-fruit bearing) will also receive monetary compensation, however, the foregone benefits and loss of income from the trees need to be determined and calculated accordingly. It has to be recognized that fruit trees provide regular income and are major sources of household income in the project area.

9.3 Methodology in valuing losses

There are three commonly known methods of valuing assets and properties, namely, income based approach, replacement cost a market data or comparable sales approach. However, in this RAP, the methodology for valuing assets will be based on at Full Replacement Cost. Full Replacement Cost is one method of valuation of property and that determines the amount of replacement through compensation.

The concept of Full Replacement Cost is based on the premise that the costs of replacing productive assets that have been damaged because of construction of the project road or improper on-site management. These costs are taken as a minimum estimate of the value of measures that will reduce the damage or improve on-site management practices and thereby prevent damage.

The replacement cost approach involves:

- Direct replacement of expropriated assets and covers an amount that is sufficient for asset replacement;
- Net depreciation;
- Moving expenses; and
- Other transaction costs.

World Bank’s OP 4.12 defines replacement cost, “method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transition costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account.”

In Places where markets are not well organized or thin, replacement of assets may be scarce, or loss of human or social capital might also be debilitating there is a need to establish supplemental income strategies.

With regard to land and structures, replacement cost is defined as shown in the following table for the different land use type, such as, agriculture, urban and rural land.
9.4 Replacement Costs for Land, Houses & Public Infrastructures

Table 2: Replacement cost by type of impact

<table>
<thead>
<tr>
<th>No.</th>
<th>Agricultural Land</th>
<th>For Public Infrastructure</th>
<th>For Houses</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>It is the pre-project or</td>
<td>It is the pre-project or pre-displacement, whichever is higher</td>
<td>It is the market cost of the materials to build a replacement structure</td>
</tr>
<tr>
<td></td>
<td>pre-displacement, whichever is higher</td>
<td>with similar or improved public infrastructure facilities and services and located in the vicinity of the affected area</td>
<td>(house) with an area and quality similar to or better than the affected house, or to repair a partially affected house</td>
</tr>
<tr>
<td>II.</td>
<td>Market value of land of</td>
<td>The cost of any registration and transfer taxes</td>
<td>The cost of transporting building materials to the construction site</td>
</tr>
<tr>
<td></td>
<td>equal productive potential or use located in the vicinity of the affected land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>III.</td>
<td>The cost of land preparation to levels similar to those of the affected land</td>
<td>The cost of transporting building materials to the construction site</td>
<td>The cost of any labour and contractors’ fees</td>
</tr>
<tr>
<td>IV.</td>
<td>The cost of any registration and transfer taxes</td>
<td>The cost of any labour and contractors’ fees</td>
<td>The cost of any registration and transfer taxes</td>
</tr>
</tbody>
</table>

9.5 Basis for Valuation

The basis for the valuation of affected assets and properties is Gross Current Replacement Cost (GCRC). ERA’s RPF defines Gross Current Replacement Cost as ‘the estimated cost of erecting a building as new having the same gross external area as that existing with the site works and services on a similar piece of land’. The valuation process will also consider the use of “compensation value” for affected properties.

The valuation of affected assets and properties will be carried out by experienced and skilled valuers. According to Proclamation 455/2005, “The valuation of property situated on land to be expropriated shall be carried out by certified private or public institutions or individual consultants on the basis of valuation formula adopted at the national level.”

In order to provide PAPs with adequate compensation for assets & properties they will be losing, proper valuation will be undertaken by the valuation committee & reviewed by the resettlement/compensation committee. The valuation committee, in close consultation with PAPs and in collaboration with woreda administration will prepare the unit rates for the affected assets to be determined on the basis of market value.

Valuation for Loss of Houses

Compensation procedures for loss of houses are established in consultation between the ERA and Resettlement / Implementation committees established at Woreda level. The ROW Team executes the expropriation/compensation procedures in concert with the ERA’s Western Region Directorate.

In determining replacement cost for loss of houses, the following points are considered:

- Current construction cost and no allowance for depreciation is considered;
- Depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset;
The unit rate (or bill of quantity) is estimated on the basis of the type of the affected houses. The cost of each house that would be replaced is estimated on the basis of specification and bill of quantities prepared by the municipalities of each town and verified by the valuation committee and PAPs; Irrespective of the location of the area, the unit costs for the similar types of houses are taken to be identical;

- Estimate the disturbance allowance. The disturbance allowance is considered to cover the loss of established businesses, and include social disruptions and inconveniences. Disturbance allowance will be used by PAPs to cover expenses associated with relocation including access to social and public services.

The compensation payment for houses, fences and other structures affected by the project as described above shall take place at full replacement cost. The project affected households and institutions that would be relocated from their current location will receive compensation equivalent to the location advantage they might lose due to the project.

PAPs losing part of their housing plot that is located either in rural or urban areas will be allowed to retain the remaining portion of the plot to construct new houses and as long as it is located outside of the ROW.

The formula adopted as per proclamation 135/2007 shows;

- Cost of construction (current value);
- Cost of permanent improvement on land;
- Amount of refundable money for the remaining term of lease contract.

**Valuation for permanent Loss of Agricultural Land / Crop Loss**

The principle for permanent loss of agricultural land/crop loss/ is that it should be compensated with land for land compensation (or land for land replacement) in those areas where land is available for replacement. In the extent at which the agricultural land lost cannot be replaced, the principles for monetary compensation will apply.

Cash compensation is paid for loss of crops and trees found on permanently; and also for temporarily lost agricultural land and acquired for the construction of the project road. The compensation rates for loss of trees and crops from lost agricultural land are established by the woreda agriculture and rural development offices. The cost estimate for compensation payment is based woreda agriculture office production and yield estimate and market price data collected for five years. To compensate the forgone benefit and income from agricultural land, cash compensation is the only option.

The unit rates for loss of trees and crops from lost agricultural land will be prepared by the valuation committees and submitted for approval to the Resettlement / implementation committees.

The formula for calculating compensation for crops, unripe and ripe perennial crops will follow as presented in the following table.
Table 3: Valuation formula for perennial crops

<table>
<thead>
<tr>
<th>Crops</th>
<th>Ripe perennial crops</th>
<th>Unripe perennial crops</th>
</tr>
</thead>
<tbody>
<tr>
<td>The total area of the land in m²</td>
<td>Annual yield in kg</td>
<td>No. of plants (legs)</td>
</tr>
<tr>
<td>Value of the crops per kg</td>
<td>Current price of the produce</td>
<td>Cost incurred to grow an individual plat</td>
</tr>
<tr>
<td>The amount of crops to be obtained per m²</td>
<td>Cost of permanent improvement on land</td>
<td>Cost of permanent improvement on land</td>
</tr>
<tr>
<td>Cost of permanent improvement of land</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A PAP whose agricultural land is expropriated for the project road will be compensated as per proclamation No. 455/2005, which provides displacement compensation for rural landholders whose lands expropriated permanently that amounts ten times the average annual income secured during the five years preceding the expropriation.

Table 4: Types of Losses from Agricultural Land

<table>
<thead>
<tr>
<th>No.</th>
<th>Category of Losses</th>
<th>Type of Losses</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Permanent and Temporary loss of land</td>
<td>Farmland (annual &amp; perennial crops)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Land planted with Timber Trees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Housing plot and compound</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Business premises plot</td>
</tr>
<tr>
<td>B</td>
<td>Income sources and livelihood</td>
<td>Income from standing crops</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Income from share cropping</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Income from affected business</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Income from perennial crops</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Income from trees</td>
</tr>
<tr>
<td>C</td>
<td>Public utilities</td>
<td>Loss of Electricity and Telephone poles</td>
</tr>
<tr>
<td>D</td>
<td>Environment related</td>
<td>Environmental impacts that will result due to construction activities / works</td>
</tr>
</tbody>
</table>

FDRE Proclamation 455/2005, Article 8 (displacement Compensation) No. 1 states that; “A rural landholder whose landholding has been permanently expropriated shall, in addition to the compensation payable under article 7 of this proclamation, be paid displacement compensation which shall be equivalent to ten times the average annual income he secured during the five years preceding the expropriation of the land”

The principle of compensation also follows that of income restoration of PAPs. According to the five year average crop budget and gross income is calculated and the proportion of income equivalent to land loss is determined. To compensate the forgone benefit and income from agricultural land, cash compensation is the only option. In the case of fruit trees, the calculation will take into account a major interruption of the income series after a tree has reached its economic limit of life and a new tree planted instead will have reached its fruit bearing age.

Valuation for Temporary Dispossession of Agricultural Land

The valuation methodology for the amount of crop loss from temporarily affected agricultural land will be identified;
Consultancy Services for Design Review, Preparation of Concept Design and
Tender Document For Nekempt – Bure Road DESIGN-BUILD- MAINTENANCE Project
Ethiopian Roads Authority

- Average price per crop type (five year average price for total loss);
- Land type (irrigated and non irrigated) and size for each type of crop;
- Average production per hectare;
- Number of farming season (or production season).

The average net income earned from one hectare of land will be calculated according to a farm
budget by using local market prices. Taking into account the nature of the project, the extent of
land expropriation is unlikely that there will be anything other than a low level of (partial) impact
as far as agricultural landholders and the overall project are concerned.

Agricultural land valuation will consider the five year average annual income from the land and
calculate the ten-year gross income. According to proclamation 455/2005, compensation for
lost income is based on the average annual income secured during the five years preceding
the expropriation of the land.

**Valuation for Public Utility Lines**

Public utilities that will be affected due to the construction of the road project include telephone
and electricity poles.

ERA will be responsible to notify the appropriate authorities of the relevant dates, and request
completion of relocation works before the commencement of the construction works. The
relocation of the affected public properties is normally carried out by the service providers upon
payment of relocation cost and needs to be completed prior to commencement of the works.

**9.6 Special Attention to the Needs of Vulnerable Groups**

The RPF provides special attention to the needs of vulnerable groups among the PAPs,
especially poorer households, including the landless, elderly and disabled, women and
children, vulnerable groups and ethnic minorities, and other historically disadvantaged.

If community members elect to voluntarily donate land/assets without compensation, they must
be fully informed about the project and its grievance redress arrangements ahead of the
agreement, and it must be documented that this act is performed freely and voluntarily, without
any coercion.

Although the exact number and locations of the projects are unknown, the following categories
of PAPs will be used in identifying the groups of PAPs for the purposes of determining impacts:

**Project affected persons (PAPs):** are individuals whose assets may be lost, including land,
property, other assets, and/or whose access to natural and/or economic resources is reduced
as a result of activities related to sub-project(s).

**Project affected households:** are groups of PAPs in one household and where one or more of
its members are directly affected by the project. These include members like the head of
household, male, and female members, dependent relatives, tenants, etc.

**Underserved and Vulnerable groups of people:** These groups are tied to their traditional or
customary lands and natural resources, but these lands might not be under legal ownership
pursuant to national law. Therefore, land-take might impact them seriously, and the project will
avoid, and if not feasible, will document land take and use with the PAPs. They will be
informed of their rights under national laws, including any national laws recognizing customary rights or use and the project will offer them adequate compensation as stated in the entitlement matrix together with culturally appropriate development opportunities. Further, from these households the project will separately identify the vulnerable members, such as those who are too old or too ill; children; those living with HIV/AIDS; women; unemployed youth; minority ethnic groups, if any, etc. Households headed by women that depend on sons, brothers, and others for support is especially vulnerable. Similarly, households with elderly or seriously ill persons are eligible for additional support. The outcome of the Social Impact Assessment indicates that the following issues are of concern to various the project beneficiary communities and would affect them differently:

- Physical displacement (land take and economic displacement)
- More effective consultation, access to information, particularly on project activities and benefits;
- Loss of common property resources (access to farming, grazing land and water; resources, etc)

The PAPs to be impacted by any land take are likely to be non-homogenous groups; the risks highlighted in this RPF differentially affect various categories of people. Therefore, avoidance is the first response to risks that should be considered. Recognizing risks upfront and their financial implications is often a powerful stimulus to search for an alternative that eliminate the need for displacement or cuts down its size. This is technically possible in this project. Therefore, during implementation of the project, the findings of the social impact assessment will be operationalized to identify the areas or sites where resettlement, due to land acquisition or restriction of access to resources, is likely to have impact. At that stage, if it is unavoidable, OP 4.12 calls for the preparation of separate stand-alone Resettlement Action Plans (RAPs) consistent with the guidelines provided in this RPF. The following procedural guidelines will apply when it is determined that a RAP would be developed.

(i) All potential PAPs should be identified (through a scoping exercise) and informed about their options and rights pertaining to compensation for land and assets to be acquired by the sub-project(s);
(ii) PAPs must be consulted about land acquisition and compensation and offered technical and financial options, including the most economically feasible alternatives; and
(iii) PAPs should receive reasonable compensation at full replacement cost for losses of assets and access attributable to the project.

Screening: This process would lead to the creation of a list of the number and types of infrastructure (including buildings or other structures) that the project interventions may potentially impact –leading to acquisition of land, resettlement and/or reduced access to natural resources. This list will be presented to affected communities using a sensitization and consultation process. These consultations will be documented for each site (sub-project). In the case where the project results in reduced access to natural resources, the consultations will determine alternative but commensurate sources so that livelihoods are not affected. Measures to assist affected persons in their efforts to improve their livelihood will be documented. The project will also document methods and procedures by which communities will identify and choose potential mitigating or compensating measures to be provided those adversely affected and procedures by which adversely community members will be decide among the options available to them.

RAP Preparation: A consultative and participatory process for preparing a RAP will include among others the following:
(i) A socio-economic survey will be completed to determine scope and nature of resettlement impacts.
(ii) The socio-economic study will be carried out to collect data in the selected sub-project sites.
(iii) The socio-economic assessment will focus on the potential affected communities, including some demographic data, description of the area, livelihoods, the local participation process, and establishing baseline information on livelihoods and income, landholding, etc.

Annex 1 describes the requirements for the RAP in detail. In general, the RAP contains the following information:

(i) Baseline Census;
(ii) Socio-Economic Survey;
(iii) Specific Compensation Rates and Standards;
(iv) Entitlements related to any additional impacts;
(v) Site Description;
(vi) Programs to Improve or Restore Livelihoods and Standards of Living;
(vii) Detailed cost estimates and Implementation Schedule.

Where relocation or loss of shelter occurs, the RPF requires that measures to assist the displaced persons be implemented in accordance with the Resettlement Action Plans.
10. ORGANIZATIONAL RESPONSIBILITY

10.1 Organizations at Federal Government Level

Organizations that operate at the Federal Government level and have some role to play in the planning and implementation of the project include the Ministry of Transport & Communication, the Ministry of Finance and Economic Development (MoFED) and Ethiopian Roads Authority (ERA), which the implementing agency. The Ministry of Transport & Communication and Ministry of Finance and Economic Development provide the overall policy guidelines and coordination at Ministerial level and also provide adequate governance and management; and budget release for timely operation.

ERA, which is the client of the project, has extensive experience in the preparation and implementation for a number of RAPs that were prepared for road projects. In ERA, the Environmental & Social Management Team is responsible for the monitoring & evaluation of for the implementation of RAP under road projects.

The following table shows the different organizations operating at Federal level that will have the role and responsibility in the planning & implementation of the upgrading of the road project.

List of institutions/stakeholders at Federal Government level that will have role during Planning & implementation of RAP

Table 5: List of institutions/stakeholders at Federal Government level

<table>
<thead>
<tr>
<th>No</th>
<th>Organizations</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ministry of Transport &amp; Communication</td>
<td>Provide overall policy guidelines and coordination at Ministerial level and also provide adequate governance and management</td>
</tr>
<tr>
<td>2</td>
<td>Ministry of Finance and Economic Development</td>
<td>Approval and signing of credit with World Bank. Release and approval of fund for compensation</td>
</tr>
<tr>
<td>3</td>
<td>Ministry of Federal Affairs</td>
<td>Follow up &amp; ensure that the provisions are provided to PAPs as per the proclamation 455/2005 Prepare national valuation formula for the determination of compensation</td>
</tr>
<tr>
<td>4</td>
<td>Ethiopian Roads Authority</td>
<td>Overall Management and Budget Allocation for the project implementation; Coordinate with Federal and Regional Authorities in the planning and implementation of the project</td>
</tr>
<tr>
<td>5</td>
<td>Environmental Protection Agency</td>
<td>Appraisal &amp; monitoring of the RAP</td>
</tr>
<tr>
<td>6</td>
<td>ERA’s Western Region Directorate</td>
<td>Re-establish Resettlement and Valuation committees at woreda level; Responsible for the implementation of this Resettlement Action Plan; Effect compensation payment for PAPs; Income restoration Provide support for Vulnerable groups; Monitor the restoration of public services / utilities affected by the construction works, such as, water supply, etc</td>
</tr>
<tr>
<td>7</td>
<td>ERA’s Environmental and Social Management Team</td>
<td>Monitor and Evaluate the implementation of the RAP Provide technical support for the project office in training, and related activities etc.</td>
</tr>
</tbody>
</table>
10.2 Regional Government Level

According to the Constitution of FDRE, Regional States have the duties and responsibilities for planning, directing and developing social and economic programs, as well as the administration, development and protection of resources of their respective regions. This is also true for woreda (or district) administrations. Each woreda administration is governed by its own elected council. The woreda council is more or less similar to that of the Federal & Regional Parliament in its structure; and appoints the executive committee which is responsible to run the day today activities of the woreda.

10.3 Oromia and Amhara National Regional States

Both Oromia and Amhara Regional States will play important role in the implementation of this RAP in their respective regions. Both regions will facilitate the implementation by providing support and guidance to those woreda administrations traversed by the project road. Woreda administrations are also legally responsible to allocate land for those PAPs who have lost their land for the construction of the road (if available) and to closely monitor and oversee the implementation of this RAP as presented in the document.

The two Regional EPAs and the woredas traversed by the project road are also responsible to closely monitor and oversee the implementation of this RAP as presented in the document.

It will also be the responsibility both Regional Governments to monitor and follow up the implementation of this RAP and provide support through their different Bureaus and Agencies.

At Regional level, it is the Woreda administration offices that are located along the project road corridor that will have a major role and responsibility in the planning & implementation of the resettlement activities in their respective localities. The woreda administration will be the main contact and is also responsible to facilitate the relocation of PAPs and work closely with ERA’s Western Region Directorate.

Table 6: List of organizations Responsible for this RAP at Regional Government Level

<table>
<thead>
<tr>
<th>No</th>
<th>Organizations</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Amhara &amp; Oromia Regional Governments</td>
<td>Facilitate the construction of the road by informing the zonal and Woreda authorities to provide the necessary support and cooperation for its smooth implementation</td>
</tr>
<tr>
<td>2</td>
<td>Amhara &amp; Oromia Regional EPA</td>
<td>Monitor that appropriate mitigation measures are adopted concerning the adverse environmental and social impacts created by the construction works.</td>
</tr>
<tr>
<td>3</td>
<td>Woreda Administration Offices</td>
<td>Establish Resettlement and Implementation Committee and the Property valuation committees; Coordinate the Valuation process and facilitate compensation for PAP, Facilitate land for land compensation, facilitate the relocation sites and the restoration of services, and maintain data of properties removed from expropriated land.</td>
</tr>
<tr>
<td>4</td>
<td>Municipalities</td>
<td>Identify land for the relocation of PAP and provide support in restoration; and provide special attention and support for vulnerable groups, maintain data of properties removed from expropriated land</td>
</tr>
<tr>
<td>5</td>
<td>Woreda Agriculture and Rural Development Offices</td>
<td>Coordination and support of PAPs and provide agricultural data and cost estimates for crops</td>
</tr>
<tr>
<td>6</td>
<td>Kebele Administrations</td>
<td>Provide advice on the fairness in relocation process and valuation of compensation and coordinate on the support to be made for vulnerable groups</td>
</tr>
</tbody>
</table>
10.4 Representatives of PAPs and NGOs

In addition to Government institutions, Representatives of PAPs and Local NGOs operating at woreda level will have important role to play in the planning and implementation of the project.

**Representatives of PAP:** PAPs will elect their representatives who will represent them in meetings and discussions to be held with the woreda administration, valuation committee, and resettlement/implementation committee and with ERA's ROW Agent.

**Local NGOs:** Local NGOs operating in the project area or in the woreda will have the responsibility to monitor the planning & implementation of RAP. However, there are not any local NGOS that operate in the project area and have specific experience and knowledge about RAP.

10.5 Coordination between different agencies and jurisdiction

ERA in consultation with the Ministry of Transport (MoT), and Ministry of Finance and Economic Development (MoFED) shall carry out the coordination work among the different actors at Federal level; and the jurisdiction between the different donor agencies shall be mainly the responsibility of MoFED & MoT.

ERA’s Western Region Directorate will have a major role in the coordination of the project planning, procurement and implementation. ERA’s Western Region Directorate will be responsible for the implementation and supervision of this RAP.

At Regional Government level, the Regional EPA and other agencies will mainly play a monitoring role while Woreda administration offices will play key role in the facilitation and implementation of the RAP by establishing Resettlement / Implementation Committees and Property valuation committees, by providing land for relocation, coordinating compensation payments, addressing grievances and related issues.

10.6 Property Valuation Committee

Property Valuation committees will be established at each of the woredas crossed by the road project. Once established, valuation committees will review the list of PAPs, registration of assets and properties; and shall establish unit rates, taking into account, Proclamation 455/2005 and councils of Ministers regulation 135/ 2007.

A number of different professionals such as, agriculture experts and surveyors will be involved in establishing the unit rates, measuring the size of affected land and properties for compensation purpose. The involvement of the different experts will assist and speed up in the day-to-day task in the valuation of the affected assets, by establishing unit rates on the basis of set standards and analysing the local conditions. In some instance, if the affected property requires a very specialized knowledge a separate committee of experts will be establish to conduct the valuation. The table below represents the proposed members of valuation committees in Rural & Urban areas.

**Property Valuation committee in Rural Areas:** The property and valuation committee established in the rural areas as per FDRE proclamation should not exceed 5 members. In this RAP, the following members are proposed in line with FDRE proclamation.

---

Resettlement Policy Framework (RPF), October 2013
ETHIO Infra Engineering Plc
1) Woreda Agriculture & Rural Development Office Head - Chairperson;
2) Natural resource Expert/Forester;
3) Crop Expert /Agronomist/;
4) Representatives of PAPs;
5) Representative of ERA (ROW Agent).

Property Valuation committee in urban areas: The property and valuation committee established in the town section/urban areas include the following members:

1) Mayor of the town - Chair Person;
2) Town Engineer/Surveyor;
3) PAPs representative;
4) Representative of ERA (ROW Agent);
5) Kebele representative.

The property valuation committee will have the following major duties and Responsibilities.

- Establish standards for unit rates of affected assets and properties;
- Revalidate inventories of PAPs and affected assets;
- Establish valuation ahead of time effect the compensation payment resettlement/ relocation activities.
11. GRIEVANCE REDRESS MECHANISMS

Grievance redress procedures and mechanism for PAPs will be established by ERA’s Western Region Directorate and the Resettlement / Implementation committees. Grievance redress mechanism will ensure PAPs that they will be provided with the appropriate compensation payment and that all administrative measures are in line with the law.

The grievance redress procedures will provide opportunity for PAPs to settle their complaints and grievances amicably. The procedure to be adopted will allow PAPs not to lose time and resources from going through lengthy administrative and legal procedures.

Grievances are first preferred to be settled amicably whenever possible through arbitrational tribunal, which shall be established by woreda authorities both for the rural and urban areas separately. The proposed members of the arbitrational committee will be similar to that of the Resettlement / Implementation committee and will also include representatives of PAPs.

The procedures to be followed by the arbitrational tribunal members to address grievances are:

- Be transparent and simple to understand;
- Provide PAPs with free access to the procedures;
- The procedure should be able to be activated rapidly;
- Representatives of PAPs should be part of the committee when deciding how to respond to the grievances;
- The response time between activating the procedure and reaching a resolution should be as short as possible.

Compensation payment should be effected after the property valuation committee makes the final estimate of compensation payable for the affected properties at a replacement cost and reviewed by the Resettlement committee, and finally approved by ERA. Following the ERA’s practice, compensation is only paid to the PAP after a written consent in the presence of members of the Resettlement committee. According to FRDE law, if a PAP is dissatisfied with the amount of compensation payment or other related measures he / she will be advised to take the case to arbitrational tribunal. When cases or grievances are taken to the arbitrational committee for resolution, the concerned PAPs will be given the opportunity to have positive discussions with the Resettlement / Implementation committee in the presence of elders/community leaders, local administration representative and or any influential person in the locality.

When a dispute is not resolved by the arbitrational tribunal, or if any of the Party disagrees, the last resort will be that the aggrieved party will be encouraged to appeal the case to the ordinary courts of law. However, this is not a preferred option. The preferred option of dispute settlement will be settling the dispute amicably because any recourse to courts may be costly, takes a very long time --even years before a final decision is made and may delay the project. Therefore, going to court will not be the preferred option for both parties concerned.

The best means of addressing any complaints or claims is through dialogue. Thus, when a PAP has a grievance, he/she will first be encouraged to discuss the issue with the RIC. If the RIC is not able to address the grievance, the complaint should be passed on to the Grievance Committee (GC). The GC will comprise of one representative from the Woreda Administration, one representative from the PAPs and one elderly person (influential) from the PAPs.
community. In order that this committee is independent, the members should not be members of the RIC.

When further arbitration is necessary, this will be conducted by an Arbitration Appraisal Committee (AAC). The AAC should be comprised of a member of the Zonal Administration, the ERA representative and respected/recognised community leader. If there is still no consensus, then legal recourse may need to be undertaken.

**Function of the Grievance Committee**

The broad functions of the GC are as follows:

- Record the grievances of PAPs categorize and prioritize them and provide solution to their grievances related to replacement land and compensation;
- If required, the GC would undertake site visit and ask for relevant information from the project authorities, etc;
- Fix a time frame; say a period of 7 days, to resolve the grievances;
- Inform the aggrieved parties about the development of their respective cases and their decision to the project authorities and the aggrieved parties as well.

The following steps should be followed in order to achieve consensus for any grievance related to any aspect of the project:

- The affected person should file his grievance to the RIC. The grievance note should be written, signed and dated by the aggrieved person;
- The RIC should respond within 7 days. Thus, any meetings and discussions to be held with the aggrieved person should be conducted within this time frame. If the grievance relates to valuation of assets, then other experts may need to be brought in to assist in valuing the assets, and this may necessitate a longer period of time. In this case, the aggrieved person must be notified that his/her complaint is being considered;
- If the aggrieved person does not receive a response or is not satisfied with the outcome of the meetings, then the case is passed on to the GC;
- The GC will then attempt to resolve the problem within 7 days of the complaint being lodged with them, again through dialogue and negotiation. If no agreement is reached at this stage, then the complaint is taken to the AAC;
- The AAC will embark on further negotiations with the aggrieved PAP. If the PAP does not agree on the decision of the AAC, he/she may appeal to the Zonal courts of law within three months from the decision of the committee.

**Response Time**

It is expected that the mechanism for hearing grievances using the RIC, GC and AAC mechanisms, will happen within 7 days. However, as the entire resettlement and rehabilitation process has to be completed before road construction or civil work starts, these committees may meet frequently and more than once every week, depending on the complexity and the number of such cases.
Resettlement / implementation Committee

Woreda level resettlement / implementation Committee will be established with the responsibility of planning, coordinating and monitoring of compensation payments and relocation activities. The woreda committee also will be responsible to establish similar committees at town and kebele administration level.

The woreda level resettlement/implementation committee will have the mandate, authority to ensure the proper implementation the RPF/RAP, assess the timely payment of compensation to the PAPs and other support mechanisms. The committee will report directly to the Woreda Administration offices and to ERA and Supervision Consultant.

Detail Terms of Reference (TOR) and guidelines will be drawn for the committee by ERA’s Western Region Directorate.

The task and responsibility of the resettlement/implementation committee is challenging, demands dedication and extra effort. The committee will be provided with necessary materials and equipment and also be paid allowance to carry out its tasks.

Duties and Responsibilities of the Committee

- Coordinating and supervising valuation committee, compensation payment, relocation activities;
- Prepare guidelines for valuation committees;
- Ensure that appropriate compensation procedures are adopted and followed;
- Oversee Project’s requirements related to the social environment;
- Establish kebele level resettlement / implementation committees;
- Clarifying policies and operational guidelines about compensation;
- Reallocate land to permanently affected households;
- Monitor the disbursement of funds;
- Guide and monitor the implementation of relocation;
- Coordinate activities between the various organizations involved in relocation;
- Facilitate conflict resolution and addressing grievances;
- Provide support and assistance to vulnerable groups.

The composition of membership for the Resettlement / Implementation committee varies in Rural & Urban areas. The following are the list of proposed members of resettlement committees for rural and urban areas.

Proposed Resettlement Committees members in Rural Areas

- Woreda Administrator – Chairperson;
- Woreda Agriculture & Rural Development Office Head;
- Woreda Capacity Building Office;
- Representative of ERA (ROW Agent);
- Representatives of PAPs.
Proposed Resettlement Committees members in Urban Areas

- Mayor of the town – Chairperson
- Town Engineer/Surveyor
- Communication & Mobilization Officer
- Representative of ERA
- Representative PAPs

12. ELIGIBILITY CRITERIA AND ENTITLEMENT MATRIX

ERA has clearly set the eligibility criteria for resettlement/relocation in the RPF and Environmental Procedure Manual. Both documents are in line with the eligibility criteria contained in FDRE Constitution and World Bank’s policy on Involuntary Resettlement (OP/BP 4.12).

Table 7: Entitlement Matrix

<table>
<thead>
<tr>
<th>Land and Assets</th>
<th>Types of Impact</th>
<th>Person(s) Affected</th>
<th>Compensation/Entitlement/Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural land</td>
<td>Cash compensation for affected land equivalent to market value</td>
<td>title holder</td>
<td>Cash compensation for affected land equivalent to replacement value</td>
</tr>
<tr>
<td></td>
<td>Less than 20% of land holding affected</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Land remains economically viable.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tenant/ lease holder</td>
<td>Cash compensation for the harvest or product from the affected land or asset, equivalent to ten times the average annual income s/he secured during the five years preceding the expropriation of the land.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Greater than 20% of land holding lost</td>
<td>Farmer/ Title holder</td>
<td>Land for land replacement where feasible, or compensation in cash for the entire landholding according to PAP’s choice. Land for land replacement will be in terms of a new parcel of land of equivalent size and productivity with a secure tenure status at an available location which is acceptable to PAPs. Transfer of the land to PAPs shall be free of taxes, registration, and other costs. Relocation assistance (costs of shifting + assistance in re-establishing economic trees + allowance up to a maximum of 12 months while short-term crops mature) Relocation assistance (costs of shifting + assistance in re-establishing economic trees + allowance up to a maximum of 12 months while short-term crops mature)</td>
</tr>
<tr>
<td></td>
<td>Land does not become economically viable.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land and Assets</td>
<td>Types of Impact</td>
<td>Person(s) Affected</td>
<td>Compensation/Entitlement/Benefits</td>
</tr>
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</tr>
<tr>
<td></td>
<td></td>
<td>maximum of 12 months while short-term crops mature</td>
<td></td>
</tr>
<tr>
<td>Tenant/Lease holder</td>
<td>Cash compensation equivalent to ten times the average annual income s/he secured during the five years preceding the expropriation of the land. Relocation assistance (costs of shifting + assistance in re-establishing economic trees + allowance up to a maximum of 12 months while short-term crops mature)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential land</td>
<td>Tenants/Lease holder</td>
<td>Opportunity cost compensation equivalent to 10% of net annual income based on tax records for previous year (or tax records from comparable business, or estimates where such records do not exist)</td>
<td></td>
</tr>
<tr>
<td>Business owner is lease holder</td>
<td>Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates where such records do not exist)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial land</td>
<td>Land used for business partially affected</td>
<td>Title holder/business owner</td>
<td>Cash compensation for affected land Opportunity cost compensation equivalent to 5% of net annual income based on tax records for previous year (or tax records from comparable business, or estimates where such records do not exist).</td>
</tr>
<tr>
<td></td>
<td>Limited loss</td>
<td>Business owner is lease holder</td>
<td>Opportunity cost compensation equivalent to 10% of net annual income based on tax records for previous year (or tax records from comparable business, or estimates where such records do not exist)</td>
</tr>
<tr>
<td></td>
<td>Assets used for business severely affected</td>
<td>Title holder/business owner</td>
<td>Land for land replacement or compensation in cash according to PAP’s choice. Land for land replacement will be provided in terms of a new parcel of land of equivalent size and market potential with a secured tenure status at an available location which is acceptable to the PAP. Transfer of the land to the PAP shall be free of taxes, registration, and other costs. Relocation assistance (costs of shifting + allowance) Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates)</td>
</tr>
<tr>
<td>Land and Assets</td>
<td>Types of Impact</td>
<td>Person(s) Affected</td>
<td>Compensation/Entitlement/Benefits</td>
</tr>
<tr>
<td>----------------</td>
<td>----------------</td>
<td>-------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>Residential land</td>
<td>Land used for residence partially affected, limited loss Remaining land viable for present use.</td>
<td>Title holder</td>
<td>Cash compensation for affected land</td>
</tr>
<tr>
<td>Rental/lease holder</td>
<td>Cash compensation equivalent to 10% of lease/rental fee for the remaining period of rental/lease agreement (written or verbal)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title holder</td>
<td>Land for land replacement or compensation in cash according to PAP’s choice. Land for land replacement shall be of minimum plot of acceptable size under the zoning law/s or a plot of equivalent size, whichever is larger, in either the community or a nearby resettlement area with adequate physical and social infrastructure systems as well as secured tenure status. When the affected holding is larger than the relocation plot, cash compensation to cover the difference in value. Transfer of the land to the PAP shall be free of taxes, registration, and other costs. Relocation assistance (costs of shifting + allowance)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Land and assets used for residence | Rental/lease holder | Refund of any lease/rental fees paid for time/use after date of removal Cash compensation equivalent to 3
<table>
<thead>
<tr>
<th>Land and Assets</th>
<th>Types of Impact</th>
<th>Person(s) Affected</th>
<th>Compensation/Entitlement/Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>severely affected</td>
<td></td>
<td>months of lease/ rental fee</td>
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<tr>
<td></td>
<td>Remaining area sufficient for continued use or becomes smaller than minimally accepted under zoning laws</td>
<td></td>
<td>Assistance in rental/ lease of alternative land/ property</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Relocation assistance (costs of shifting + allowance)</td>
</tr>
<tr>
<td>Buildings and structures</td>
<td>Structures are partially affected</td>
<td>Owner</td>
<td>Cash compensation for affected building and other fixed assets</td>
</tr>
<tr>
<td></td>
<td>Remaining structures viable for continued use</td>
<td></td>
<td>Cash assistance to cover costs of restoration of the remaining structure</td>
</tr>
<tr>
<td></td>
<td>Entire structures are affected or partially affected</td>
<td>Owner</td>
<td>Cash compensation for entire structure and other fixed assets without depreciation, or alternative structure of equal or better size and quality in an available location which is acceptable to the PAP. Right to salvage materials without deduction from compensation</td>
</tr>
<tr>
<td></td>
<td>Remaining structures not suitable for continued use</td>
<td></td>
<td>Relocation assistance (costs of shifting + allowance)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rental/lease holder</td>
<td>Rehabilitation assistance if required (assistance with job placement, skills training)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cash compensation for affected assets (verifiable improvements to the property by the tenant). Disturbance compensation equivalent to two months rental costs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Squatter/informal dweller</td>
<td>Cash compensation for affected structure without depreciation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Right to salvage materials without deduction from compensation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Relocation assistance (costs of shifting + assistance to find alternative secure accommodation preferably in the community of residence through involvement of the</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Relocation assistance if required (assistance with job placement, skills training)</td>
</tr>
<tr>
<td>Land and Assets</td>
<td>Types of Impact</td>
<td>Person(s) Affected</td>
<td>Compensation/Entitlement/Benefits</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Alternatively, assistance to find accommodation in rental housing or in a squatter settlement scheme, if available) Rehabilitation assistance if required assistance with job placement, skills training)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Street vendor (informal without title or lease to the stall or shop)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher. Relocation assistance (costs of shifting) Assistance to obtain alternative site to re-establish the business.</td>
</tr>
<tr>
<td>Standing crops</td>
<td>Crops affected by land acquisition or temporary acquisition or easement</td>
<td>PAP (whether owner, tenant, or squatter)</td>
<td>Cash compensation equivalent to ten times the average annual income s/he secured during the five years preceding the expropriation of the land.</td>
</tr>
<tr>
<td>Trees</td>
<td>Trees lost</td>
<td>Title holder</td>
<td>Cash compensation based on type, age and productive value of affected trees plus 10% premium</td>
</tr>
<tr>
<td>Temporary acquisition</td>
<td>Temporary acquisition</td>
<td>PAP (whether owner, tenant, or squatter)</td>
<td>Cash compensation for any assets affected (e.g., boundary wall demolished, trees removed)</td>
</tr>
</tbody>
</table>
13. MONITORING AND EVALUATION

The monitoring and evaluation process will assess the implementation of the RPF and ensure that it is carried out as per the plan and as per the requirements.

13.1 Internal Monitoring

Internal monitoring will be conducted by the ESMT of the ERA. Since the magnitude and complexity of the operations is not quite large, ERA will conduct the monitoring through field visits at least once a month. The local administration (Woreda) will also conduct its own monitoring of the RAP or in collaboration with the ESMT of ERA.

The monitoring report by ESMT staff will be submitted to local authorities (Woreda and Municipality). A copy of this will be submitted to EPA and ESMT of ERA. It will also be enclosed in the construction progress reports submitted by supervising engineers.

13.2 External Evaluation

The external evaluation will be done in a predictable manner and period. The Federal EPA and the Regional EPA will be responsible for the external monitoring of the RAP. Both the Federal and Regional EPA’s have significant role in the external monitoring and evaluation of the RAP. The WB supervision missions will also serve as one of the external monitoring mechanisms.

The objective of the external monitoring and evaluation, which is also a post resettlement assessment will be done by an independent consultant (or an NGO) commissioned by ERA, to ensure that the project affected persons have secured and able to maintain at least their livelihood prior to the upgrading of the project road.

Hence, at the end of all expropriation/compensation operations a household survey will be carried out to evaluate the impacts of the resettlement and other implemented social mitigation measures. During the survey, Woreda, Municipalities and Kebele level administrations will be consulted to provide their assessments of the impacts of the mitigation measures applied.

After completion of the resettlement/rehabilitation operations, it is expected that PAPs should be better off than prior to resettlement. Therefore, resettlement/rehabilitation operations need to be monitored as regard performance and compliance with the set goals.

The evaluation report will be used as a planning instrument to correct pending issues and suggest a post-project monitoring period in the aim to ensure that PAPs have not been subject to impoverishment induced by the ERA’s RSDP operations.

To assess the achievements and progress of the implementation of the RPF, ERA will organize project completion workshops with other Government agencies and representatives of PAPs.
14. PUBLIC DISCLOSURE

Public disclosure of the RAP has to be made to PAPs and other stakeholders for review and comments on entitlement measures and other issues in the implementation of the RAP. The purpose of the disclosure is to receive comments and suggestions from PAPs and incorporate appropriate suggestions.

As per WB guidelines, this Resettlement Action Plan will also be disclosed in a form, manner and language comprehensible to PAPs and at a place accessible to the displaced population and other stakeholders for review and comments on entitlement measures. The purpose of the disclosure is to receive comments and suggestions from PAPs and other stakeholders, and to incorporate appropriate suggestions.

The Public disclosure of this RAP will be made in local languages. This could be done; by publishing it in official Newspapers of both at the Federal Government Newspapers and also in the Regional Governments Newspapers; depositing / posting it in a range of publicly accessible places; such as, Woreda offices, Municipalities and Kebele administration office. Once it is disclosed, the public have to be notified through administrative, community and clan structures about the availability of the RAP documents and be requested to make their suggestions and comments.

Comments and critiques made on the draft RAP by PAPs and other stakeholders will be taken by ERA for consideration in any of the revised draft.

Disclosed in Ethiopia and make copies available at ERA and distribute copies to the Woredas located in the project area. FDRE will authorize WB to distribute this RAP electronically through its info shop for the public, interested groups and NGOs to review and comment in accordance to its disclosure policy Similarly, ERA will also post it in its websites and receive comments.

15. IMPLEMENTATION SCHEDULE, BUDGET AND ARRANGEMENT FOR FUNDING

15.1 Budget

The cost estimate and budget required for the implementation of the RAP, including 10% contingency is around 37,859,293 birr. The cost and budget estimate is prepared on the basis of the projected compensation payment and livelihood restoration or rehabilitation measures for PAPs as well as likely budget required for Administrative costs.

Overall, it is difficult at this stage to provide an exact cost of resettlement and compensation activities related with the implementation of the Project because the project is still defining and identifying the project related impacts on land take, housing and livelihoods. The project will have to assess budget needs related with compensation and resettlement in accordance with principles in this RPF, and identify and secure the source of funding.

15.2 Arrangements for Funding

According to its Involuntary Resettlement policy (OP 4.12), “the Bank does not disburse against cash compensation and other resettlement assistance paid in cash, or against the cost of land (including compensation for land acquisition). However, it may finance the cost of land improvement associated with resettlement activities.”
As a result, the Bank loan under the Project cannot finance cash compensation or land acquisition for resettlement purposes. Compensation and land acquisition for resettlement sites will be funded by the government, particularly ERA and relevant Regions. This requirement should be an excellent incentive to minimizing land impacts through appropriate design, siting and routes.

An indicative RAP budget outline can be found in Table I below.

**Table 8: Indicative Outline of a RAP Budget**

<table>
<thead>
<tr>
<th>Asset acquisition</th>
<th>Amount or number</th>
<th>Total estimated cost</th>
<th>Agency responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Structure</td>
<td></td>
<td></td>
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<tr>
<td>Crops and economic tress</td>
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<td></td>
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<tr>
<td>Community infrastructure</td>
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<tr>
<td><strong>Land Acquisition and Preparation</strong></td>
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<td></td>
</tr>
<tr>
<td>Land</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Structures</td>
<td></td>
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<td></td>
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<tr>
<td>Crops areas and others</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Community infrastructure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Relocations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer of possessions</td>
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<tr>
<td>Installation costs</td>
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</tr>
<tr>
<td><strong>Economic Rehabilitation</strong></td>
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<tr>
<td>Training</td>
<td></td>
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<tr>
<td>Capital Investments</td>
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<tr>
<td>Technical Assistance</td>
<td></td>
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<tr>
<td>Monitoring</td>
<td></td>
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<tr>
<td>Contingency</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>#</th>
<th>Item</th>
<th>Costs</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Compensation for loss of Land /hectare</td>
<td></td>
<td>For land acquisition purposes, based on Ethiopian average market cost, or from similar projects</td>
</tr>
<tr>
<td>2</td>
<td>Compensation for loss of Crops /hectare of farm lost</td>
<td></td>
<td>Includes costs of labor invested and average of highest price of staple food crops and Ethiopian market prices</td>
</tr>
<tr>
<td>3</td>
<td>Compensation for loss of access to pastoralists If applicable</td>
<td></td>
<td>Those affected would be provided with shared access, or alternate routes (decision agreed through consultation and participation of all)</td>
</tr>
<tr>
<td>No.</td>
<td>Description</td>
<td>Unit</td>
<td>Notes</td>
</tr>
<tr>
<td>-----</td>
<td>-----------------------------------------------------------------------------</td>
<td>---------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>4</td>
<td>Compensation for loss of access to fishing resources.</td>
<td></td>
<td>Data provided from the revised socio-economic study will determine market values of catch, fish products etc.</td>
</tr>
<tr>
<td>5</td>
<td>Compensation for Buildings and Structures</td>
<td></td>
<td>This compensation may be in-kind or cash. Costs for basic housing needs should include ventilated pit latrines, outside kitchen, and storage.</td>
</tr>
<tr>
<td>6</td>
<td>Compensation for Trees</td>
<td>/year/tree</td>
<td>Includes costs of labor invested and average of highest price of trees (and tree products) and Ethiopian market prices</td>
</tr>
<tr>
<td>7</td>
<td>Cost of Relocation Assistance/Expenses</td>
<td>/household</td>
<td>This cost reflects the moving and transportation allowance</td>
</tr>
<tr>
<td>8</td>
<td>Cost of Restoration of Individual Income</td>
<td></td>
<td>Assumed to be higher than the GDP/capita in Ethiopia</td>
</tr>
<tr>
<td>9</td>
<td>Cost of Restoration of Household Income</td>
<td></td>
<td>These costs reflect the livelihood restoration program of the RAP</td>
</tr>
<tr>
<td>10</td>
<td>Cost of Training Farmers, pastoralists and other PAPs</td>
<td></td>
<td>This is a mitigation measure involving capacity building and involves PAPs and affected communities</td>
</tr>
</tbody>
</table>
16. References

i. ERA, Resettlement/Rehabilitation Policy Framework, December 2006


iii. FDRE, Federal NegaritGazeta, ERA re-establishment proclamation, 1997.

iv. FDRE, the Environmental Policy of Ethiopia, 1995.

v. FDRE, Federal NegaritGazeta, Proclamation for the Establishment of Environmental Protection Organs (Proclamation No. 295/2002).

vi. FDRE, Federal NegaritGazeta, Proclamation No. 455/2005, A proclamation to provide for the expropriation of land holdings holding for public purposes and payment of compensation.


viii. FDRE, Federal NegaritGazeta, Proclamation on Rural Land Administration and Land Use (Proclamation No. 456/2005).

ix. FDRE, Federal NegaritGazeta, Council of Ministers Regulation No. 135/2007, Payment of compensation for property situated on landholding expropriated for public purposes


xi. FDRE, Environmental Protection Authority, the Procedural EIA Guideline of EPA (2003).


17. ANNEXES:

ANNEX 1: OP 4.12 - Involuntary Resettlement

"Bank" includes IBRD and IDA; "loans" includes IDA credits and IDA grants, guarantees, Project Preparation Facility (PPF) advances and grants; and "projects" includes projects under (a) PPFs advances and Institutional Development Fund (IDF) grants, if they include investment activities; (b) grants under the Global Environment Facility and Montreal Protocol, for which the Bank is the implementing/执行 agency; and (c) grants or loans provided by other donors that are administered by the Bank. The term "project" does not include programs supported by Development Policy Lending (for which the environmental provisions are set out in OP/BP 8.60, Development Policy Lending), or by Program-for-Results Financing (for which environmental provisions are set out in OP/BP 9.00, Program-for-Results Financing. "Borrower" also includes, wherever the context requires, the guarantor or the project implementing agency.

In devising approaches to resettlement in Bank-assisted projects, other Bank policies should be taken into account, as relevant. These policies include OP 4.01, Environmental Assessment, OP 4.04, Natural Habitats, OP 4.10, Indigenous Peoples, and OP 4.11, Physical Cultural Resources. The term "displaced persons" refers to persons who are affected in any of the ways described in para. 3 of this OP.

Displaced persons under para. 3(b) should be assisted in their efforts to improve or restore their livelihoods in a manner that maintains the sustainability of the parks and protected areas. Where there are adverse indirect social or economic impacts, it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse economic and social impacts, particularly upon poor and vulnerable groups. Other environmental, social, and economic impacts that do not result from land taking may be identified and addressed through environmental assessments and other project reports and instruments.

This policy does not apply to restrictions of access to natural resources under community-based projects, i.e. where the community using the resources decides to restrict access to these...
resources, provided that an assessment satisfactory to the Bank establishes that the community decision-making process is adequate, and that it provides for identification of appropriate measures to mitigate adverse impacts, if any, on the vulnerable members of the community. This policy also does not cover refugees from natural disasters, war, or civil strife (see OP 8.00, Rapid Response to Crises and Emergencies). For the purposes of this policy, "involuntary" means actions that may be taken without the displaced person's informed consent or power of choice. "Land" includes anything growing on or permanently affixed to land, such as buildings and crops. This policy does not apply to regulations of natural resources on a national or regional level to promote their sustainability, such as watershed management, groundwater management, fisheries management, etc. The policy also does not apply to disputes between private parties in land titling projects, although it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse social impacts, especially those affecting poor and vulnerable groups. For the purposes of this policy, involuntary restriction of access covers restrictions on the use of resources imposed on people living outside the park or protected area, or on those who continue living inside the park or protected area during and after project implementation. In cases where new parks and protected areas are created as part of the project, persons who lose shelter, land, or other assets are covered under para. 3(a). Persons who lose shelter in existing parks and protected areas are also covered under para. 3(a). The Involuntary Resettlement Sourcebook provides good practice guidance to staff on the policy. "Replacement cost" is the method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account (for a detailed definition of replacement cost, see Annex A, footnote 1). For losses that cannot easily be valued or compensated for in monetary terms (e.g., access to public services, customers, and suppliers; or to fishing, grazing, or forest areas), attempts are made to establish access to equivalent and culturally acceptable resources and earning opportunities. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures necessary to meet the replacement cost standard. Such additional assistance is distinct from resettlement assistance to be provided under other clauses of para. 6.
If the residual of the asset being taken is not economically viable, compensation and other resettlement assistance are provided as if the entire asset had been taken. The alternative assets are provided with adequate tenure arrangements. The cost of alternative residential housing, housing sites, business premises, and agricultural sites to be provided can be set off against all or part of the compensation payable for the corresponding asset lost. Such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements.


Where the borrower has offered to pay compensation to an affected person in accordance with an approved resettlement plan, but the offer has been rejected, the taking of land and related assets may only proceed if the borrower has deposited funds equal to the offered amount plus 10 percent in a secure form of escrow or other interest-bearing deposit acceptable to the Bank, and has provided a means satisfactory to the Bank for resolving the dispute concerning said offer of compensation in a timely and equitable manner.

See OP 4.04, Natural Habitats.

As a general principle, this applies if the land taken constitutes less than 20% of the total productive area.

Paras. 13-15 do not apply to impacts covered under para. 3(b) of this policy. The eligibility criteria for displaced persons under 3 (b) are covered under the process framework (see paras. 7 and 30).

Such claims could be derived from adverse possession, from continued possession of public lands without government action for eviction (that is, with the implicit leave of the government), or from customary and traditional law and usage, and so on.

Resettlement assistance may consist of land, other assets, cash, employment, and so on, as appropriate.

Normally, this cut-off date is the date the census begins. The cut-off date could also be the date the project area was delineated, prior to the census, provided that there has been an effective
public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx.

For projects that are highly risky or contentious, or that involve significant and complex resettlement activities, the borrower should normally engage an advisory panel of independent, internationally recognized resettlement specialists to advise on all aspects of the project relevant to the resettlement activities. The size, role, and frequency of meeting depend on the complexity of the resettlement. If independent technical advisory panels are established under OP 4.01, Environmental Assessment, the resettlement panel may form part of the environmental panel of experts.


An exception to this requirement may be made in highly unusual circumstances (such as emergency operations) with the approval of Bank Management (see BP 4.12, para. 8). In such cases, the Management's approval stipulates a timetable and budget for developing the resettlement plan.

Impacts are considered "minor" if the affected people are not physically displaced and less than 10 percent of their productive assets are lost.

For the purpose of this paragraph, the term "subprojects" includes components and subcomponents.
ANNEX 2: Annotated Outline for Preparing a Resettlement Policy Framework and a Resettlement Action Plan (RAP)

**Resettlement Policy Framework**

The purpose of the policy framework is to clarify resettlement principles, organizational arrangements, and design criteria to be applied to subprojects to be prepared during project implementation (see OP 4.12, paras. 26-28). Subproject resettlement plans consistent with the policy framework subsequently are submitted to the Bank for approval after specific planning information becomes available (see OP 4.12, para. 29).

The resettlement policy framework covers the following elements, consistent with the provisions described in OP 4.12, paras. 2 and 4:

(a) a brief description of the project and components for which land acquisition and resettlement are required, and an explanation of why a resettlement plan as described in paras. 2-21 or an abbreviated plan as described in para. 22 cannot be prepared by project appraisal;

(b) principles and objectives governing resettlement preparation and implementation;

(c) a description of the process for preparing and approving resettlement plans;

(d) estimated population displacement and likely categories of displaced persons, to the extent feasible;

(e) eligibility criteria for defining various categories of displaced persons;

(f) a legal framework reviewing the fit between borrower laws and regulations and Bank policy requirements and measures proposed to bridge any gaps between them;

(g) methods of valuing affected assets;

(h) organizational procedures for delivery of entitlements, including, for projects involving private sector intermediaries, the responsibilities of the financial intermediary, the government, and the private developer;

(i) a description of the implementation process, linking resettlement implementation to civil works;

(j) a description of grievance redress mechanisms;

(k) a description of the arrangements for funding resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements;

(l) a description of mechanisms for consultations with, and participation of, displaced persons in planning, implementation, and monitoring; and

(m) arrangements for monitoring by the implementing agency and, if required, by independent monitors.

When a resettlement policy framework is the only document that needs to be submitted as a condition of the loan, the resettlement plan to be submitted as a condition of subproject financing need not include the policy principles, entitlements, and eligibility criteria, organizational arrangements, arrangements for monitoring and evaluation, the framework for participation, and mechanisms for grievance redress set forth in the resettlement policy framework. The subproject-specific resettlement plan needs to include baseline census and socioeconomic survey information; specific compensation rates and standards; policy entitlements related to any additional impacts identified through the census or survey; description of resettlement sites and programs for improvement or restoration of livelihoods and standards of living; implementation schedule for resettlement activities; and detailed cost estimate.
Resettlement Action Plan

This template is extracted from OP 4.12 Annex A. Its full description can be found in the World Bank external website [INSERT LINK].

The scope and level of detail of the RAP will vary depending on the magnitude and complexity of resettlement or displacement. The RAP is prepared based on the most recent and accurate information on the: (i) proposed resettlement and its impacts on displaced persons and other adversely affected groups; and (ii) legal issues affecting resettlement. The RAP covers elements that are specific to the project context.

A broad outline of the RAP, as applied to sub-projects covered under a RPF includes, but is not limited to, the following:

**Description of the sub-project:** General description of the sub-project and identification of sub-project area or areas.

**Potential Impacts:** Identification of the: (i) the sub-project components or activities that require resettlement or restriction of access; (ii) zone of impact of components or activities; (iii) alternatives considered to avoid or minimize resettlement or restricted access; and (iv) mechanisms established to minimize resettlement, displacement, and restricted access, to the extent possible, during project implementation.

**Objectives:** The main objectives of the resettlement program as these apply to the sub-projects.

**Socio-economic studies:** The findings of socio-economic studies to be conducted in the early stages of project preparation, and with the involvement of potentially affected people will be needed. These generally include the results of a census of the affected populations covering:

(i) Current occupants of the affected area as a basis for design of the RAP and to clearly set a cut-off date, the purpose of which is to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;

(ii) Standard characteristics of displaced households, including a description of production systems, labor, and household organization; and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population;

(iii) Magnitude of the expected loss, total or partial, of assets, and the extent of displacement, physical or economic;

(iv) Information on vulnerable groups or persons, for whom special provisions may have to be made; and

(v) Provisions to update information on the displaced people’s livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement, and to measure impacts (or changes) in their livelihood and living conditions.

There may be other studies that the RAP can draw upon, such as those describing the following:

(i) Land tenure, property, and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, non-title-based usufruct systems (including fishing, grazing, or use of forest areas) governed by locally recognized land allocation mechanisms, and any issues raised by different tenure systems in the sub project area;

(ii) Patterns of social interaction in the affected communities, including social support systems, and how they will be affected by the sub-project;

(iii) Public infrastructure and social services that will be affected; and

(iv) Social and cultural characteristics of displaced communities, and their host communities, including a description of formal and informal institutions. These may cover, for example,
community organizations; cultural, social or ritual groups; and non-governmental organizations (NGOs) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

**Legal Framework:** The analysis of the legal and institutional framework should cover the following:

(i) Scope of existing land and property laws governing resources, including state-owned lands under eminent domain and the nature of compensation associated with valuation methodologies; land market; mode and timing of payments, etc;
(ii) Applicable legal and administrative procedures, including a description of the grievance procedures and remedies available to PAPs in the judicial process and the execution of these procedures, including any available alternative dispute resolution mechanisms that may be relevant to implementation of the RAP for the sub-project;
(iii) Relevant laws (including customary and traditional law) governing land tenure, valuation of assets and losses, compensation, and natural resource usage rights, customary personal law; communal laws, etc related to displacement and resettlement, and environmental laws and social welfare legislation;
(iv) Laws and regulations relating to the agencies responsible for implementing resettlement activities in the sub-projects;
(v) Gaps, if any, between local laws covering resettlement and the Bank’s resettlement policy, and the mechanisms for addressing such gaps; and
(vi) Legal steps necessary to ensure the effective implementation of RAP activities in the sub-projects, including, as appropriate, a process for recognizing claims to legal rights to land, including claims that derive from customary and traditional usage, etc and which are specific to the sub-projects.

The institutional framework governing RAP implementation generally covers:

(i) Agencies and offices responsible for resettlement activities and civil society groups like NGOs that may have a role in RAP implementation;
(ii) Institutional capacities of these agencies, offices, and civil society groups in carrying out RAP implementation, monitoring, and evaluation; and
(iii) Activities for enhancing the institutional capacities of agencies, offices, and civil society groups, especially in the consultation and monitoring processes.

**Eligibility:** Definition of displaced persons or PAPs and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

**Valuation of and compensation for losses:** The methodology to be used for valuing losses, or damages, for the purpose of determining their replacement costs; and a description of the proposed types and levels of compensation consistent with national and local laws and measures, as necessary, to ensure that these are based on acceptable values (e.g. market rates).

**Resettlement Measures:** A description of the compensation and other resettlement measures that will assist each category of eligible PAPs to achieve the objectives of OP 4.12. Aside from compensation, these measures should include programs for livelihood restoration, grievance mechanisms, consultations, and disclosure of information.

**Site selection, site preparation, and relocation:** Alternative relocation sites should be described and cover the following:

(i) Institutional and technical arrangements for identifying and preparing relocation sites, whether rural or urban, for which a combination of productive potential, location advantages, and other factors is at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;
(ii) Any measures necessary to prevent land speculation or influx of eligible persons at the selected sites;
(iii) Procedures for physical relocation under the project, including timetables for site preparation and transfer; and
(iv) Legal arrangements for recognizing (or regularizing) tenure and transferring titles to those being resettled.

Housing, infrastructure, and social services: Plans to provide (or to finance provision of) housing, infrastructure (e.g. water supply, feeder roads), and social services to host populations; and any other necessary site development, engineering, and architectural designs for these facilities should be described.

Environmental protection and management. A description of the boundaries of the relocation area is needed. This description includes an assessment of the environmental impacts of the proposed resettlement and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).

Community Participation: Consistent with the World Bank’s policy on consultation and disclosure, a strategy for consultation with, and participation of, PAPs and host communities, should include:

(i) Description of the strategy for consultation with and participation of PAPs and hosts in the design and implementation of resettlement activities;
(ii) Summary of the consultations and how PAPs’ views were taken into account in preparing the resettlement plan; and
(iii) Review of resettlement alternatives presented and the choices made by PAPs regarding options available to them, including choices related to forms of compensation and resettlement assistance, to relocating as individual families or as parts of pre-existing communities or kinship groups, to sustaining existing patterns of group organization, and to retaining access to cultural property (e.g. places of worship, pilgrimage centers, cemeteries); and
(iv) Arrangements on how PAPs can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that vulnerable groups (including indigenous peoples, ethnic minorities, landless, children and youth, and women) are adequately represented.

The consultations should cover measures to mitigate the impact of resettlement on any host communities, including:

(i) Consultations with host communities and local governments;
(ii) Arrangements for prompt tendering of any payment due the hosts for land or other assets provided to PAPs;
(iii) Conflict resolution involving PAPs and host communities; and
(iv) Additional services (e.g. education, water, health, and production services) in host communities to make them at least comparable to services available to PAPs.

Grievance procedures: The RAP should provide mechanisms for ensuring that an affordable and accessible procedure is in place for third-party settlement of disputes arising from resettlement. These mechanisms should take into account the availability of judicial and legal services, as well as community and traditional dispute settlement mechanisms.

RAP implementation responsibilities: The RAP should be clear about the implementation responsibilities of various agencies, offices, and local representatives. These responsibilities should cover (i) delivery of RAP compensation and rehabilitation measures and provision of services; (ii) appropriate coordination between agencies and jurisdictions involved in RAP implementation; and (iii) measures (including technical assistance) needed to strengthen the implementing agencies’ capacities of responsibility for managing facilities and services provided under the project and for transferring to PAPs some
responsibilities related to RAP components (e.g. community-based livelihood restoration; participatory monitoring; etc).

*Implementation Schedule:* An implementation schedule covering all RAP activities from preparation, implementation, and monitoring and evaluation should be included. These should identify the target dates for delivery of benefits to the resettled population and the hosts, as well as clearly defining a closing date. The schedule should indicate how the RAP activities are linked to the implementation of the overall project.

*Costs and budget:* The RAP for the specific sub-projects should provide detailed (itemized) cost estimates for all RAP activities, including allowances for inflation, population growth, and other contingencies; timetable for expenditures; sources of funds; and arrangements for timely flow of funds. These should include other fiduciary arrangements consistent with the rest of the project governing financial management and procurement.

*Monitoring and evaluation:* Arrangements for monitoring of RAP activities by the implementing agency, and the independent monitoring of these activities, should be included in the RAP section on monitoring and evaluation. The final evaluation should be done by an independent monitor or agency to measure RAP outcomes and impacts on PAPs’ livelihood and living conditions. The World Bank has examples of performance monitoring indicators to measure inputs, outputs, and outcomes for RAP activities; involvement of PAPS in the monitoring process; evaluation of the impact of RAP activities over a reasonable period after resettlement and compensation, and using the results of RAP impact monitoring to guide subsequent implementation.
ANNEX 3: Sample Grievance and Resolution Form

Name (Filer of Complaint): _____________________________
ID Number: ___________________________ (PAPs ID number)
Contact Information : ___________________________ (Village ; mobile phone)
Nature of Grievance or Complaint:
____________________________________________________________________________________
____________________________________________________________________________________

Date | Individuals Contacted | Summary of Discussion
--- | --- | ---

Signature __________________ Date: ____________

Signed (Filer of Complaint):
Name of Person Filing Complaint : ___________________________ (if different from Filer)
Position or Relationship to Filer: _____________________________

Review/Resolution
Date of Conciliation Session: _____________________________
Was Filer Present? : YesNo
Was field verification of complaint conducted? YesNo
Findings of field investigation:
____________________________________________________________________________________
____________________________________________________________________________________

Summary of Conciliation Session Discussion:

Issues ________________-
____________________________________________________________________________________
Was agreement reached on the issues? YesNo
If agreement was reached, detail the agreement below:
If agreement was not reached, specify the points of disagreement below:
____________________________________________________________________________________

Signed (Conciliator): ___________________________ Signed (Filer): ___________________________

Signed: ___________________________
Independent Observer

Date: ___________________________

16.1
ANNEX 4: Sample Table of Contents for Consultation Reports

1.0 Introduction.
   1.1 Project Description
   1.2 Applicable Laws, Regulations, and Policies to Public Engagement
   1.3 Project Lenders

2.0 Stakeholder Analysis
   2.1 Areas of Influence/Stakeholders
   2.2 Description of Stakeholders

3.0 Stakeholder Engagement
   3.1 Previous Consultation Activities
   3.2 Implemented Community Engagement Activities
   3.3 Project Sponsor’s Community Engagement Plan
      3.3.1 Phase 1 – Initial Stakeholder Consultation
      3.3.2 Phase 2 – Release of the SA Terms of Reference and Draft SLMP
      3.3.3 Phase 3 – Release of SA Consultation Summary Report

4.0 Summary of Key Issues

5.0 Future Consultation Events
   5.1 Phase 4 – Release of the SA Report and Action Plans
   5.2 Phase 5 – RCDAP Planning Consultation
   5.3 Phase 6 - Ongoing Project Communication

6.0 Disclosure Plan

Tables
  Table 2.1: Consultation Activity Summary
  Table 3.1: Initial Government Agency Consultations
  Table 3.2: Summary of NGO Meetings
  Table 3.3: Sub-County Committee Composition
  Table 3.4: Summary of Community Discussions
  Table 3.5: Local Community Comments
  Table 4.1: Summary of Key Issues and Responses
  Table 5.1: Summary of Future Consultation Activities per Stakeholder Group

**TEMPLATE Table on Consultation Activity Summary**

<table>
<thead>
<tr>
<th>Location and Communities Represented</th>
<th>Meeting Dates</th>
<th>Attendees</th>
<th>Discussion Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example:</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### ANNEX 5: Glossary of Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Census</td>
<td>A field survey carried out to identify and determine the number of Project Affected Persons (PAPs) or Displaced Persons (DPs) as a result of land acquisition and related impacts. The census provides the basic information necessary for determining eligibility for compensation, resettlement, and other measures emanating from consultations with affected communities and the local government institutions.</td>
</tr>
<tr>
<td>Compensation</td>
<td>The payment in kind, cash or other assets given in exchange for the acquisition of land including fixed assets, is called compensation. These include other impacts resulting from activities to rehabilitate or cushion the impacts from displacement.</td>
</tr>
<tr>
<td>Cutoff Date</td>
<td>The cut-off date is the date of commencement of the census of PAPs or DPs within the EASP program area boundaries. This is the date on and beyond which any person whose land is occupied for EASP program, will not be eligible for compensation.</td>
</tr>
<tr>
<td>Grievance Mechanism</td>
<td>The RPF contains a grievance mechanism based on policies and procedures that are designed to ensure that the complaints or disputes about any aspect of the land acquisition, compensation, resettlement, and rehabilitation process, etc. are being addressed. This mechanism includes a procedure for filing of complaints and a process for dispute resolution within an acceptable time period.</td>
</tr>
<tr>
<td>Implementation Schedule</td>
<td>The RPF contains an implementation schedule that outlines the time frame for planning, implementation, and monitoring and evaluation of the RAPs for sub-projects, if applicable.</td>
</tr>
<tr>
<td>Land</td>
<td>Land refers to all types of agricultural and/or non-agricultural land and any structures thereon whether temporary or permanent and which may be acquired by the project.</td>
</tr>
<tr>
<td>Land Acquisition</td>
<td>Land acquisition means the possession of or alienation of land, buildings, or other assets thereon for purposes of the project.</td>
</tr>
<tr>
<td>Project Affected Persons (PAPs) or Displaced Persons (DPs)</td>
<td>Project affected persons (PAPs) or Displaced Persons (DPs) are persons affected by land and other assets loss as a result of EASP activities. These person(s) are affected because they may lose, be denied, or be restricted access to economic assets; lose shelter, income sources, or means of livelihood. These persons are affected whether or not they will move to another location. Most often, the term DPs applies to those who are physically relocated. These people may have their: standard of living adversely affected, whether or not the Displaced Person will move to another location; lose right, title, interest in any houses, land (including premises, agricultural and grazing land) or any other fixed or movable assets acquired or possessed, lose access to productive assets or any means of livelihood.</td>
</tr>
<tr>
<td>Project Impacts</td>
<td>Impacts on the people living and working in the affected areas of the project, including the surrounding and host communities are assessed as part of the overall evaluation of the project.</td>
</tr>
<tr>
<td>Project Implementing Unit (PIU)</td>
<td>Some projects make use of project implementing units (PIUs), which are generally separate units within the project recipient’s agency. The PIU is often composed of full time staff devoted to implementing the project, and have been encouraged to have separate teams with environment and social specialists who can carry out the activities, for example, as outlined in the RPF or RAP.</td>
</tr>
<tr>
<td>Rehabilitation Assistance</td>
<td>Rehabilitation assistance is the provision of development assistance in addition to compensation such as livelihood support, credit facilities, training, or job opportunities, needed to assist PAPs or DPs restore their livelihoods.</td>
</tr>
<tr>
<td>Replacement Cost</td>
<td>Replacement cost refers to the amount sufficient to cover full recovery of lost assets and related transaction costs. The cost should be based on Market rate (commercial rate) according to Ethiopian laws for sale of land or property. It is normally calculated based on a willing buyer-willing seller basis, but also applies in Ethiopia to acceptable market valuation or from an assessment from the Land Commission and government valuer.</td>
</tr>
<tr>
<td>Resettlement Action Plan (RAP)</td>
<td>The RAP is a resettlement instrument (document) to be prepared when sub-project locations are identified. In such cases, land acquisition leads to physical displacement of persons, and/or loss of shelter, and/or loss of livelihoods and/or loss, denial or restriction of access to economic resources. RAPs are prepared by the implementing agency and contain specific and legal binding requirements to resettle and compensate the affected people before project implementation.</td>
</tr>
<tr>
<td>Resettlement Assistance</td>
<td>Resettlement assistance refers to activities that are usually provided during, and immediately after, relocation, such as moving allowances, residential housing, or rentals or other assistance to make the transition smoother for affected households.</td>
</tr>
</tbody>
</table>
Resettlement Policy Framework (RPF)

The RPF is an instrument to be used throughout the project’s implementation. The RPF sets out the objectives and principles, organizational arrangements, and funding mechanisms for any resettlement, that may be necessary during implementation. The RPF guides the preparation of Resettlement Action Plans (RAPs), as needed, for sub-projects.

Rights and Entitlements

Rights and entitlements are defined for PAPs and DPs (with the cut-off date) and cover those losing businesses, jobs, and income. These include options for land-for-land or cash compensation. Options regarding community and individual resettlement, and provisions and entitlements to be provided for each affected community or household will be determined and explained, usually in an entitlement matrix.

Witness NGO or Independent Monitor

Some RPFs refer to a witness NGO or an independent monitor that can be contracted to observe the compensation process and provide an independent assessment of the quality of the process. These are usually NGOs or other agencies that are not directly involved in the project and have a reputation for independence and integrity.
## ANNEX 6: Relevant Laws

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<thead>
<tr>
<th>Property Rights and Land Rights</th>
<th>Law/Regulation</th>
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<tr>
<td>Ownership of land is now vested in the State and Ethiopian citizens have only a use right (usufruct) over the land. This gives the user ownership of his/her possessions with the right to benefit from the fruits of his/her labor. This includes crops, perennial crops, trees for timber etc found on the land or any other permanent fixtures such as residential houses, business installations, stores and fences, amongst others. This overturned the 1960 Constitutional degree of private ownership of land.</td>
<td>Public Ownership of Rural Land (No 31/1975)</td>
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<td>In 1975 Ethiopia nationalized urban land and extra houses (Proc. No. 47/1975). Residents have usage rights, urban centers must take inventory of land and plan sustainable land use. Urban residents get one plot of land for personal housing.</td>
<td>Proclamation No. 47/1975</td>
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<td>A) All urban lands shall be property of the Government. B) Tenant shall be free from payment to the landowner. C) Any person or family own only a single dwelling.</td>
<td>Proclamation No. 47/1975, Article 2(3), Article 6(1) and Article 11(1)</td>
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<td>According to these proclamations, land holders have open-ended usufruct rights over their possessions (i.e. there is no time limit on this usufruct), subject to a proof of permanent physical residence, ability to farm continuously and should meet administrative dues and obligations. In rural villages, farm households have a legal right to possess land through state mandated peasant associations.</td>
<td>Constitution of Ethiopia (No 1/1987, Article 13(2) and No 1/1995, Article 40(3))</td>
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<td>Proclamation No. 89/1997 establishes the principles of rural land administration, which is devolved to the Regions states that each Regional Council shall enact a law on land administration, which is in conformity with the provisions on environmental protection and federal utilization polices.</td>
<td>Proclamation No. 89/1997 &quot;Federal Rural Land Administration Proclamation&quot;</td>
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<td>Proclamation No. 89/1997 recognizes the lawfulness of &quot;holding rights&quot; over land;</td>
<td>Proclamation No. 89/1997 &quot;Federal Rural Land Administration Proclamation&quot;</td>
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<td>Proclamation No. 89/1997 confirms and details the Constitution principle that holding rights on land can be assigned to peasants and nomads, and that these are to be secured from eviction and displacement;</td>
<td>Proclamation No. 89/1997 &quot;Federal Rural Land Administration Proclamation&quot;</td>
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<td>It provides various details with respect to redistribution of land, including that this redistribution is a Region responsibility. It establishes the possibility for Regions to perceive fees for the use of land and forest.</td>
<td>Proclamation No. 89/1997 &quot;Federal Rural Land Administration Proclamation&quot;</td>
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<td>The leasehold policy (Proc No. 80/1993) allows individuals and companies to attain access to land through auction, allocation, or lottery.</td>
<td>Proclamation No. 80/1993</td>
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<td>Article 26 of the Constitution states that &quot;Everyone shall have the right to his privacy and physical integrity. This right shall include protection from searches of his person, his home, his property and protection from seizure of property under his possession.&quot;</td>
<td>Constitution Article 26</td>
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<td>The 1995 Constitution of the Ethiopia, Article 40(2), 40(4), 40(5) and 40(8) includes legal frameworks that protect the Ethiopian citizen’s rights to private property and set conditions for expropriation of such property for state or public interests.</td>
<td>Constitution Article 40(2) Constitution Article 40(4) Constitution Article 40(5) Constitution Article 40(8)</td>
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<td>Article 40(3) vests the right to ownership of rural and urban land, as well as of all natural; resources, in the government and in the peoples of Ethiopia;</td>
<td>Constitution Article 40(3)</td>
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<td>Article 40(3) recognizes land as a common property of the Nations, Nationalities of, and peoples of Ethiopia and prohibits sale or any other exchange of land;</td>
<td>Constitution Article 40(3) Proclamation No 89/1997 &quot;Federal Rural Land Administration Proclamation&quot;</td>
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<td>Article 40(4) guarantees the right of farmers to obtain land without payment and the protection against eviction from their possession; and</td>
<td>Constitution Article 40(4)</td>
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<td>Article 40(5) guarantees the right of pastoralists to free land for grazing and</td>
<td>Constitution Article 40(5)</td>
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<td>Property Rights and Land Rights</td>
<td>Law/Regulation</td>
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<td>Article 40(7) states that &quot;Every Ethiopian shall have the full right to the immovable property he builds and to the permanent improvements he brings about on the land by his labour or capital. This right shall include the right to alienate, to bequeath, and, where the right to use expires, to remove his property, transfers his title, or claim compensation for it.&quot;</td>
<td>Constitution Article 40(7)</td>
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<td>Article 41(9) sets out the State responsibilities to protect and preserve historical and cultural legacies.</td>
<td>Constitution Article 41(9)</td>
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<td>The Research and Conservation of Cultural Heritage Proclamation No. 209/2000 of Ethiopia defines cultural heritage broadly as &quot;anything tangible or intangible which is the product of creativity and labour of man in the pre-history and history times, that describes and witnesses to the evolution of nature and which has a major value in its scientific, historical, cultural, artistic and handcraft content.&quot;</td>
<td>Proclamation No. 209/2000</td>
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<td>• Prior approval of the Authority for Research and Conservation of Cultural Heritage is required to remove from its original site of an immovable cultural heritage (Art. 21/1).</td>
<td>Proclamation No. 209/2000, Article 21/1</td>
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<td>• Whenever registered, movable cultural heritage is encountered during the execution of the project it is possible to remove such property by notifying the Authority in advance (Art. 21/2).</td>
<td>Proclamation No. 209/2000, Article 21/2</td>
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<td>Zikre Hig Regulation No.6 2002 provides for the lease holding of urban land for a specified period of time. It regulates the lease period for different functions, grade of land and payment of lease. It regulates manners of expropriation of land. It regulates that land could be expropriated for public use against payment of compensation.</td>
<td>Zikre Hig Regulation No. 6/2002</td>
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<td>Several Regions of Ethiopia have taken steps to develop regional land regulations.</td>
<td>Regional Land Regulations Land use Administration Proclamation,(No 456/2005 Article 17(1))</td>
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<td>Eligibility for compensation is discussed in Article 44(2) of the 1995 Constitution and Proclamation No 455/2005. These two legal documents give entitlement only to those who have formal legal rights over their holdings (properties).</td>
<td>Constitution Article 44(2) Proclamation No 455/2005</td>
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<td>Proclamation No 455/2005, Article 2 (3) stipulates that “Landholder” means an individual, government or private organization or any …other …organ which has legal personality and has lawful possession over the land to be expropriated and owns property situated thereon.”</td>
<td>Proclamation No 455/2005</td>
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<td>Rural Land Administration and Land use Administration Proclamation (No. 456/2005 Article 17(1) gives regional states the power to enact regional laws for rural land administrations. The regional laws are to be consistent with the Federal Constitution (No. 1/1995, Article 52(2) (d))</td>
<td>Proclamation No. 456/2005</td>
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<td>Several regional states (including Amhara, Oromia and Tigray) are now building on the constitutional provisions to improve security of tenure, albeit within the general framework of State ownership of land. Leases are being introduced, that would guarantee lessees a long-term right of usage. Where leases are concluded between a regional administration and peasant farmers, it does not seem that these leases are reflected in any cadastral documentation (including maps) kept at woreda or region level.</td>
<td>Land Tenure</td>
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<td>“Non-owners like renters and business are eligible for relocation and other assistance in finding a new location, compensation at replacement value for any immovable assets, compensation for loss of income during transition, assistance for physical transfer and follow-up services.”</td>
<td>Not cited</td>
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<td>“People without titles or use right (e.g. squatters, encroachers) will be for specific assistance. They typically claim use rights or even ownership after occupation of unused or unprotected lands. They are likely to have invested in structures or land improvements that are eligible for compensation.”</td>
<td>Not cited</td>
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</tbody>
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