



Government of Nepal
Ministry of Physical Infrastructure and Transport (MoPIT)
Department of Roads

**Development Cooperation Implementation Division
(DCID)**
Jwagal, Lalitpur

**Strategic Road Connectivity and Trade Improvement Project
(SRCTIP)**

**Kamala-Dhalkebar-Pathlaiya (KDP) Road of the Mahendra
Highway**

Resettlement Framework (RF)

March, 2020

ACRONYMS AND ABBREVIATIONS

AH	Asian Highway
CBO	Community Based Organization
CBS	Central Bureau of Statistics
CDC	Compensation Determination Committee
CDO	Chief District Officer
CDR	Central Development Region
CSC	Construction Supervision Consultant
DAO	District Administration Office
DCC	District Coordination Committee
DCID	Development Cooperation Implementation Divisions
DDC	District Development Committee
DIA	Direct Impact Area
DLRO	District Land Revenue Office
DoR	Department of Roads
EDR	Eastern Development Region
EIA	Environmental Impact Assessment
ER	Earthen Road
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESS	Environmental and Social Standard
GESU	Geo-Environmental Social Unit

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Executive Summary

1. Introduction

This Resettlement Policy Framework (RPF) provides the resettlement policy, principles and organizational arrangements and design criteria to be applied to the Strategic Road Connectivity and Trade Improvement Project (SRCTIP) specifically for the upgrading of the Kamala-Dhalkebar-Pathlaiya (KDP) road, under the regional connectivity improvement component of the project. The RPF is prepared according to the standards of Government of Nepal (GoN) legislation and policy including the *Land Acquisition Act 1977*, and according to World Bank's Environmental and Social Standard (ESS) 5 on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement.

2. Project Description

The GoN has requested financial support from the World Bank (WB) to prepare and implement the SRCTIP which has the project development objective of reducing time and costs of goods transit between Nepal and India, by improving the capacity and efficiency of trade and transport infrastructure and strengthening the institutions managing them. The WB will provide partial financial support (IDA Credit) to the GoN for the KDP road section.

The KDP road is part of the Mahendra Highway, the longest highway in Nepal running across flat Terai region (lowland that lies south of the outer foothills of the Himalayas). The GoN considers the Mahendra Highway as a strategic corridor and it is firmly committed to upgrading the 130km KDP road section of the 366km Kakarbitta-Pathalaiya (KP) road corridor from a 2-lane to a standard 4-lane configuration. The upgrading activities will involve the provision of 2x2 roads with 2 traffic lanes in each direction and appropriate shoulders. This work would require the widening of the existing bridges or construction of new bridges adjacent to existing ones. The KDP road section of Mahendra Highway passes through districts of Dhanusa, Mahottari, Sarlahi, Rautahat and Bara of Province 2.

The feasibility study of KDP Road completed and detailed design has yet to be carried out. An upstream Environmental and Social Assessment (ESA) was carried out to screen strategic environmental and social issues of the KP corridor, including the KDP road segment, and to inform the detailed ESIA that will be carried out at the detailed design phase of the KDP road segment.

3. Purpose of RPF

The purpose of the RPF is to clarify resettlement principles, organizational arrangements, and design criteria to be applied to project components to be prepared during project implementation. A resettlement framework is prepared where the likely nature or magnitude of land acquisition or restrictions on land use related to a project with potential to cause physical and/or economic displacement is unknown during project preparation. The RPF makes comprehensive reference to the policies and guidelines to guide the process of physical and/or economic displacement for the KDP road. This policy (RPF) has been prepared in line with ESS-5 of the ESF and GoN's legislation, which include providing timely compensation for loss of assets at replacement cost including displacement assistance.

4. Key Potential Impacts

As the KDP road project has only just commenced feasibility studies and detailed design has not started, resettlement risks and impacts cannot be determined. However, as the road upgrading will be undertaken within the existing right of way (ROW), land acquisition

is not expected. Potential resettlement risks and impacts of the proposed upgrading of the existing KDP road have been primarily assessed based on the ongoing feasibility study and the ESA of the KP corridor. Based on current primary screening and the available information, potential key social impacts are as follows:

- Physical and/or economic displacement of squatters, encroachers and street markets currently operating within the RoW. The displacement of these people will be necessary for the purpose of project construction.
- Construction-induced impacts such as loss of structures and crops.
- Some temporary acquisition of land may be required for the establishment of labour camps, stockpiling of construction materials, and other service areas.

A detailed assessment of resettlement impacts will be undertaken as part of preparing the ESIA and RAP when detailed designs are complete. This RPF will guide the preparation of the RAP during detailed design.

5. Legal Framework

The Constitution of Nepal guarantees property rights to every citizen of Nepal, whereby every citizen is entitled to earn, use and sell property, and except for public welfare, the state will not acquire or obtain or exercise authority over individuals' property. The state will compensate for the loss of property specified under acts. The Land Acquisition, Rehabilitation and Resettlement Policy 2015 and the Land Acquisition Act 1977 have been taken into account during preparation of the RPF, as well as ESS5 of the World Bank's ESF.

The RPF includes a policy matrix for entitlements to compensate losses from project interventions. Eligibility for entitlements have been defined and clearly mentioned in entitlement matrix. As per the GoN and World Bank policy, compensation is required for the loss of assets at replacement cost, to both titled and non-title holders (i.e. squatters, encroachers and tenants) and resettlement assistance for lost income and livelihoods. Further, the principles adopted herein contain special measures and assistance for any vulnerable affected person. Vulnerable persons are those who, because of their particular circumstances, may be disadvantaged or vulnerable and may include: dalits; indigenous groups; women (including women of single-headed households, women of low-income households and landless women); children, youth and elderly; peoples with disabilities; those who identify as lesbian, gay, bisexual, transsexual or intersex (LGBTI), minority religious groups, and households living in extreme poverty. Thus, the affected persons in the project will be entitled to various types of compensation and resettlement assistance that will help in the restoration of their livelihoods.

6. Basis of Valuation of Affected Assets

All assets that will be affected, as identified by the survey teams, will be properly recorded and verified in the presence of the concerned persons. Each asset will be enumerated and inscribed on a register. When valuing affected assets, the Compensation Fixation Committees (CFCs) will take into account the rates in the open local market and information gathered during RAP preparation to ensure that compensation is at replacement value. During the course of project implementation, the rate will be continuously reviewed and updated on an annual basis by the CFC. Compensation payments will be made by cheque and deposited into the joint bank account (that is, account of husband and wife) of the project-affected households. The RAP will include a detailed implementation schedule to outline the time by which resettlement-related activities will be completed which will ensure timely payment of compensation.

7. Public Participation, Consultation and Grievance Mechanism

Public participation with directly and indirectly affected groups including other interested parties is a basic principle in arranging for proper resettlement and compensation mechanisms. This RPF recommends meaningful public consultation activities and information dissemination to project-affected people (PAPs), project affected vulnerable peoples, and other relevant interested parties, as detailed in the Stakeholder Engagement Plan (SEP) developed for the project.

During the process of preparing RAP, discussions will be held with the directly affected families, institutions and the representatives of the directly affected rural municipalities (RM)/ municipalities (M) as well as PAPs. Project information will be disseminated via a number of channels including: print media, such as through notices in public offices such as in ward office and schools; electronic media, such as via Facebook, through creation of communication groups (for example, Whatsapp) and through a digital board placed at selected work sites; and during public consultations.

Special measures are proposed to mitigate any adverse impacts on vulnerable project-affected persons. During preparation of the ESIA for the subproject during detailed design, vulnerable individuals and groups who will be impacted by the KDP road activities will be identified and differentiated measures to enable effective participation of those identified individuals or groups. Different or separate forms of consultation will be undertaken with these vulnerable affected individuals and groups, to identify their concerns and priorities about project impacts, mitigation mechanisms and benefits. The SEP outlines the specific measures proposed for engagement with vulnerable groups through the project lifecycle. The time and location of consultations will be determined as appropriate to needs of vulnerable affected persons.

A project level grievance redress mechanism (GRM) will be established to allow affected persons and other related stakeholders to appeal any disagreeable decisions, practices and activities arising related to compensation for land, assets and general project related disputes. The APs will be made fully aware of their rights and procedures for grievances lodging by verbally and in writing application during consultation. The project will handle issues regarding the compensation damages done during construction. A three-stage procedure for redress of grievances related to compensation is proposed for the KDP road sub-projects. Firstly, APs will be able to lodge grievances in person or in writing at the local project site office where the Local Consultative Forum (LCF) will seek to resolve the grievance with the AP. If no understanding or amicable solution can be reached or the grievant receives no response from the project office, the grievance will be escalated to the Compensation Determination Committee (CDC). If the AP is not satisfied with the decision of CDC or in the absence of any response of its representatives, the AP may submit its case to the District Court.

8. Monitoring and Evaluation

The resettlement components will be monitored both internally and externally with the objective of providing feedback to management on implementation and identifying problems and successes as early as possible to facilitate timely adjustment of implementation arrangements. For internal monitoring, the Geo-Environmental and Social Unit (GESU) of DOR will supervise the physical and economic displacement components of the RAP. The Social Division of GESU gives guidance on the monitoring and prepare quarterly reports on the findings of the monitoring reports received from the sub-projects. The World Bank will receive copies of these monitoring reports. External monitoring will be

carried out by an independent monitoring agency who will assess the extent to which resettlement and rehabilitation objectives have been met.

9. Institutional Responsibilities and Implementation Arrangements

At the central level, MoPIT is the Executing Agency and DoR-Development Cooperation implementation Division (DCID) is the key implementing agency for the project. DoR-GESU is the key monitoring agency for the all aspects relating to resettlement and land acquisition activities.

Chapter 1: Introduction

1.1 Background

The Government of Nepal (GoN) has requested financial support from the World Bank (WB) to prepare and implement the Strategic Road Connectivity and Trade Improvement Project (SRCTIP). The development objective of the project is aimed at reducing time and costs of goods transit between Nepal and India, by improving the capacity and efficiency of trade and transport infrastructure and strengthening the institutions managing them. The list of candidate roads for financing has been agreed with the Department of Roads (DoR), although specific designs of such roads are not in place yet. Whilst designs are not in place yet, it is expected that works to be implemented by DoR are likely to cause involuntary resettlement. This Resettlement Framework (RF) outlines the resettlement principles, procedures, organizational arrangements and design criteria that will inform the identification of PAPs and preparation of relevant Resettlement Action Plans (RAPs) to address involuntary resettlement impacts. The RF is prepared according to the relevant local regulation of the GoN, the Land Acquisition Act 1977, and the World Bank's Environmental and Social Standard (ESS) 5 on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement. At the project preparation stage, it has been agreed that the KPD road is a major candidate road for works, although the detailed design of the road has not been finalized yet. As such, and based on ESS5, this Resettlement Framework, has been prepared to guide the preparation of RAPs under the KPD road once the detailed design has been finalized. The preparation of RAPs will be carried out by the E&S team of PCU based on this RPF and submitted to GESU and the WB for approval.

1.2 Description of Project Component

The KDP road is part of the Mahendra Highway, the longest highway in Nepal running across flat Terai region (lowland that lies south of the outer foothills of the Himalayas). The GoN considers Mahendra Highway as a strategic corridor; and firmly committed to upgrade the entire length (130km) of the road from a 2-lane to a standard 4-lane configuration. It has proposed that sections of the Mahendra Highway between Kamala River in the East and Pathlaiya settlement in the West will be widened as part of the proposed upgrading.

The improvement and upgrading activities comprises provision of 2x2 roads with 2 traffic lanes in each direction and appropriate shoulders. This work would require the widening of the existing bridges or construction of new bridges adjacent to existing ones. The Kamala- Dhalkebar- Pathlaiya (KDP), project road section of Mahendra Highway passes through districts of Dhanusa, Mahottari, Sarlahi, Rautahat and Bara of Province 2.

The KDP Road is under stage of feasibility study and the detailed design has yet to be carried out. An Environmental and Social Assessment (ESA) was carried out to screen strategic environmental and social issues of the corridor and inform the detailed ESIA that will be carried out at the detailed design phase of the KDP Road segment. KDP detailed design expected to be completed within first year of the project implementation and a RAP will be prepared during detail design phase when detailed involuntary impacts can be determined.

1.3 Purpose of the Resettlement Framework

The purpose of this resettlement framework is to outline resettlement principles, procedures, indicative resettlement measures, organizational arrangements, and design criteria to be used in determining and preparing RAPs during project implementation. A resettlement framework is prepared where the nature or magnitude of land acquisition or restrictions on land use related to a project with potential to cause physical and/or economic displacement is unknown during project preparation. Once the scope of works under the KDP road are defined and the necessary information becomes available, this

framework will guide the preparation of a specific resettlement action plan(s) proportionate to the potential risks and impacts of the project. Project activities that will cause physical and/or economic displacement will not commence until RAPs have been finalized and implemented. Some of the indicative resettlement measures that will be implemented include timely compensation for loss of assets at replacement cost and assisting displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels. The RAPs will also focus on mitigating unavoidable social and economic impacts from land acquisition or restriction on land use and for improving living conditions of poor and vulnerable persons.

1.4 Socioeconomic information

This section highlights basic socioeconomic characteristics along the KDP road corridor. The information is drawn from the ESA, and will be elaborated in subsequent baseline socioeconomic surveys to be conducted as part of environmental and social impact assessment (ESIA) when the detail design phase of the project is completed.

Population

According to District & Village Development Committee Profile of Nepal (2014-2015), 7,344,635 individuals inhabit 10 districts along the highway with 1,397,728 households and average size of family assessed as 5.4 persons. With the existing population growth rate, the settlements along the road will grow rapidly, stimulating industrial development. Currently, agricultural rural population in the project area exceeds urban population, but urbanization is going fast, especially along the roads. The upgrade of the road is likely to facilitate urbanization and industrial development.

- The average size of family of the sample HHs is 4.8.
- 3% population fall below five years of age, 76.4% of sample population fall between 15-59-year age group, which is known as economically active population.
- As per the findings of the survey, 7.4 percent of the sample population was illiterate and, just literate was accounted to 19 percent. However, 73.6 percent had a formal education, those who attended schools and above.

In the KDP road section,

- The average size of family of total sampled HHs is 5.3.
- 6.2% of the population is below five years of age, and 66.2% of sampled population is between 15-60 years of age.
- 19.7% of the sample population was illiterate and 6.1 percent graduate and post graduated.

The local population is consisted of different ethnic groups and religions. The analysis of the current population structure suggests that improvement of road may contribute more positively to the social development of local communities, providing more access to services (including education), ensuring more jobs for local communities, opening better access to markets and facilitating business development. However, several issues are also associated with adverse impacts on public infrastructure and services, including occupational health hazards, sanitation, public safety and security. Road safety is one of the most important issues. There are no observable special signs or speed limits in urban or other populated areas, there are no lights or zebras for pedestrians, in the KP road corridor.

Land and resource use

Land and resource use provide the basis for the prosperity and well-being of local communities. The predominant land use types in the project area are agriculture, forests and urban settlements. Only 2 districts (Dhanusha and Siraha) are considered as highly populated with prevailing land use such as agriculture and settlements. Land along corridor is mostly transformed from forests into agricultural fields and then into urban and industrial, especially in district headquarters, industrial and market centers. Road construction often facilitates establishment of businesses and creation of ribbon settlements along the RoW. According to field surveys on the assessment of affected infrastructure, the scale of direct impacts on households and public facilities has been provided below:

- The directly affected households and population of possibly influenced by KP road is 1,249 households, and 5,971 individuals comprising 3,289 males and 2,682 females.
- The public structures within the project area that potentially might be impacted comprise: public structures - 206, bus stations - 108, temples - 66, bridges - 140, ponds - 30, parks - 6 holy trees - 885 and 35 cremation yards.
- Out of sample, other public facilities impacted will include: electricity poles 5329, drinking water supplies 937 and 839 electricity/ telephone cables.

The KDP road upgrading works is unlikely to induce land acquisition since the RoW is government-owned land and has been demarcated and registered under DoR's name. However, based on the preliminary assessments conducted during the feasibility study, there are squatters and encroachers within the RoW that will need to be physically and economically displaced. Settlements or built-up areas are mostly located close to the road, representing 8.0% in RoW, 7.2% in DIA and only 1.0% in IIA. There may be 75 private temporary structures and 86 public structures impacted, however, this will be confirmed during preparation of the ESIA. Indirect impacts of road development may include changes in land use. It is likely that the improvement of transportation infrastructure will facilitate the urbanization process along the road.

Economic activities and well-being

Based on preliminary field surveys conducted along KP section, employment and economic activities along the road include farming, private business operatorship, government service, and others. The employment status of HHs indicated that 28.8% are engaged in government service, 51.3% work as private, 9.9% work in business, 2.2% occupied in agriculture and 5% have foreign employment.

Further analysis of data shows:

- The monthly income of majority of HHs (22.9%) was NRs <10000;
- 28.8% HHs have income "between" 10,000-20,000,
- 25.7% have income in Rs. 20,000-30,000,
- 17.8% HHs has income between Rs.30000-50000 and
- 4.8% have income above 50000.

The assets holding trends are following: the users of television are 36%, Motorbike owing 18.1%, mobiles having 39.6% and 6.4% are telephone users.

- 104 (8.3%), 119 (9.5 %), 166 (13.3%), 550 (44%) and 310 (24.8%) HHs were found to have food sufficiency from own household agricultural production respectively for less than 3 months, 3-6 months, 6-9, 9-12 months and no agriculture products.

1.5 Potential Impacts and Issues

Since the feasibility study is on-going and detailed design of the project has not started, the full scope and magnitude of potential involuntary resettlement impacts of the proposed upgrading of the existing KDP road has not been assessed yet. Based on preliminary screening, the potential involuntary resettlement impacts may include;

- Physical and/or economic displacement of squatters, encroachers and street markets currently operating within the RoW. The displacement of these people will be necessary for the purpose of project construction.
- Construction-induced impacts such as loss of structures and crops.
- Some temporary acquisition of land may be required for the establishment of labour camps, stockpiling of construction materials, and other service areas.

The road upgrade will largely occur within an existing RoW (i.e. 25m either side of existing road). As such no land acquisition is anticipated. These impacts related to physical and economic displacement will be mitigated as per measures that will be specified in ESIAs/RAPs.

Chapter 2: Legal Framework

The Constitution of Nepal proclaims that state shall give priority to the protection of environment, prevention of further damage due to physical development activities by increasing the awareness of the public about environmental cleanliness and suggesting preventive mitigation measures. With respect to property rights: the constitution establishes property rights to every citizen of Nepal whereby every citizen is entitled to earn, use and sell, except for public welfare the state will not acquire or obtain or exercise authority over individuals' property. The state will compensate for the loss of property specified by specific acts. Following laws and regulations are related with the RPF so that they have been described hereunder. The Government of Nepal (GON) has promulgated different laws and legislations for different sectors as prescribed by the constitution of Nepal. There are different laws interrelated to each other such as for construction of road there are independent acts and policy

2.1 Land Acquisition, Rehabilitation and Resettlement Policy 2015

The Government of Nepal has recently formulated Land Acquisition, Rehabilitation and Resettlement Policy 2071 (2015) to facilitate the land acquisition process for infrastructure project. The policy outlines the need to conduct an economic and social impact assessment (SIA) of the development project, which was not a requirement under the Land Acquisition Act 1977. Based on this assessment, projects will be categorized as high, medium and low-risk. High-risk projects refer to those, which displace 50 or more households in the mountainous region, 75 or more households in the hilly region and 100 or more households in the Tarai. Medium-risk projects, on the other hand, are those that force relocation of less than 50 households in the mountainous region, less than 75 households in the hilly region and less than 100 households in the Tarai. Likewise, low-risk projects refer to those, which cause productive property to shrink by up to 10 percent.

2.2 Land Acquisition Act 1977

Land Acquisition Act 1977 will be the main instrument for the land and other physical asset acquisition. The act guides the compulsory acquisition of land in the country. Government can acquire land at any place in any quantity by giving compensation pursuant to the Act for the land acquired for any public purposes or for operation of any development project initiated by government institutions. With respect to the resettlement policy framework, the following legal provisions outlined in the Land Acquisition Act are relevant:

- The acquisition and compensation of privately-owned assets will be undertaken according to a formal procedure, consisting of initial procedure, a preliminary investigation process, acquisition notification, compensation notification, and appeal procedures.
- Compensation Determination Committee (CDC) will be established at district level to ascertain compensation rates for the land and other assets.
- CDC ascertain compensation rates must be notice to GoN or Provincial Government by Chief District Administration Officer.
- Compensation must be paid (a) for damage caused as a result of investigations during the project (including sanding crops, trees, and houses)
- Compensation must be in cash, although titleholders who have lost all their landholdings will be provided land for resettlement, if available.

- Compensation against all types of loss will be paid to the affected person who has the right to claim for the compensation.
- Entitled to compensation for land and assets, affected person must submit an official land registration certificate at the time of compensation.
- Titleholders are required to submit compensation claims or complaints within a specified period after the issuance of land acquisition notice.
- Compensation for land will be after the valuation of rate by compensation determination committee.
- In determining the compensation amount, the committees have to consider relevant periodic guidelines of GON and the loss suffered by persons due to acquisition of land, shift of residence or place of business to another place.
- If the land must be acquired, the CDC has to consider the following in determining the compensation amount: price of the land prevailing at the time of notification of land acquisition, price of standing crops, and structures, and damage incurred by persons being compelled to shift their residence or place of business due to the land acquisition.

As per the recent amended Land acquisition act 1977 has provisioned to establish an acquisition and rehabilitation committee known as Compensation Determination Committee consisting of concerned Chief District Officer (Chair); Land revenue Officer; Officer level representative of the District Administrative Office and the Project Manager/In-charge and others as deemed necessary; and Representative of respective Rural municipality or Municipality. The committee is responsible for acquire land and assets and compensation payment. Land acquisition must also comply with the provisions of the Guthi Corporation Act, 1976. Section 42 of this act states that Guthi (religious trust land) acquired for a development must be replaced with other land.

2.3 World Bank policy on Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement

2.3.1 Environmental Social Standard (ESS) 5 - Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement

The objectives of ESS5 of the WB ESF include:

- To avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives
- To avoid forced eviction
- To mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by: (a) providing timely compensation for loss of assets at replacement cost and (b) assisting displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

Voluntary land donation

In some circumstances, it may be proposed that part or all the land to be used by the project is donated on a voluntary basis without payment of full compensation. Subject to prior Bank approval, this may be acceptable providing the Borrower demonstrates that:

- (a) The potential donor or donors have been appropriately informed and consulted about the project and the choices available to them;
- (b) Potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation;
- (c) The amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels;
- (d) No household relocation is involved;
- (e) The donor is expected to benefit directly from the project; and
- (f) For community or collective land, donation can only occur with the consent of individuals using or occupying the land. The Proponent will maintain a transparent record of all consultations and agreements reached.

Where voluntary land donation transactions result in the displacement of persons, other than the seller, who occupy, use or claim rights to the land in question, ESS5 will apply. This may include situations where a project supports voluntary transactions between communities, governments and investors involving significant areas of land (for example where a project involves support to commercial investment in agricultural land). In such cases, in applying the relevant provisions of the ESS 5, special care must be taken to ensure:

- (a) That all tenure rights and claims (including those of customary and informal users) affecting the land in question are systematically and impartially identified;
- (b) That potentially affected individuals, groups or communities are meaningfully consulted, informed of their rights, and provided reliable information concerning environmental, economic, social and food security impacts of the proposed investment;
- (c) that community stakeholders are enabled to negotiate fair value and appropriate conditions for the transfer;
- (d) that appropriate compensation, benefit sharing, and grievance redress mechanisms are put in place;
- (e) that terms and conditions of the transfer are transparent; and (f) mechanisms are put in place for monitoring compliance with those terms and conditions.

2.4 Comparison of the GoN's and World Bank Policies on Involuntary Resettlement and Land Acquisition

A comparative analysis of the GoN and World Bank policies on involuntary resettlement/land acquisition presents some common principles, as well as gaps, across the policies. Recommendations to bridge the identified gaps are detailed further below.

2.4.1 Common Principles

Generally, GoN and World Bank policy both support the following basic principles:

- Involuntary resettlement shall be avoided or minimized to the extent possible, through the incorporation of social consideration into design options and alignment selections.
- Where displacement is unavoidable, i.e. people losing assets, livelihood and other resources shall be assisted in improving or at a minimum regaining their former status of living at no cost to themselves.

There are some areas, however, where additional measures or further specifications for the entitlements under national guidelines and laws are necessary to meet the standards of the World Bank. These additional measures are essential for ensuring that the principles mentioned above will be achieved. In addition, a well thought out, specific entitlement framework would protect the project from major delays caused by confusion.

2.4.2 Identification of Gaps and Limitations in the National Policies

The main gaps and limitations of the national legal and policy framework are:

- National law makes provision for compensation to the titled landholder only and, by default, omits all other PAP, including non-registered tenant farmers, landless farmers, squatters, agricultural labourers, shopkeepers, artisan groups and *Dalits* There are also no provisions to protect the interests of vulnerable groups.
- National law does not make any provision for encroachers or squatters regarding to the entitlement for compensation. The reason to them is to assist poor people whose assets and livelihoods may be lost or disrupted by the project.
- Accordingly, there is no provision for rehabilitation assistance for such vulnerable groups.
- When GoN requires assets, national law does not specify about the provision of mandatory replacement cost.
- The Land Acquisition Act, 1977 does not emphasize transparency and stakeholder participation for various decisions that directly affect the long- term wellbeing of PAPs. Also, the CDC does not require participation of either the representatives of PAPs or representatives from the local / municipalities (now RM/M).
- Land Acquisition, Resettlement and Rehabilitation Policy, 2015 highlights about compensation in 12.1 to 5 and about the resettlement and rehabilitation from 17.1 to 4
- There are no clear directives to look at project design options that avoid or minimize involuntary resettlement.
- Only cash compensation is considered for payment. It is the easiest mode of operation but its long- term impact on families who are not used to large cash flow can be more negative than otherwise.
- There is a provision in the Land Acquisition Act, 2034 for land-for-land compensation such that if a titleholder loses all his/her land and opts for land as compensation, the government may provide land if there is *Ailani* (unclaimed land) or other government land available. Past experience, however, indicates that the relevant clauses are too general and do not oblige implementation. It is not clear if PAPs can exercise this right or it is entirely the decision of the government.
- Lack of consideration of the apparent time gap between notification of acquisition and the payment of compensation is another limitation of the existing legal framework.

2.4.3 Recommendations to Bridge the Gaps

The results of this policy review of both the World Bank and GoN are taken into due account in the development of a Resettlement Policy Framework (RPF) including a policy matrix for entitlements to compensate losses from project interventions.

Policy recommendations to close the identified gaps and limitations are:

- A project affected person needs to be defined as a person or household whose livelihood or living standard is adversely affected through loss of land, housing and other assets, income, or access to services because of the implementation of the project, causing a change in land use.
- Entitlements should be established for each category of loss.
- Special attention should be given to protect the interest of vulnerable groups
- With a notification date as cut-off date, no fraudulent encroachments after this date should be considered eligible for entitlements of compensation. However, landless farmers/ squatters who have been occupying public land before the cut-off date, but without legal title, which has not been claimed by others, should be entitled to compensation for the loss of structure.
- Non-land assets should be compensated at replacement value and their relocation and transportation must be assisted. Support for vulnerable groups should be provided to improve their livelihood

- Practical provisions must be made for the compensation for all lost assets to be made at replacement cost without depreciation or reductions for salvage materials
- Efforts must be made to assess the real replacement costs of land/structure. A procedure should be established for determining compensation rates accurately plus rigorous efforts to assess the replacement costs and market rates for all assets, including labour costs for construction.
- There must be legal provision of PAPs and local representatives of RM/M participation in settling the resettlement issues related to compensation, relocation and rehabilitation.

Table 1: Comparison of GoN and World Bank Policies on Entitlement for Land Acquisition, Gaps and Recommendations

Type of Impact	Entitlement Unit	GoN Policy	World Bank Policy	Recommendations
A. LAND				
Loss of private Land Additional loss (construction related induced impact)	Families, households	Cash compensation rates established by a Compensation Fixing Committee (CFC), consisting of: (i) Chief District Officer; (ii) Revenue Board Land Administrator; and, (iii) a DCC representative.	Compensation at full replacement cost. For agriculture land pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential within the same vicinity For urban land, pre-displacement market value of land of equal size and use, with similar facilities and sources within the same vicinity. Replacement land of equivalent productive potential.	Cash compensation equivalent to the amount as per Land Acquisition Act; and Resettlement allowance in cash equivalent to the difference between compensation as per the Land Acquisition Act and full replacement value as per current values in the same vicinity, plus value of all land transaction fees and charges. Families who become landless will receive allotted land as per provisions of the Land Act.
Loss of untitled land	Non-title holder (squatters and encroachers)	No provision to pay compensation to non-title holders (squatters and encroachers)	Resettlement assistance in lieu of compensation for land occupied (land, cash, other assets, employment) to at least restore their livelihoods and standards of living to pre-displacement levels.	Resettlement assistance to those most vulnerable to restore pre-displacement level livelihoods. Vulnerable groups may include but not be limited to ethnic minority groups present in the Terai and Hill districts as categorized by GoN, women headed households, the poorest (based on poverty line and the local wealth ratings), the disabled, the elderly and landless/ Encroachers will not be entitled to any compensation for their affected unauthorized/illegal extensions over public land. Vulnerable encroachers with economic losses may be entitled to assistance as a vulnerable group.

B. HOMES/ STRUCTURES				
- ditto - Additional loss (construction related induced impact)	Families, households, structure owners	Cash compensation determined by Compensation Fixing Committee on the current value of houses and structures, in accordance with the Land Acquisition Act and Land Acquisition Regulations.	Compensation at full replacement cost. For houses and structures the market cost of the materials and labour to build a replacement structure of a similar quality or better than the affected structure.	Cash compensation in accordance to the Land Acquisition Act. To ensure compensation is at replacement cost, additional resettlement assistance in cash equivalent to cover depreciation over and above compensation amounts provided.
C. ECONOMIC ASSETS				
Income losses for affected HH	Families, households	Cash compensation determined by Compensation Fixing Committee	Compensation at full replacement cost.	Compensate and replace lost assets at the their replacement cost. Compensation for perennial crops and trees calculated as annual net product value multiplied by number of years for new crop to start producing. Compensation in cash for lost standing crop.
D. INCOME				
Local HHs	Affected person, families, households	No explicit provision for restoration of income	Measure to assist affected people in improving their former living standards, income earning capacity, and production levels, or at least restoring them.	Rehabilitation assistance for lost or severed livelihoods.
Local communities	Affected communities / families	No explicit provision for restoration of income	Measures to assist impacted communities to re-establish or re-develop lost community resources.	Compensation for re-establishing or re-constructing lost community resources such as religious and cultural structures.

- Land acquisition and resettlement should be avoided, minimized mitigate of compensate where feasible, exploring all viable alternative project designs.
- Options for compensation should be kept open; decision should be made only after project detailed analysis, meaningful consultation, and acceptance by the project affected families, based on full information being made available to them about the implications of the various options. Cash compensation is preferred during consultation.
- Titleholders who are severely affected through loss of their agricultural additional support should be offered a choice of assistance with the identification and purchase of suitable privately-owned cultivation land in the community (if there is no suitable unallocated replacement land), or cash compensation. They should also be entitled to rehabilitation assistance such as skills training for one household member.
- Full compensation for all losses, including land, at current market price shall be paid promptly before evacuation. In the case of residential land, current market price of similar land of equivalent size must be provided together with transfer arrangements in the case of displacement, and cash compensation in the case of partial loss without displacement. Tenants renting residential land will be compensated in cash and assisted in finding suitable alternative residence.

2.5 Eligibility, Entitlement and Valuation

2.5.1 Eligibility

The World Bank ESS5 on Involuntary Resettlement requires compensation for the lost assets to be computed and provided at replacement costs to both titled and non-title holders (i.e. squatters, encroachers and tenants). In addition to compensation, resettlement assistance for lost income and livelihoods can be provided. Based on the requirements of the ESS5, individuals and households who hold formal titles or do not hold one will receive the appropriate compensation and resettlement assistance and rehabilitation. Further, the principles adopted herein contain special measures and assistance for any vulnerable affected person (AP). Vulnerable persons are those who, because of their particular circumstances, may be disadvantaged or vulnerable. Under the project, vulnerable groups may include: dalits; indigenous groups; women (including women of single-headed households, women of low-income households and landless women); children, youth and elderly; peoples with disabilities; those who identify as lesbian, gay, bisexual, transsexual or intersex (LGBTI), minority religious groups, and households living in extreme poverty. According to Nepal's *Social Protection Act 2018*, those who are considered entitled to receive social security are: senior citizens, indigent, incapacitated and helpless persons, helpless single women, citizens with disabilities, children, citizens unable to take care of themselves.

Persons affected by land acquisition, and relocation and/or rehabilitation of structures/assets (businesses, houses, etc.) are entitled to a combination of compensation measures and resettlement assistance, depending on the nature of ownership rights of lost assets and scope of the impact, including social and economic vulnerability of the affected persons. Thus, the affected persons in the project will be entitled to various types of compensation and resettlement assistance that will help in the restoration of their livelihoods, at least, to the pre-project standards.

The cut-off date of eligibility for entitlement is when the census survey is completed and when publicly announced. Persons who has encroached the area after the given cut-off-date are not entitled to compensation or any other form of resettlement assistance.

During planning and design phase of road construction, efforts will made to minimize impacts on land, people and property and access to resources due to expansion, rehabilitation or construction of road facilities. However, in case where land acquisition will

cause adverse impact on people and property or people's access to land or property, the resettlement and cash compensation payment shall be made in accordance to the World Bank ESS-5 and GoN's Land Acquisition Act, 2034 (1977) and Road Act 2031 (1975).

2.5.2 Entitlement Framework

The project will affect property owners and occupants, their dependents and community groups through acquisition of private and community assets. The Entitlement Policy accordingly specifies compensation and/or rehabilitation measures for two units of entitlement; individuals (i.e. affected individuals and their households) and groups. Entitlements for each type of affected persons and households are based on the types and levels of loss. Details on the entitlement framework by type of loss and entitlement unit are shown in Table 5. 2

Those who have formal legal rights to land (including tenancy, customary and traditional rights recognized under the Land Related Act, 2021 (1964) will receive:

- In case of tenancy land, 50 percent of the evaluated amount (value of the affected land) will go to the owner and 50 percent is paid to the tenant.
 - Those who do not have formal legal rights to land at the time of the census begins but have a recognizable legal right or claim to such land or assets. They are the persons waiting for the Land Certificate ("*Lal Purja*") to be approved by the District authority but who have documents to prove as such. They are all entitled to full compensation at replacement cost.
 - Those who occupy land temporarily or on a leased-basis allocated to them by the individual, community and any private or public organization with the written permission or signed contract. Entitlement will be provided according to the lease arrangement.
 - Those who have no recognizable legal rights or claim to the land they are occupying i.e. squatters, ownerships under dispute etc. GoN laws and regulations do not provide any compensation to this category. However, with an assumption that people of this category are poor and vulnerable, the Project will compensate for the loss of crops at market prices and structures at full replacement cost. For poor and vulnerable affected persons who have no other land, the Project will suggest allocating land and provide temporary or lease land rights to them as well as relocation allowances and rehabilitation measures. Landless PAP will not be displaced until the project provides land or alternatives for the poor and vulnerable.
 - *Guthi*, Public or Community Land Area can also be subject to loss of land due to the Project. If the recovered land belongs to the Guthi it will be treated according to the Guthi Corporation Act, 2033 (see Ch.3). On public and community land, the Project will relocate the land or pay cash compensation on consensus basis.
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Table 2: Entitlement Matrix

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
1. Agricultural, Residential, Commercial, Pasture and Forestry Land			
1.1 Loss of Private Land under any form of tenure	<ul style="list-style-type: none"> Titleholder Encroacher/ Squatter on public land 	<ul style="list-style-type: none"> Provide compensation at full replacement cost (current market rate) as agreed during public consultation Provide full title to land of equal area and productivity acceptable to owner in the vicinity. If land is not available elsewhere then provide cash compensation at full replacement cost based on current market rate or Government rate whichever is higher. In case of vulnerable groups preference should be to replace land for land Squatter/encroacher cultivating the effected land for at least three years prior to the cut-off date will be entitled to allocation of land if <i>ailani</i> or other government land is available. However illegal occupants after the cut-off date do not qualify for compensation for land losses. Resettlement assistance in lieu of compensation for land occupied (land, other assets, employment) at least restore their livelihoods and standards of living to pre-displacement levels. In the case of farmland, the AP will be entitled the cultivation disruption allowance equal to one-year production. 	<ul style="list-style-type: none"> A List of available <i>ailani</i> land in each affected wards is required A list of affected and entitled persons and the area of land loss is required Notice to vacate will be served at least 35 days prior to acquisition date. If any owner having significant impact receives cash compensation for farmland and purchases replacement farmland within 1 year from the date of receiving compensation, all related land registration fees, taxes and duties will be borne by the project. Case-wise compensation will be either by cash or cheque, depending on the owner's preferences. To ensure fair compensation, determination of rates will be established not more than one year prior to property acquisition.
	<ul style="list-style-type: none"> VC and DG 	<ul style="list-style-type: none"> Preference should be to replace land for land (government/ public) to vulnerable groups and disadvantage groups (IPs) if available nearby or if not available provide cash compensation at full replacement cost with additional supporting assistances as agreed in meaningful consultation Resettlement assistance in lieu of compensation for land occupied (land, other assets, employment) at least restore their livelihoods and standards of living to pre-displacement levels. 	<ul style="list-style-type: none"> A List of available <i>ailani</i> land in each affected wards is required A list of affected and entitled persons and the area of land loss is required Notice to vacate will be served at least 35 days prior to acquisition date. Identified livelihood restoration training as agreed during consultation.
1.2 Loss of Tenancy Land	<ul style="list-style-type: none"> Landlord and Tenant by a written agreement (That is yet in practice and to be processed as per 2058 B.S. amendment in Land Reform Act). Renter/lease holder 	<ul style="list-style-type: none"> Both the landlord & the tenant will be entitled for 50 percent of land compensation amount each (As per 2058 B.S. amendment in Land Reform Act) . Non-registered tenant/renter/lease holder does not qualify for compensation for land losses; however they will be entitled to compensation for crops. 	<ul style="list-style-type: none"> Where a renter/leaseholder has a sharecropping arrangement, the compensation payable should be apportioned according to the arrangement.

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
1.3 Loss of Guthi (Trust) Land	Entitled Person/ institutions and tenant in accordance with the Guthi Corporation Act 2033.	As per Guthi Corporation Act, 2033	Guthi (religious trust land) acquired for a development must be replaced with other land.
1.4 Temporary Loss of Private Land	Titleholder Tenants and landlord (As both are the owner of equal (i.e. 50 %) share, hence treated as private land holder.	<ul style="list-style-type: none"> • Compensation for crop, land productivity and other property losses for the duration of temporary occupation. • Compensation for other disturbances & damages caused to property. • Or, Contractor to negotiate a contract agreement on the rental rate with the owner for temporary acquisition of land. • Project and the Contractor to ensure that persons other than the owner affected as a result of temporary acquisition are compensated for the temporary period. • Land should be returned to the owner at the end of temporary acquisition period, restored to its original condition or improved as agreed with owner. 	<ul style="list-style-type: none"> • The owner/entitled party will sign a temporary occupation contract specifying: <ul style="list-style-type: none"> • Period of occupancy, • The terms and conditions for calculation of production losses, • The frequency of compensation payment, and • Land protection and rehabilitation measures. <p>The land will be returned to the owner at the end of temporary acquisition, restored to its original condition.</p>
2. Crops and Trees			
2.1 Loss of Trees & Perennial Crops	<ul style="list-style-type: none"> • Titleholder • Lessee/cultivators having agreement with the owner • Landless squatter/ encroachers on public land 	<ul style="list-style-type: none"> • Advance notice to harvest crops • Net value of existing crops where harvesting is not possible. • The crops, which live, in short time will be paid in accordance with one-year output value. The crops which have lived for several years will be compensated at market value on the basis of loss of future production, based on 5 years annual net production for fruit & fodder trees & 3 years annual net production for timber/ fuel wood trees & other perennial crops. • Extreme care should be taken by Contractors to avoid damaging crops and trees • Where damages do occur as a result of construction works, the affected parties shall be compensated immediately for damages to crops and trees 	<ul style="list-style-type: none"> • Inventory of the tree and plant species list • List of owner, non-perennial crops and the area (if applicable) of cultivation should be prepared • The APs will get notice 3-6 months in advance regarding crop harvesting. Crops grown after the issue of the notice will not be compensated. • The work schedule has to be adjusted considering the crop seasons so that for avoiding crop damage. • Crop/trees/bamboo market values will be determined by the CFCs in consultation with District agriculture and forestry office. • Where a tenant/renter/lessee & landowner have a sharecropping arrangement, the compensation payable should be apportioned according to the arrangement. • Materials may be salvaged with no deduction from compensation
2.2 Loss of Non-perennial crops			
2.3 Additional loss (construction induced impact)			
3. Houses, Structures and Other basic facilities			

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
3.1 Loss of own house & Privately owned other structures 3.2 Loss of commercial establishment.	<ul style="list-style-type: none"> • Full Titleholder • Tenant/Renter/Lease holder (own accommodation) • Landless squatter/ encroachers on public land 	<ol style="list-style-type: none"> 1. Compensation for full or partial loss of house and other structures at full replacement cost of materials and labor according to house/structure type, with no deduction for depreciation. 2. Every displaced household is entitled to a housing displacement allowance, based on the established rates per HH, capita, capita income and/or minimum wage rate. 3. Every household will receive transportation allowance on actual cost basis. 4. However, loss of structures other than household and commercial establishments does not entail payment of a displacement allowance 5. Resettlement assistance to those most vulnerable households to restore pre-displacement livelihoods. 6. Every displaced household with business affected will be entitled to receive one time lump sum grant; minimum one month's income based on the nature of business and type of losses assessed on a case to case basis. Daily minimum wage rate may be used as compensation for business loss as basis for calculation when and as applicable. 7. One time cash assistance (displacement allowance) equivalent to one months rent for moving to alternative premises for commercial establishment 8. The household will be entitled to a rental stipend for loss of rented accommodation 9. Cash compensation for damages to structures resulting from temporary occupation of land at replacement cost. 	<ul style="list-style-type: none"> • Replacement cost at market value of house and structures will be determined by the CDC in consultation with local experts and compensation prices will be finalized with participation of LCF/AP representatives. • Formal resettlement planning will be undertaken where more than 10 households from one settlement/residential area are displaced, if the households having significant impacts opt for group resettlement site. • Other structures include: toilet, sheds, walls, fences, water mills, workshop etc. • Materials may be salvaged with no deduction from compensation • Non-titleholder (squatters, encroachers) will not be entitled to any compensation for their affected unauthorized/illegal extensions over public land. • Vulnerable encroachers with economic losses may be entitled to assistance as a vulnerable group, at established rates determined by the CDC. • Renter/ lessee holder will not be entitled for compensation of structures. However if the structures are made by them, they will be entitled to compensation or will be according to the lessee agreement
3.3 Loss of rented accommodation	Renter/Lessee holder	<ol style="list-style-type: none"> 1. Titleholder 2. Tenant/lessee holder/renter 3. Landless squatter / encroacher on public land. 	<ol style="list-style-type: none"> 1. Payment of installation charge or compensation for relocation of electricity, telephone line, TV cable drinking water and other infrastructure to the installer, if these exists.
3.4 Other basic household facilities	<ol style="list-style-type: none"> 1. Titleholder 2. Tenant/lessee holder/renter 3. Landless squatter / encroacher on public land. 	<ol style="list-style-type: none"> 1. Payment of installation charge or compensation for relocation of electricity, telephone line, TV cable drinking water and other infrastructure to the installer, if these exists. 	The concerned authority will be requested to assist the households to reinstall or permit the facilities in their new location if applicable/required.
4. Community and Cultural Assets/ Facilities			
4.1 Loss of community buildings/ structures, cultural assets	Local community/ User's group	Cash compensation for restoring affected community and cultural resources. Restoration of affected community buildings and structures to at least previous condition, or replacement in areas identified in consultation with affected communities and relevant authorities.	Community resources/facilities include: schools, temples/monastery, religious tree, graveyards, ghats, waiting sheds, including the community hall etc. established by the local community/ CBOs.

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
		Restoration before commencement of the project where necessary, or to be determined in consultation with the community.	
4.2 Loss of land	Local community user's group	1. Restoration of access to community resources	The land revenue office in the district and concerned RM/M/municipality will be requested to assist communities for land replacement identifying the area nearby.
4.3 Loss of community forests and other natural resources due to construction	Forest user's group/Other Groups Concerned	<ul style="list-style-type: none"> ➤ Mitigation measures should be initiated to control erosion caused by tree cutting, and to stabilize and rehabilitate the slopes with suitable bioengineering works and vegetation. ➤ Community forestland lost due to road construction should be replaced and reforested according to DoF regulations including others concerned. ➤ Advance notice to harvest resources from affected community forest areas. ➤ Compensation for trees to the FUG 	<p>List of plant and tree species lost and an assessment for maintaining that kind of vegetation</p> <p>Compensation for trees calculated on the basis of type, age, and productive value of affected trees in consultation of concerned forestry office and FUG.</p> <p>To minimize damage the department of Forestry will be requested for necessary action.</p>

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
5. Displacement Allowances			
5.1 Displacement of households	<ul style="list-style-type: none"> Titleholder Tenant /Lessee holder, Renter Landless squatter / Encroachers on public land. 	<ul style="list-style-type: none"> Every households displaced will be entitled to a housing displacement allowance. Each displaced renter, lessee holder household will be entitled to a rental stipend for loss of rented accommodation. The households affected by partial loss of structures that can be repaired will be entitled to repair allowance for mitigating the loss, not displacement allowance. 	<ul style="list-style-type: none"> Each displaced household will receive housing <i>displacement allowance equivalent to two months poverty line income (PLI)</i>. <p>Displaced households living on rent will receive 35 days' notice or rental stipend equivalent to 0.5 month PLI plus transportation assistance by the project.</p> <p>Allowances will be paid prior to displacement.</p> <p>Partial loss to be calculated as per the cost of replacement material and labour cost.</p> <p>The following cultivation disruption allowances will apply to</p> <ul style="list-style-type: none"> households with total landholdings of 0.25 ha and smaller who lose more than 10 % of their landholdings; households with total landholdings above 0.25 ha who lose more than 25 % of their landholdings; households whose production levels are severely affected through participatory assessment with LCFs. The cultivation disruption allowance will be equal to one season's production on the area of land lost, based on published District/RM/M production figures, land type and crop market prices for the year of acquisition.
5.2 Displacement of commercial enterprise		<ul style="list-style-type: none"> Every household of displaced businesses will be entitled to a business displacement allowance for loss of commercial establishment. 	
5.3Transportation allowance		<ul style="list-style-type: none"> Each displaced household will be entitled to transportation assistance to move their belongings. 	
5.4 Severe disruption to cultivation		<ul style="list-style-type: none"> Cultivation disruption allowance for severe disruption to household cultivation levels. 	
6. Group Losses, Vulnerability and Rehabilitation Measures			
6.1 Loss of income indirectly due to the project (employment for porters and other laborers)	<ul style="list-style-type: none"> Persons in the vicinity of the road who may be adversely affected by the project although they do not lose assets. Female community living near construction section 	<ul style="list-style-type: none"> Rehabilitation assistance such as information dissemination regarding project impacts, compensation alternatives and risks. Preferential access to project construction employment opportunities, to the extent possible. Assessment of current economic activities and potential for improvement to these activities, as well as alternative income earning opportunities. Counselling/information dissemination/ skill development training for job upgrading/diversification and other possible support services. 	<p>List of SPAF with potential impact should be prepared in consultation with LCF & Civil Society and may include:</p> <ul style="list-style-type: none"> Porters and other providers of non-vehicular transport. Ethnic, occupational cast people Having aged people as household head and having disabled family members in the households Women headed poor households Poorest of the poor landless households & squatters

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
		<ul style="list-style-type: none"> Employment opportunity for unskilled labour to female should make compulsory at established rate of at least 33 % female participation. 	<ul style="list-style-type: none"> Provide clauses in Work Contracts that will require specific employment quota for local female residents, taking into special account vulnerable groups.
6.2 Severe loss of assets directly due to the project, and severe impact indirectly caused by the project.	<ul style="list-style-type: none"> ➤ Households/ APs having significant impacts ➤ Households of the Vulnerable categories ➤ APs family members over 16 years of age 	<ul style="list-style-type: none"> Information dissemination regarding project impacts, compensation alternatives and risks, and resettlement options (where required). Technical support on saving schemes and cash management. Preferential access to road construction employment opportunities, to the extent possible. Assessment of current economic activities and potential for improvement to these activities, as well as alternative income earning opportunities. Assistance with training in life skills that would help in obtaining employment and/or earning livelihood. The project will investigate training programs and institutions. In such a case, Funds will be paid directly to the relevant institutions. Or, project by itself will arrange suitable program for its mitigation. Assistance through the implementation of Vulnerable Community Development Plan. 	<p>The rehabilitation measures will be targeted to APs having significant adverse impact and to vulnerable groups in the vicinity of the project area, even though they do not lose assets.</p> <p>Training on road construction and hiring workers will be included in Contractors' contracts.</p> <p>APs having significant impact who opt for training assistance will be entitled to a training subsistence allowance equal to a maximum of one three month's minimum wage as established at the national or local level, whichever amount is higher, for the duration of the training course.</p> <p>The respective Agriculture and forestry related Institutions will be requested to assist in implementing the forestry and agriculture program if required. Any costs required for this will be borne by the project.</p>
7. Damages Caused during Construction			
7.1 any kind of Private and Public Properties (electric poles, Drinking water supply pipelines)	All categories of entitled persons	<ul style="list-style-type: none"> ○ Extreme care should be taken by Contractors to avoid damaging public and private property unnecessarily. ○ Where damages do occur to public or private property as a result of construction works, the affected parties shall be compensated immediately for damages to crops and trees, damaged land, structure and infrastructure shall be restored immediately to their former conditions. 	The same entitlement policies will apply as for other land acquisition.
8. Government Property			
8.1 Loss of infrastructure and facilities	Relevant agency	Facilities will be repaired or replaced.	To be undertaken in consultation with the relevant department or ministry

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
8.2 Loss of forest areas	Department of Forest	1. Mitigation by means of afforestation.	An assessment for maintaining that kind of vegetation To be undertaken in consultation with Department of Forestry

Chapter 3: Basis of Valuation of Affected Assets

All assets that will be affected, as identified by the survey teams, will be properly recorded and verified in the presence of the concerned persons. The detailed survey asset information will be computerized to monitor the reestablishment of PAPs. The valuation of affected assets will be undertaken by the District-level Compensation Fixation Committees (CFCs). It is also recommendable to geo-reference the said assets (land, structures) with the help of a Global Positioning System (GPS) to facilitate monitoring and to be used in case of later claims.

Each asset will be enumerated and inscribed on a register. Values for each types of asset will be pre-printed, shown to the affected person, and set against the type and number of such losses that the individual will sustain. The total compensation for that category of loss will be explained to the AP, and the total of all losses shown as well. The valuers must ensure that the AP will fully understand the compensation calculation, and that the entire process is explained in local dialect, as applicable. The inventory and evaluation sheet will then be signed and a copy given on the spot to the affected person. The form will also state, and the affected person will be notified, that the inventory will not be official until a second signed copy, verified by project supervisory staff, is returned to the affected person. At that time, a copy of the grievance procedure described below (explaining the rights of the AP to forward claims) will also be given to the affected person.

When valuing affected assets, the CFCs will take account of rates in the open local market and information gathered during RAP preparation to ensure that compensation is at replacement value. Compensation rate for all types of losses will be prepared. The established price list for land and other assets will be used for compensation of property acquisition. During the course of project implementation, the rate will be continuously reviewed and updated on an annual basis by the CFC.

The methods of valuation for verifying the replacement for each type of losses, which will be carried out by the CFC and resettlement committee, are, but not limited to, the following:

Land:

- Recent land use rights transfer on land
- Determine whether the established rates are sufficient or not to purchase the same quality and quantity of land in the similar location.

Structures:

- Evaluate whether the compensation for the structures will enable APs to rebuild their affected structures by consulting landowners, based in an inventory of
 - (i) types of structures, size, stories, rooms, land area similar location and nature of structure, materials used and the cost of various materials,
 - (ii) Who built the structures (AP or Contractor) and whether will be used or not.
- Obtain cost estimates by consulting at least three local/regional contractors and suppliers in order to:
 - (i) Identify local/typical cost of materials and labour transportation cost,
 - (ii) Identify cost of different types of houses according to Categories,
 - (iii) Compare prices with those prevailing in the District.

Crops and Production Trees:

Information will be collected to establish the average market price for these items. Current market prices will be determined in the same and adjoining districts for different types of

crops and plants in consultation with District Agriculture Office and the Division Forests Office.

Public utilities: electric poles, drinking water supply pipelines etc:

Prepare inventory of electric poles with categories weather distribution and transmission line. On the basis of its categorization, the rate will be fixed, and final rate will be decided as per estimation given by Nepal Electrify Authority

The final valuation shall be based on the principle that the project-affected families shall be compensated in a way to guarantee that their living standard is at least the same as before, if not better. Accordingly, the assessment of compensation for affected assets will be based on the principle of current market price at replacement value. The prices per square meter for different category of structures will be based on the total affected area of a structure, and not the usable area. As matter of principle, all compensation should be equivalent or higher than the prevailing market price.

As discussed during consultations with project-affected households, compensation payments will be made by cheque and deposited into the joint bank account (that is, account of husband and wife) of the project-affected households, which represents the most appropriate mechanism to avoid delay in payment of compensation. Any associated bank fees will be paid as project costs as part of the total costs of resettlement.

The RAP will include a detailed implementation schedule to outline the time by which resettlement-related activities will be completed. Refer to table 6 below for a template of the RAP implementation schedule. Monitoring arrangements will be detailed in the RAP to oversee and ensure the timely payment of compensation to project-affected persons. DOR will take possession of required land and assets only after compensation has been made available and where applicable, displaced people have been resettled and moving allowances have been provided to the displaced persons in addition to compensation. A grievance redress mechanism, as detailed in the SEP, will be accessible for project-affected persons to raise grievances, for example, any grievances regarding the delay in payment of compensation. Where DOR experiences difficulties related to the payment of compensation, for example, where repeated efforts to contact absentee owners have failed, in agreement with the World Bank and where DOR demonstrates that all reasonable efforts have been made to provide compensation, DOR may deposit funds as required by the RAP (plus a reasonable additional amount for contingencies) into an interest-bearing escrow or other deposit account and proceed with the relevant project activities. Compensation placed in escrow will be made available to eligible persons in a timely manner as issues are resolved.

Chapter 4: Public Participation, Consultation and Grievance Mechanism

Public participation as part of citizen engagement i.e. directly and indirectly affected groups including other interested party and meaningful consultation are the basic principles in arranging for proper resettlement and compensation mechanisms in all forthcoming sub-projects in line with ESS 10. Public consultation includes comprehensive and timely dissemination to the project-affected people, while involving at the same time all agencies and stakeholders in the implementation and monitoring of the project. Care will be taken to maintain transparency of the Project, reduce potential conflicts, manage complaints and grievance, minimize the risk of project delays, and enable the Project to design the resettlement and the rehabilitation program as a comprehensive development program to suit the needs and priorities of the APs.

4.1 Stakeholder engagement planning

A specific stakeholder engagement plan will be undertaken during project design and implementation to ensure meaningful consultation with all stakeholders, and especially project-affected households, through the project lifecycle, and to ensure that they have equal opportunities to participate in and benefit from the project.

During detailed design, all project stakeholders will be identified for the KDP project. Project stakeholders included:

- Project-affected parties including:
 - Directly-affected populations including as those who need to be physically or economically displaced from within the ROW, people who make their livelihoods around the project site, and people affected by the construction
 - Indirectly affected parties including those who live within the project location. This includes Ganeshman Charnath, Dhanusha Dham, Mithila, Bardiwās, Gaushala, Ishworpur, Lalbandi, Hariwan, Bagmati and Nijagadh Municipality and Jitpur Sub Metropolitan city within Dhanusha, Mahottraī, Sarlahi, Rautahat and Bara districts.
- Other interested parties such as government departments, non-government organizations, and media groups.
- Vulnerable groups including Dalit, indigenous groups, women, children, youth and the elderly, peoples with disabilities, LGBTI (lesbian, gay, bisexual, transsexual, intersex), minority groups, and households in extreme poverty

Analysis of all project stakeholders has been included in the project's Stakeholder Engagement Plan (SEP), which will be revised during detailed design. Based on the identified stakeholders, a stakeholder mapping has been undertaken to determine the level of influence and interest of the stakeholders in the project, and an engagement plan developed for engagements to be undertaken through the different stages of the project lifecycle. Project-affected households and project-affected municipalities are amongst the stakeholder groups considered to have high influence and impact in the project, and consequently, intensive and specific engagement efforts will be directed towards these groups throughout the project lifecycle. Consultations for all stakeholders will include: public hearings on the project ESIA; communities meetings for preparation of the SEP; communication with government officials; and communications with local NGOs.

For project-affected households who for example will be physically or economically displaced, given that a significant number of concerns and grievances during implementation will relate displacement/resettlement issues, consultations will commence

as early as possible in project design to provide project information, understand issues of the project-affected households, and to discuss compensation and livelihoods restoration measures as relevant. For example, during the planning stage, engagements will be undertaken to provide information to PAPs on these topics: presentation of the ESIA and ESMP, discussion of project alternatives, scope of the potential impacts and mitigation measures and benefit enhancers, expected displacement, project environmental and social principles, resettlement and livelihood restoration measures. Methods of engagement will include: ward meetings; one-to-one meetings; separate group discussions with women, youth, and other vulnerable groups; household visits to IP households; project information sheets such as project information documents, social media and FM radio. Engagements will also provide information and awareness on the project's grievance redress mechanism (GRM), provided further below, where project-affected households can raise grievances with respect to compensation amounts, any issues with receiving compensation, and also grievances related to construction-induced impacts. Information provided will include channels and locals for submitting grievances, and those responsibility for receiving and responding to grievances. During pre-construction and construction, further engagements will relate to discussions of the contractor's ESMP, providing any project updates, and carrying out any ongoing discussions related to project documents such as the RPF and IPPF. During detailed design, specific engagement and outreach mechanisms in project areas where displacement will occur will be developed and implemented.

Given the presence of indigenous groups and vulnerable groups, and therefore that some project-affected households may be IP or vulnerable households, special measures will be developed for engagement with IPs, for example, provision of project and compensation information provided will be in the local language as required, and separate consultations with IP and vulnerable groups. Further mechanisms for consulting with stakeholders are outlined below.

4.2 Mechanisms of Consultation and Participation of PAPs

This framework recommends meaningful public consultation activities and information dissemination to affected people through Stakeholder Engagement Plan (SEP). Public consultation will include both local governments, local communities, project affected families, vulnerable and disadvantage group, women groups, differently able groups, medias, politicians, transport groups and civil society, where the APs would be regularly provided with information on the project and the resettlement process prior to and during the preparation for resettlement actions. Mechanisms of consultation and participation will include:

- Public meetings in the project area
- Information/ awareness campaigns through engaged NGOs
- Interviews/surveys in project affected households
- Assess the restriction of accesses of common and community resources
- Focus group discussions (separate focus group discussion if required),
- Formation of committees and/or groups including stakeholders during project preparation and implementation.
- Development of grievance redresses mechanism in line with SEP of the Project.

Project-related information will be publicly disclosed through the project lifecycle using a range of channels, including the following:

- During consultations, such as public hearings, LCF meetings, and in direct discussions with project-affected families. Consultations will be carried out in the local language where required.
-

- Information will be printed and displayed on the notice boards at the public offices including ward offices, clinics, and schools.
- Information will also be provided using electronic media, such as via Facebook where a page specifically for the project will be set up. A group chat using for example Facebook Messenger or Whatsapp, will be set up to disseminate project information
- Local FM radio will provide relevant project information
- Digital boards will also be placed selected work sites to display up-to-date information regarding the project.

The SEP outlines the proposed type and frequency regarding the dissemination of project information. Channels and frequency/timing of the disclosure of information on the KDP road project will be confirmed during detailed design.

Communication materials will include: project information document; project factsheet (in Nepali); SRCTIP Frequently Asked Questions (FAQs); and information on the GRM.

At early stage of initiating the resettlement process a Local Consultative Forum (LCF) will be formed at RM/M level to ensure PAP's participation in the decision-making process of the RAP implementation. The LCF will play a key role in GRM facilitation.

During the process of preparing RAP, discussions will be held with the directly affected families, institutions and the representatives of the directly affected RM/M. PAP as well as other stakeholders will be requested to participate in meetings of the RAP processes and express their concerns about various aspects of the project.

PAPs' participation should also be ensured during final assessment of compensation, resettlement and monitoring.

Details of these consultations including dates, names of participants, issues raised and how these have been addressed will be documented in the subproject RAPs.

Consultations with vulnerable affected individuals and groups

Special measures are proposed to mitigation any adverse impacts on vulnerable project-affected persons. As noted above, vulnerable persons are those who, because of their particular circumstances, may be disadvantaged or vulnerable. Under the project, vulnerable groups may include: dalits; indigenous groups; women (including women of single-headed households, women of low-income households, and landless women); children, youth and elderly; peoples with disabilities; those who identify as LGBTI, minority religious groups, and households living in extreme poverty. During preparation of the ESIA for the subproject during detailed design, vulnerable individuals and groups who will be impacted by the KDP road activities will be identified and differentiated measures to enable effective participation of those identified individuals or groups. Different or separate forms of consultation will be undertaken with these vulnerable affected individuals and groups, to identify their concerns and priorities about project impacts, mitigation mechanisms and benefits. The Stakeholder Engagement Plan (SEP) outlines the specific measures proposed for engagement with vulnerable groups through the project lifecycle, including focus groups discussions for women and youth, individual household visits to vulnerable households, school visits, holding consultations in local/indigenous languages. The time and location of consultations will be determined as appropriate to needs of vulnerable affected persons.

4.3 Establishment of Grievance Redress Mechanisms

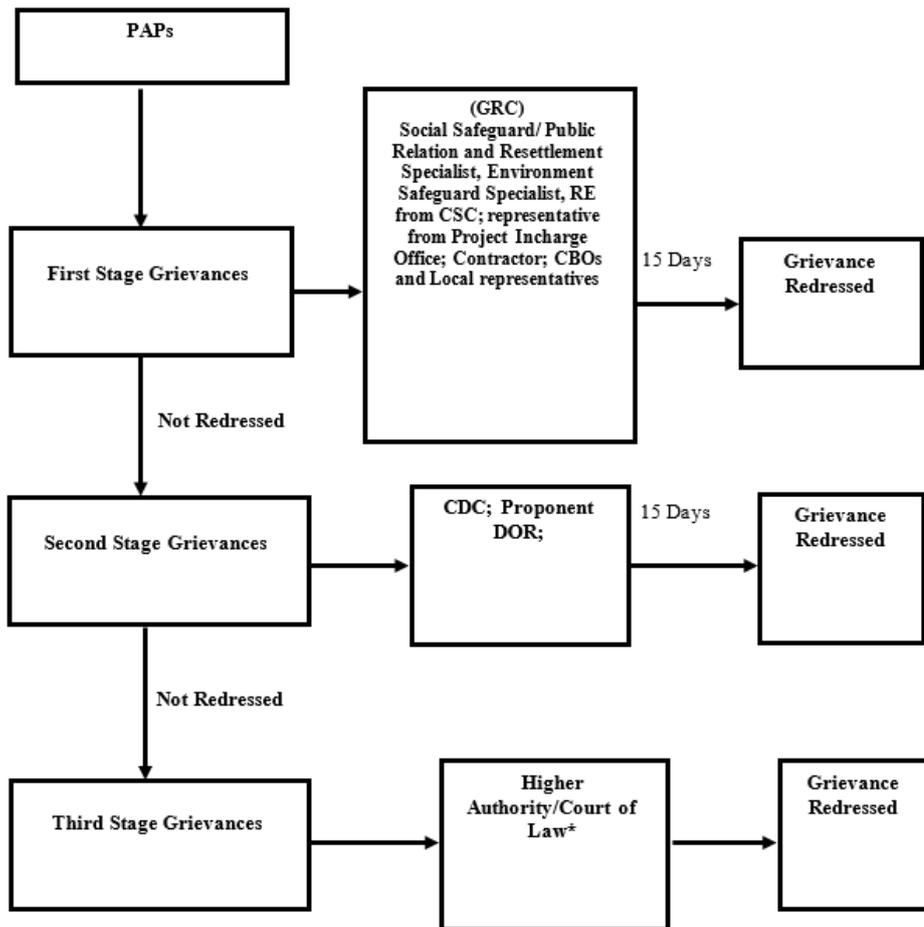
For the KDP road a grievance redress mechanism will be established to allow affected persons and other related stakeholders to appeal any disagreeable decisions, practices and Activities arising from compensation for land, assets settlements, and technical and general project-related disputes. The APs will be made fully aware of their rights and the procedures for doing so verbally and in writing during consultation, survey, and time of compensation.

The APs will have access to both locally constructed grievances redress committees specified under existing government mechanism i.e. LCF and formal courts of appeal system. At the first level, PAPs will be able to submit grievances in person at the local level project office. At this first level, the LCF will seek to resolve the grievance with the PAP. For any grievances that cannot be resolved at the local level, the grievance will be escalated to the CDC, at the District Administration Office (DAO). The PAP also has recourse to the judicial system in the circumstance that they are unsatisfied with the resolution of the grievance. They may appeal to appellate court within 35 days of the public notice given to them.

Special project grievance mechanisms such as on-site provision of complain hearings allows project affected persons to get fair treatment on time. The LCF will be established in each road affected M/RM to handle initial grievances of the project-affected people. The Project will handle issues regarding the compensation damages done during construction. The APs will have unhindered access to the Grievance Office to forward and file their complains without being intimidated or being deterred by excessive bureaucratic hurdles. The provisions of Social Mobilizer (SM) in the project implementation are good practices in this regard. SM can be mobilised in order to help APs to file the complaints and concerns to the concerned agency. APs will be exempt from all administrative fees incurred, pursuant to the grievance redressed procedures except for cases filed in court. A three-stage procedure for redress of grievances is proposed for the forthcoming sub-projects (see Box 1)

Box 1
Proposed Mechanisms for Grievance Resolution
Stage 1: Complaints of APs on any aspect of compensation, relocation, or unaddressed losses shall in first instance be settled verbally or in written form in field based project office (PO).The complaint can be discussed in an informal meeting with the AP by the concerned personnel to settle the issues at the RM/M level. The community consultation, involvement of social and resettlement experts and NGOs will be helpful in this regard. It will be the responsibility of the LCF and project manager to resolve the issue within 15 days from the date of the complaint received.
Stage 2: If no understanding or amicable solution reached or no response from the PO, the AP can appeal to the CDC. While lodging the complaint, the AP must produce documents to support his/her claim. The CDC will provide the decision within 15 days of registering the appeal.
Stage 3: If the AP is not satisfied with the decision of CDC or in the absence of any response of its representatives, within 35 days of the complaint, the AP, in his/her last resort, may submit its case to the District Court.

Details of the project-level GRM, which will be used for addressing and resolving resettlement-related grievances, are outlined in the SEP for the project. The proposed structure for the GRM is outlined below. A draft grievance recording form is included at Annex 1.



CDC= Compensation Determination Committee, PAPs= Project Affected Persons, LCF= Local Consultative Forum, CSC= Construction Supervision Consultant, DOR= Department of Roads, GESU= Geo-Environment and Social Unit. *Aggrieved person may also access the country's legal system at any stage (of the three stages) of the grievance redress mechanism.

Chapter 5: Monitoring and Evaluation

The land acquisition and resettlement and vulnerable communities' components will be monitored both internally and externally with the objective of providing feedback to management on implementation and identifying problems and successes as early as possible to facilitate timely adjustment of implementation arrangements.

5.1 Monitoring Social Aspects Pertaining to RAP and in the KDP road

The objectives of the monitoring program are:

- To ensure that the standard of living of APs are restored or improved;
- To monitor whether the time lines for resettlement and compensation are met;
- To assess if compensation, rehabilitation measures and social development support program are sufficient;
- To identify problems or potential social, ethnic or other conflicts; and
- To identify methods of responding immediately to mitigate problems.

The monitoring and evaluation of project-related activities with regard to the social implications will be carried out at two stages: First during the mid-term and a second yet to be determined by the DoR, most likely just before the project completion. The mid-term evaluation will focus more on the process part and will examine if the project is in the right track in implementation in terms of its project design/planning and right processes are being followed. It will also assess the type of adjustments/adaptations being made during the course of implementation as a result of the monitoring.

5.2 Types of Monitoring Applied

For sub-projects where resettlement and land acquisition will be required, specific monitoring and evaluation program will be implemented to (i) record and assess project inputs and the number of persons affected and compensated, and (ii) confirm that former subsistence levels and living standards are being re-established. The range of activities and issues that would therefore have to be recorded and checked, include:

- Land acquisition and transfer procedures;
- Compensation payments;
- Construction of replacement houses by displaced households;
- Re-establishment of displaced households and business enterprise
- Reaction of severely affected households, in particular, to resettlement and compensation packages; and
- Re-establishment of income levels.

Two main monitoring mechanisms will be applied:

5.2.1 Internal Monitoring

This type of monitoring studies the ongoing process and the respective outputs, compared against established social indicators. The projects will be responsible for internal monitoring of RAP implementation. The GESU of DoR will supervise the land acquisition components of the RAP. The Social Division of GESU gives guidance on the monitoring and prepare quarterly reports on the findings of the monitoring reports received from the sub-projects. The funding agency (World Bank) will receive copies of these monitoring reports.

5.2.2 External Monitoring

Thus type of monitoring, carried out by an independent monitoring agency, will assess the extent to which resettlement and rehabilitation objectives have been met. The Project Implementing Units (with approval from World Bank as to ToR and qualifications and experience of monitoring agency) will recruit, for the entire project, an independent external monitoring agency/consultants for independent bi-annual review of RAP implementation to determine whether intended goals are being achieved, and if not, what corrective actions are needed. The independent monitoring agency shall carry out a replacement cost survey to verify and update the district compensation rates in each and ensure that the current market rates are applied and are acceptable as replacement values to both APs and DoR. The independent agency will carry out field visits and consultation with the vulnerable and endogenous communities. The findings of the external monitoring reports will be subject to public disclosure through a public consultation a meeting. External monitoring reports will be submitted directly to DCID/DoR with copies to the funding agency (World Bank).

7.2.3 Social Indicators to Monitor the Effectiveness of the Proposed RAPs

The following table presents the basic indicators that are recommended under this framework for monitoring the success/failure of the resettlement activities and the development programs for vulnerable groups.

Table 3: Framework for Monitoring Social Issues Related to Resettlement and Vulnerable Groups

Type	Indicator	Variables
Process monitoring indicators	PAP involvement in ongoing project works, Consultation, Participation, and Grievance Resolution	Number of LCFs formed Number of local workers employed through NGO/CBO mobilization and facilitation initiatives Number of persons belong to vulnerable groups being employed Number of women being employed Number of consultation / participation programs involving stakeholders Grievances by type and resolution Number of field visits by DoR/GESU staff Number of CBOs (Users' Committee) and labour groups participating Number of PAPs who know their entitlements Number of PAPs receiving compensation Number of vulnerable people's household supported
	Procedures in Operation	Census and CFC asset verification/quantification procedures in place Effectiveness of compensation delivery system Number of land transfers effected Coordination between Project Implementation Unit and line agencies Number of households/PAPs to be resettled because of displacement. Status of livelihood restoration activities. Number of targeted beneficiaries provided support with employment, micro-credit disbursed, number of income generating activities etc.)
Output Indicator - monitoring indicators	Acquisition of Land	Area of cultivation land acquired by road section Area of other private land acquired Area of communal/government land acquired Compliance of established norms in land acquisition Number of disputes resolved related to land acquisition
	Structures	Number, type and size of private structures acquired Number, type and size of community structures acquired Number, type and size of government structures acquired
	Trees and Crops	Number and type of private crops and trees acquired Number and type of government/community crops and trees acquired Crops destroyed by area, type and number of owners
	Compensation and Rehabilitation	Number of households affected (land, buildings, trees, crops) Number of owners compensated by type of loss Amount compensated by type and owner Number and amount of allowances paid Number of replacement houses constructed by concerned owners Number of replacement businesses constructed by owners Number of owners requesting assistance for purchase of replacement land Number of replacement land purchases effected Number of delivery of entitlements Number of use of entitlements by APs Suitability of entitlements to APs as per RAP objectives Number of poor and vulnerable APs requesting assistance to allocate land and provide lease/temporary rights Number of assistance made related to poor and vulnerable APs
	Construction induce impact	Number of households affected (land, buildings, trees, crops)
	Reestablishment of community resources	Number of community buildings/facilities repaired/ replaced Number of saplings supplied by type Number of trees planted by government agency

Type	Indicator	Variables
Outcome/ Impact Indicator - evaluation indicators	Household Earning Capacity	Employment status of economically active members Landholding area cultivated, production volume by crop Types and value of livestock raised Selling of cultivation land Changes to agricultural income-earning activities – pre- and post-disturbance Changes to off-farm income-earning activities – pre- and post-disturbance Amount and balance of income and expenditure Numbers of vulnerable groups received livelihood opportunities Number of APs received employment opportunities to restore pre-project income levels and maintain their original living standards.
	Changes to Status of Women	Participation in users' committees, disaggregated by subject Participation in training programs, disaggregated by subject Participation and types of saving/ credit facilities Participation in road construction employment contracts and payment Participation in commercial enterprises Change in ownership over assets Change in status in decision making Change in the mobility and participation in public affairs and user groups (if formed).
	Changes to Status of Children	School attendance rates (male/female) (illegal) participation in road construction Incidences of trafficking
	Settlement and Population	Growth in number and size of settlements, inside and outside RoW Growth in market areas along the road alignment Influx of illegal settlers/encroachers on the road performance Increase in public facilities
	Multiplier effect	Changes in the economic activities, enterprises and functions of the market Changes in the employment status of the population Changes in the economic and social infrastructures Changes in the pattern of consumption and provision of electricity

Table 4: Phase-wise Social Monitoring & Evaluation Indicators for SRCTIP

Issue	Verification	Schedule	Responsibility
A. Construction Period			
Employment of local labour including women and children and wage rates	Site observation regarding illegal child works; attendance record, interaction with Project & contractors.	Weekly	PM/DoR, Consultant, Contractor, NGO/CBO
Employment of local economically weak section of population (unemployed youths)	Job lists, job opportunities by gender; amount of work awarded. Site observation, attendance record, interaction with Project & contractors.	Weekly	PM/DoR, Consultant, Contractor, NGO/CBO
B. Operation Period			
Encroachment into public land/open space/common property (grazing land, open market, temples, etc)	Visit the identified public land/ open space, interact with local people, photographic documentation, geo-referencing	Half Yearly	PM/DoR, Consultant, Contractor, NGO/CBO, DCC
Development of new or expansion of old settlements/ business establishments / squatter development along roadside	Observation, recording of sites, photographic documentation, geo-referencing objects; status of affected families	Half Yearly	Division Office/DoR, NGO/CBO, DCC
Migration to the road side/ displacement of local people	Review of land holding records, discussion with local people/groups. Photographs	Annually	Division Road Office/DoR, NGO/CBO, DCC
Road accidents	Discuss with local people, Consult hospitals/health posts records.	Annually	Traffic Police District Road Office/DoR, NGO/CBO,
Incidence of communicable diseases e.g. respiratory diseases, HIV/AIDS, TB etc.	Discuss with local people, health workers/ health post/ records.	Annually	Division Road Office/DoR, NGO/CBO, Health Unit, DCC
Upgrading of old and establishment of new schools/colleges along the road and vicinity.	Discuss with local people, political leaders and local groups/CBOs.	Annually	Dist. Education Office, DCC, NGO/CBO
Student's enrolment for higher studies in nearby towns (girls, boys).	Discuss with local people, school teachers and local groups	Annually	Division Road Office/DoR, Dist. Education Office
Changes in the land price, land use, agricultural practices, productivity and crop export	Discuss with farmers and extension workers, agricultural statistics of District Agr. Office, Agric.-Input Corp., District Food Corp. Office, land use maps, photographic documentation	Annually	Division Road Office/DoR, District Agriculture Office, Local Authority
State of social harmony and social security (e.g. alcoholism, drug abuse, prostitution, violence)	Police records, discussion with local residents.	Annually	Division Road Office/DoR, Local Authority, Police Office
Changes in the living standard of people	Interview with families, RM/Mrecords, discussion with local leaders, CBOs.	Periodically	Division Road Office/DoR, Local Authority, NGO/CBO
Displacement of traditional employment (porters, traditional mode of transportation, such as mules, carts)	Discuss with local residents, DCCDCC, community	Annually	Division Road Office/DoR
Condition of cultural and historical areas and aesthetic qualities.	Visit the area; discuss with people, observation and photographs.	Annually	Division Road Office/DoR, NGO/CBO

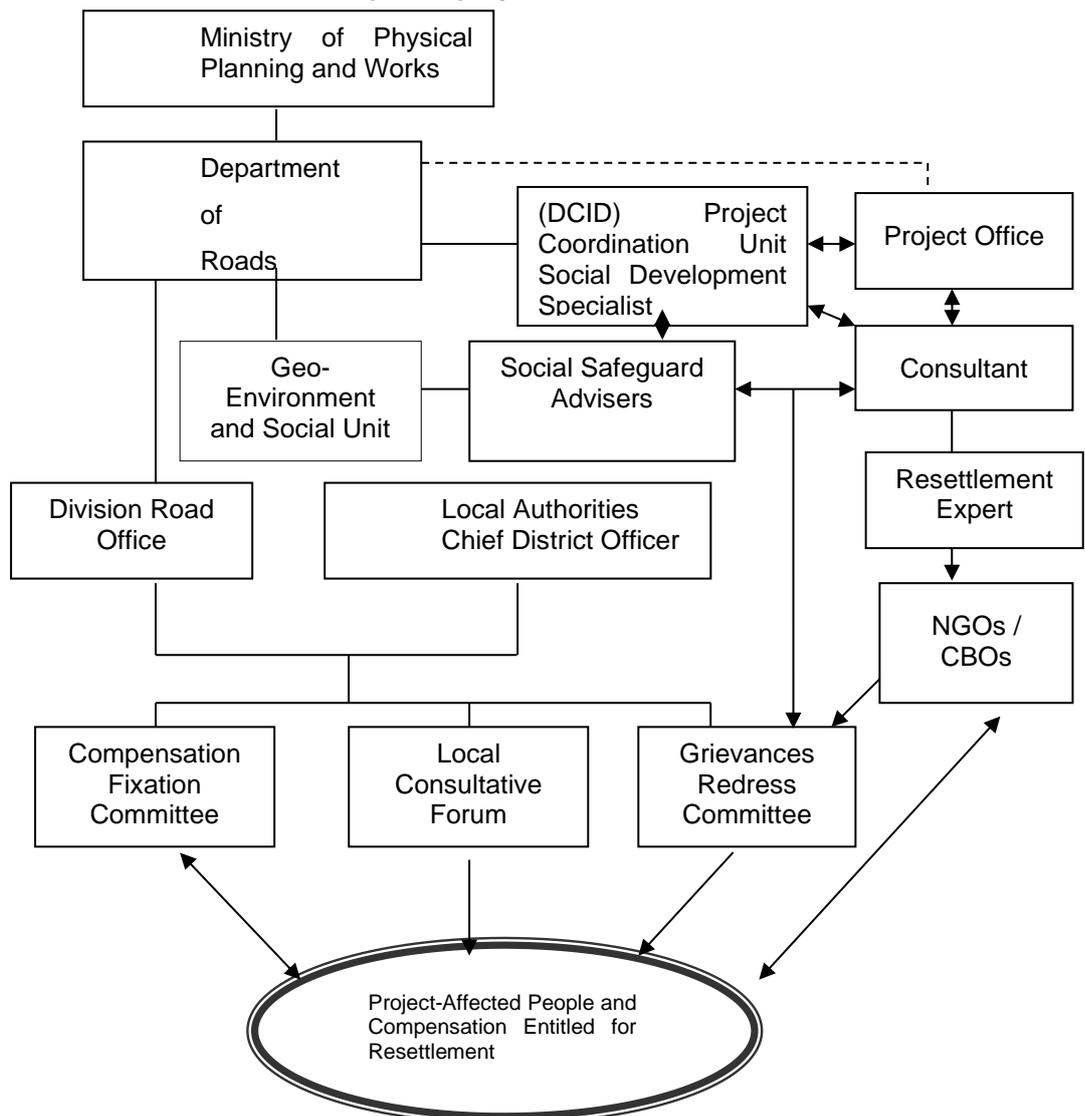
Chapter 6: Institutional Responsibilities and Implementation Arrangements for RAP

6.1 Key Agencies at Different Level

At central level, the Ministry of Physical Planning and Works (MoPIT) will be the Executing Agency (EA) and Department of Roads (DoR) will be the Implementing Agency (IA) for this Sector Wide Road Program. For all sub-projects forthcoming under this Program a Project Coordination Unit (PCU) will be established at DoR, headed by the Project Manager (PM). This PCU will be responsible for the overall planning, budgeting, approval and implementation of RAP of the sub-projects. All aspects relating to resettlement and land acquisition activities will be addressed in close consultation and collaboration of the GESU of DoR (see below).

At Municipality and wards level, offices of various line ministries such as Home, Finance, Agriculture and Co-operatives, Forest, Health, Education and Sports and others will be consulted during RAP implementation. Similarly, CBOs, NGOs and Civil Society of the concerned project area will equally be considered during the preparation and the implementation of the RAP. The roles of key agencies involved are illustrated in Fig. 8.1.

Fig. 1: Diagram of key agencies involved in the resettlement process for KDP road development projects



6.2 Geo-Environment and Social Unit (GESU)

The Geo-Environment and Social Unit (GESU) plays a key role while incorporating proper social safeguard measures in projects designs related to road development in Nepal. The GESU will have a Social Safeguard Adviser (SSA) to assist PIU. The SSA will monitor of land acquisition and resettlement operations and vulnerable/indigenous people's issues. S/he will report to the SDS and Project Manager at PIU. S/he will work in close coordination with SDS of PCU and concerning Division Road Offices under DoR, field-based consultants' offices and Project NGO/s on the day-to-day activities of the resettlement plan implementation. A Social Development/Resettlement Specialist from the Construction Supervision Consultants will support the SSA updating the subproject RAPs based on detailed design. S/he will also be responsible in supervision and coordination of all activities related to resettlement implementation for the sub-projects.

In this context, the responsibilities of the GESU of DoR will include:

- Provide guidance and assistance to the project-engaged NGOs/CBOs in the implementation of public information dissemination, consultation and participation process among various stakeholders;
- Guide and assist all support units operating in the district, including the Consultants and the NGOs in the implementation of RAPs;
- Review and suggestions on the RAPs prepared by the consultant during the sub-project's detailed design phases
- Review and propose necessary RAP budget;
- Monitor RAP implementation and progress;
- Supervise the compensation payment process;
- Assist in redressing grievances concerning RAP activities;
- Coordinate with concerned government agencies and other ministries; and
- Consolidate all RAPs submitted by consultant and submit them to the funding donor(s) for review.

The E&S capacity report has proposed training to GESU on Resettlement Action Plan; Indigenous Peoples Plan and Free Prior Informed Consent; compliance monitoring and audit.

8.3 Implementing NGOs

NGOs experienced in resettlement, rehabilitation and livelihood restoration will be engaged as partner organization with PSC to provide facilitation services for implementation of resettlement plan and Activities.

The IA may establish at village Local Consultative Forums (LCFs). These LCFs will assist the Project, the Consultants' survey teams and the Compensation Fixation Committees (CFC) in informing people about the likely resettlement impact and solicit views of the affected people regarding compensation and relocation options.

The Resettlement Expert from the Consultants, with support from the LCFs and CFCs of the respective districts and partner NGO will execute and monitor the progress of the work. S/He will ensure coordination between the relevant departments, NGO, the Grievance Redress Committee and the affected persons. Close coordination will be ensured between District authorities and PIU on a day to day basis. If delays are experienced in land acquisition and compensation, DoR will engage special revenue officials for this purpose. Delays at District level will be minimized through close coordination and with the assistance of Chief District Officers.

The concerned NGO staff will undergo a week-long orientation and training in resettlement policy and management prior to the implementation of resettlement Activities. Refresher training will also provide to them after 1-2 months of program implementation for verifying and updating their knowledge on concerned issues.

A summary of Resettlement Action Plans in Nepali language will be made available to the local level NGOs and public offices in the sub-project sites.

8.4 Implementation Schedule for the Resettlement Action Plan

The Project Proponent will ensure that funds are delivered on time to the CFC and the implementing Consultants and partner NGOs for timely preparation and implementation of the RAP, as applicable. Civil works contracts will not be awarded unless required compensation payment has been completed. However, construction induced impact procedure will be followed by same resettlement policy framework. The procedure is as follows: inventory, assessment, measurement, CDC meeting with notification and asset valuation, Similarly, social preparation initiatives including income rehabilitation measures may continue and be completed even after civil works has begun.

At present, the program foresees only one sub-project where a full RAP needs to be prepared, while the other sub-projects will make provisions for (minor) resettlement actions as provided in the respective management plans in the ESIA

Civil works contracts for each sub-project road will only be awarded after completion of all compensation payments and title transfer activities of both voluntary and involuntary contribution of land and,

For the only road construction project SRCTIP an indicative schedule for implementing the RAP is shown in the following table, assuming a sequential order of proposed activities. Some of these steps will overlap in their timing and some will be repeated throughout the project cycle.

Table 5: Milestones for RAP Implementation Schedule

Activities	Schedule
Deploy and Project office Project office/ DoR and NGOs	First year
Mobilize Resettlement/Social Development Specialist from the CSC	First year
Continue implementing consultation, information dissemination and participation programs and grievance resolutions Consultation with local officials, APs and concerned groups/ departments	First year
Prepare and distribute copies of RAP, entitlement framework to affected APs/communities	First year
Verify inventory of losses	First year
Finalize list of entitled persons, establish compensation rates, effect compensation payments, ensure appropriate advance evacuation notification and implement land transfer procedures	First year
Provide rehabilitation support and other social preparation/ social mobilization programs	First Year
Construction induced impact procedure	During construction
Contract and mobilize independent Monitoring agency	Second year
Implement internal and external monitoring programs	Second year

8.5 Cost Estimate and Financing for the RAP

For KDP road of the SRCTIP, the associated costs of land acquisition and resettlement will be itemized and included in the overall project costs under the budget for 'Environmental and Social Management Costs'. The detailed cost estimates for the currently selected 16 sub-projects of the SRCTIP Program are presented in the respective IEEs, EIAs and, where applicable in the respective RAPs.

The cost estimates will include measures for (i) planning and budgeting for land acquisition and resettlement costs, annual budget, and sources of funding; (II) arrangements for approval of resettlement plan cost estimates; and (III) the flow of funds to reach people

affected. A Detailed Cost Estimation chapter will be included in the project Resettlement Action Plan (RAP).

8.6 Procedures for the Resettlement Action Plan

The main recommendation is to implement, to the extent possible, all mitigation and monitoring measures as outlined in this framework, and as indicated in Chapter 6 of this document. Other suggestions would include:

- (i) The project will consider alternative-engineering designs to minimize adverse social impacts resulted from land acquisition. Where the social impact assessment indicates that land acquisition and/ or loss of assets is unavoidable, and in cases where a full ESIA is applicable (see Ch. 3), a sub-project RAP needs to be prepared. Generally, GoN requirements specify the undertaking of a RAP if the land acquisition in the project site affects more than 200 people, takes more than 10 percent of any holding, and involves physical relocation of population.
 - (ii) An abbreviated RAP is generally acceptable if fewer than 200 people are displaced even if more than 200 people are affected, and land acquisition is less than 10 percent and no physical relocation is involved. In case of most sub-projects of the SRCTIP Program, however, the number of affected HHs that need physically to be relocated due to road upgrading works is expected not to exceed 20. The respective provisions are therefore subject to be included in the Environmental and Social Management Plan which are the core of the IEEs to be prepared for such project types.
 - (iii) In case of road upgrading works (as is the case in the forthcoming SRCTIP sub-project, the preparation of the RAP will require data from house-to-house and plot-to-plot socio-economic baseline survey and income restoration measures. The individual RAP documents will be prepared in close consultation with APs, along with active participation of secondary stakeholders, such as local or national government, policy makers, advocacy groups, elected officials and NGOs and the RM/M Chairperson and will be disclosed to the APs. Further consultation and participation program will be conducted to ensure that information on the project objectives, implementation schedule, resettlement and land acquisition; eligibility and compensation issues are properly understood and accepted by the affected communities.
 - (iv) During project implementation, resettlement process will be coordinated with the timing of the civil works. The project will provide adequate notification and assistance to affected people so that they will be able to move without undue hardship before the commencement of civil works.
 - (v) In the case of land acquisition, the procedures will follow the provisions of the Land Acquisition Act, and the RPF. The subproject RAP after its approval by GoN and the World Bank, will be translated into the local language and made available in a public place accessible to affected people and other stakeholders. The project will ensure that civil works are not started on any subproject sites before compensation and assistance to the affected population have been provided in accordance with the Resettlement Policy Framework.
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Table 6: RAP Implementation of Schedule

S.N	Activities	Responsible agency	Time frame	Action taken	Remarks
1.	Proceed for Land Acquisition through cabinet				
2.	Appoint of primary officer for land acquisition				
3.	Budget Allocation				
4.	Meeting of the CDC and formation of sub-committee and inform to DLRO				
5.	Correspondence to District Land Revenue Office (DLRO) for acquisition of private assets				
6.	Assist for compensation determination by sub-committee				
7.	Value of compensation determination by CDC				
8.	Issuance of notice for compensation claim				
9.	Collection of grievances related to compensation resettlement and rehabilitation works				
10.	Assistant to PAFs in preparing the documents for compensation claim and collection of application				
11.	Forwarded the documents to District Land Revenue Office (DLRO) for land ownership transfer into the name of Nepal government				
12.	Disbursement of compensation to the land owners				
13.	Disbursement of first instalment of compensation for structures				
14.	PAFs starts dismantling the structures and forwarded the application for second instalment				
15.	Disbursement of second instalment of compensation for structures				
16.	Disbursement of R &R including supporting allowance and business displacement allowances				
17.	Documentation of compensation and GRM report				
18.	Implementation of livelihood training including female participation)				
19.	Monitoring on social safeguard compliance (Preparedness Check & Compliance monitoring)				
20.	Baseline study (beneficiary Perception Survey)				

Annex 1: Grievance Form and Close-out Template

Grievance Form PART 1 Contact and Details	
Complaint number :	
Date: Recorded by:	
Complainant details (Tick the box for anonymity <input type="checkbox"/>)	
Name: Category [community/ contract worker/ supplier/ contractor]: Telephone number: Address: Preferred method of contact:	
Grievance Log PART 2 Description of grievance(s)	
Describe the grievance below.	
Mode of communication (written/ verbal/ meetings/ mediator): Date of grievance: Date of acknowledgement:	
Signatures	
Recorder: Claimant: Date:	
Grievance Closed Out PART 3 Resolution	
Describe the steps taken to resolve the grievance and the outcome.	
Department: Mode of communication for reply (meeting/ written/ verbal/ display): Date closed:	
Signatures	
Complainant: Project representative: Date:	
