LAND ACQUISITION AND RESETTLEMENT FRAMEWORK (LARF)

ENVIRONMENT & SOCIAL IMPACT CELL (ESIC)

FINAL
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<td>Asian Development Bank</td>
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<tr>
<td>AF</td>
<td>Affected Family (Household)</td>
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<td>AP</td>
<td>Affected Person</td>
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<tr>
<td>CBO</td>
<td>Community-Based Organization</td>
</tr>
<tr>
<td>DOR</td>
<td>District Officer (Revenues) (see also LAC)</td>
</tr>
<tr>
<td>EA</td>
<td>Executing Agency</td>
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<td>EIA</td>
<td>Environmental Impact Assessment</td>
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<td>EMA</td>
<td>External Monitoring Agency (Consultant)</td>
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<td>Environmental Protection Agency (Pakistan/Provincial)</td>
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<td>Framework Financing Agreement</td>
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<td>FY</td>
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<td>Implementing Agency</td>
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<td>IPDF</td>
<td>Indigenous Peoples Development Framework</td>
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<td>Initial Poverty and Social Assessment</td>
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<td>MFF</td>
<td>Multi-Tranche Financing Facilities</td>
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<td>LAA</td>
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<td>LAC</td>
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<td>LAR</td>
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<td>LARF</td>
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<td>LARP</td>
<td>Land Acquisition and Resettlement Plan</td>
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<td>ESIC</td>
<td>Land Acquisition and Resettlement Unit (NTDC)</td>
</tr>
<tr>
<td>KV</td>
<td>Kilo-Volt (Unit of Power/Electricity)</td>
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<td>NEPRA</td>
<td>National Electric Power Regulating Authority</td>
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<td>NGO</td>
<td>Non-Governmental Organization</td>
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<td>NHIP</td>
<td>National Highways Improvement Project (World Bank)</td>
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<td>NRP</td>
<td>National Resettlement Policy (Pakistan)</td>
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<td>NTDC</td>
<td>National Transmission and Dispatch Company</td>
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<td>NWFP</td>
<td>North-West Frontier Province</td>
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<td>P&amp;DD</td>
<td>Planning and Development Department (Provincial)</td>
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<td>PBR</td>
<td>Punjab Board of Revenues (Provincial)</td>
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<tr>
<td>PMU</td>
<td>Project/Program Management Unit</td>
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<td>PPTA</td>
<td>Project Preparatory Technical Assistance (ADB)</td>
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<td>PTEP</td>
<td>Pakistan’s Power Transmission Enhancement Program</td>
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<td>SHYDO</td>
<td>SarhadHydel Development Organization</td>
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<tr>
<td>TA</td>
<td>Technical Assistance (ADB)</td>
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<td>WAPDA</td>
<td>Water and Province Development Authority</td>
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<td>WSD</td>
<td>Works and Services Department (Provincial; WSD=CWD)</td>
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<td>WB</td>
<td>World Bank</td>
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DEFINITION OF TERMS

**Compensation:** Payment in cash or in kind of the replacement cost of the acquired assets.

**Entitlement:** Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to affected people, depending on the nature of their losses, to restore their economic and social base.

**Host population:** Community residing near the area where the Project beneficiaries are resettled as part of the Project.

**Improvements:** Structures constructed (dwelling unit, fence, waiting sheds, animal pens, utilities, community facilities, stores, warehouses, etc.) and crops/plants planted by the person, household, institution, or organization.

**Involuntary Resettlement:** Economic or physical dislocation resulting from a development project.

**Land Acquisition:** The process whereby a person is compelled by a government agency to alienate all or part of the land a person owns or possesses to the ownership and possession of the government agency for public purpose in return for a consideration.

**Affected Person/People** - Any person affected by Project-related changes in use of land, water, natural resources, or income losses.

**Affected Family:** All members of a household residing under one roof and operating as a single economic unit, who are adversely affected by the Project, or any of its components. It may consist of a single nuclear family or an extended family group.

**Detailed Measurement Survey** means the detailed inventory of losses that is completed after detailed design and marking of project boundaries on the ground.

**Encroachers** Mean those who own property and extend it into adjacent areas that is not owned by them.

**Squatter:** means those occupying public lands without legal arrangements with the Government or any of its concerned agencies.

**Cut-off-date** means the date after which people will not be considered eligible for compensation that is they are not included in the list of APs as defined by the census.
Normally, the cut-off date for the titleholders is the beginning date of the census survey for the impact assessment in order to avoid an influx of outsiders.

**Rehabilitation**: Re-establishing incomes, livelihoods, living, and social systems.

**Relocation - Rebuilding**: Housing, assets, including productive land, and public infrastructure in another location.

**Non-titled** means those who have no recognizable rights or claims to the land that they are occupying and includes people using private or state land without permission, permit or grant.

**Rural area**: As per the definition in the People’s Local Government Ordinance, any area other than an urban area.

**Urban area**: As per the definition in the People’s Local Government Ordinance, an area defined as such under the Ordinance.
1. INTRODUCTION

1.1 Current Situation

The current situation in Pakistan is that the transmission system is currently unable to cope with existing demand in some areas, has unsupplied demand at peak times; there are voltage control issues and a high risk of instability under certain outage conditions. The first priority is to address these existing system constraints. In parallel with this, the evacuation requirements of the upcoming IPPs and new generation facility will be addressed.

1.2 The LARF

This Land Acquisition and Resettlement Framework (LARF) has been prepared by NTDC and is endorsed for all NTDC projects to be supported with IFIs funded projects to be managed by NTDC, including ADB and World Bank, and it will be disclosed on the IFIs websites. The purpose of this LARF is to screen, plan and define management procedures for Land Acquisition and Resettlement (LAR) tasks for all project or program subprojects. These procedures are to be in conformity to the IFIs Resettlement Policies. This LARF also conforms to the IFIs policies regulating the procedures and conditions, as well as the applicable laws and regulations of Pakistan and relevant Provincial laws and rules.

Consultations were carried out with various stakeholders in the LARF development, including relevant government agencies and local communities. In the preparation of new projects, further consultations will be carried out with stakeholder, particularly local communities, over any necessary updating or revision of the LARF. Under CASA 1000 Transmission Line Project, further public consultations on the LARF were carried out together with the REA, prior to the project appraisal. Before the loan appraisal for any project, this LARF will be distributed to concerned provincial government departments, and made available to any displaced persons. In addition, the LARF will be translated in provincial/local languages-the language the displaced persons (DPs) can easily read, and disclosed and posted onto the NTDC and IFIs websites.

2 LAND ACQUISITION AND RESETTLEMENT: PROCESSING REQUIREMENTS

2.1 Land Acquisition

Land acquisition will follow the Land Acquisition Act of 1894 (LAA), relevant Provincial Laws and Rules and the IFIs Resettlement Policies. Based on IFIs policy and practice, the appraisal of new lending projects, and each tranche of funding and the approval of the implementation of subprojects under each tranche of a financing facility will require the preparation of the following documents:
(i) The LARF applicable to all projects and subprojects of a financing facility will be reviewed and, if necessary, updated then resubmitted for IFIs and Government approval as a condition to access each new *tranche* of a financing facility.

(ii) The Initial Poverty & Social Assessment for each new project or *new tranche under a financing facility* will indicate if land acquisition and resettlement impacts are likely to occur, their type, likely magnitude, and whether Indigenous Peoples (IPs) may be affected.

(iii) For each new project or subproject under a *tranche of a financing facility* requiring land acquisition and resettlement, a Land Acquisition and Resettlement Plan (LARP) will be prepared under this LARF in case of impacts as a result of land acquisition. The LARP will detail the compensation and/or rehabilitation plan to be implemented before access to the land for civil works is allowed. A Land Acquisition and Resettlement Due Diligence Report (LARDDR) will be prepared in case of government or state land taking where IFI resettlement policies are not triggered based on the detailed design of the proposed intervention. In some cases the preparation of a LARP or LARDDR may have to wait until the detailed design and the exact locations requiring land acquisition are known. A LARDDR is to be prepared for projects or subprojects where the IFIs policy on involuntary resettlement will not be triggered (see below), usually where government owned land is required without any safeguard impacts covered under the LARF. Detailed information will be provided in the LARDDR on how land will be procured.

2.2 IFIs Resettlement Policies

As detailed in the IFIs Resettlement Policies, the content and complexity of a LARP will vary depending on the level of scale and severity of a subproject impacts. This categorization is carried out by the IFIs.

2.3 Loan Conditionality

As outlined in IFIs policy and practice, the Loan is conditional to the appraisal of each *tranche of the loan for a financing facility*. The approval of the start of civil works for any sub-project will also be conditional to carrying out appraisal of the following land acquisition and resettlement activities:

a. **The Multi Finance Facility and first tranche appraisal:** Conditional to the preparation of a LARF for the MFF acceptable to IFIs.

b. **Following tranche review:** Conditional to (a) review/update of the LARF (if necessary), and (b) preparation for each project with a LARP/LARDDR fitting the revised LARF approved by the IFIs.
c. **Award of contracts;** Conditional to full implementation of LARP and third-party validation through external monitoring agency (EMA). Such a condition will be clearly spelled out in the text of the civil works contract.\(^1\)

### 2.4 Selection Criteria

Early screening will be undertaken to select sites where land acquisition and consequent involuntary resettlement are to be avoided or, where this is not possible, then minimized. Options assessment with relevant data will be presented in each LARP. Sites that impact on indigenous people will not be selected. All efforts will be made to select unencumbered government land.

### 3 LEGAL AND POLICY FRAMEWORK

#### 3.1 The Land Acquisition Act (LAA) 1894

The law that governs land acquisition in Pakistan is the Land Acquisition Act of 1894 (LAA) and successive amendments. The LAA regulates the land acquisition process and enables the federal and provincial governments to acquire private land for public purposes through the exercise of the right of eminent domain. Land acquisition is a provincial responsibility and each province has its own interpretation of the Act. Some provinces also have their own province specific implementation rules. The LAA and its Implementation Rules require that, following an impact identification and valuation exercise, land and crops are compensated in cash at the current market rate to titled landowners. The LAA mandates that land valuation is to be based on the last 3 to 5 years average registered land sale rates. However, in several recent cases the median rate over the past 1 year, or even the current rates, have been applied with an added 15% Compulsory Acquisition Surcharge according to the provision of the law.

In addition to the provisions of the LAA, rules and regulations setting out the procedure for land acquisition have also been adopted by provinces according to their province specific conditions. For example the ‘Punjab Land Acquisition Rules 1983, which were published in the Gazette of the Punjab Extraordinary, dated February 22, 1983 and are in practice. These rules are applicable in the Punjab. The LAA lays down definite procedures for acquiring private land for projects and payment of compensation. The rights of people whose land is to be acquired are fully safeguarded. For entering private land or carrying out surveys and investigations, specified formalities have to be observed and notifications to be issued. Damage to any crops during survey and investigations has to be compensated. The displaced persons, if not satisfied, can go to the Court of Law to contest the compensation award of the Land Acquisition Collector (LAC).

The law deals with matters related to the acquisition of private land and other immovable assets that may exist on it when the land is required for public purpose. A listing of the Sections of the Act and their salient features is given in Table 1. The right to acquire land for public purposes is established when Section 4 of the LAA is triggered. The LAA specifies a systematic approach for acquisition

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\(^1\) Section 2.3 on Loan Conditionality applies to ADB Multi Finance Facility only.
and compensation of land and other properties for development projects. It stipulates various sections pertaining to notifications, surveys, acquisition, compensation and apportionment awards, along with disputes resolution, penalties and exemptions. Surveys for land acquisition are to be disclosed to the displaced persons.

Table 1: Salient Features of the Land Acquisition Act (LAA) 1894 and Successive Amendments

<table>
<thead>
<tr>
<th>Key Sections</th>
<th>Salient Features of the LAA (1894)</th>
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<tbody>
<tr>
<td>Section 4</td>
<td>Publication of preliminary notification and power for conducting survey.</td>
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<tr>
<td>Section 5</td>
<td>Formal notification of land needed for a public purpose. Section 5a covering the need for enquiry</td>
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<tr>
<td>Section 6</td>
<td>The Government makes a more formal declaration of intent to acquire land.</td>
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<td>Section 7</td>
<td>The Land Commissioner shall direct the Land Acquisition Collector (LAC) to take order the acquisition of the land.</td>
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<tr>
<td>Section 8</td>
<td>The LAC has then to direct that the land required to be physically marked out, measured and planned.</td>
</tr>
<tr>
<td>Section 9</td>
<td>The LAC gives notice to all APs that the Government intends to take possession of the land and if they have any claims for compensation then these claims are to be made to him at an appointed time.</td>
</tr>
<tr>
<td>Section 10</td>
<td>Delegates power to the LAC to record statements of APs in the area of land to be acquired or any part thereof as co-proprietor, sub-proprietor, mortgagee, and tenant or otherwise.</td>
</tr>
<tr>
<td>Section 11</td>
<td>Enables the Collector to make enquiries into the measurements, value and claim and then to issue the final &quot;award&quot;. The award includes the land's marked area and the valuation of compensation.</td>
</tr>
<tr>
<td>Section 16</td>
<td>When the LAC has made an award under Section 11, he will then take possession and the land shall thereupon vest absolutely in the Government, free from all encumbrances.</td>
</tr>
<tr>
<td>Section 17</td>
<td>In cases of urgency, whenever the Government can take possession of any land needed for public purposes or for a Company. Such land shall thereupon vest absolutely in the Government, free from all encumbrances:</td>
</tr>
<tr>
<td>Section 18</td>
<td>In case of dissatisfaction with the award, APs may request the LAC to refer the case onward to the court for a decision. This does not affect the Government taking possession of the land.</td>
</tr>
<tr>
<td>Section 23</td>
<td>The award of compensation for the owners for acquired land is determined at its market value plus 15% in view of the compulsory nature of the acquisition for public purposes.</td>
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<tr>
<td>Section 28</td>
<td>Relates to the determination of compensation values and interest premium for land acquisition</td>
</tr>
<tr>
<td>Section 31</td>
<td>Section 31 provides that the LAC can, instead of awarding cash compensation in respect of any land, make any arrangement with a person having an interest in such land,</td>
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</table>
### Key Sections

<table>
<thead>
<tr>
<th><strong>Salient Features of the LAA (1894)</strong></th>
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<td>including the grant of other lands in exchange.</td>
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</table>

3.2 **Legislation Relevant to Land Classification**

In terms of application of this LARF, identifying the type of land affected will be an important step in determining eligibility for compensation for land. Jurisdiction rather than use classifies land. Rural land includes irrigated land and un-irrigated land and is governed by the Land Revenue Act (1967) which must be read in conjunction with the LAA and other legislation that may also apply, including for example the Punjab Alienation of Land Act (1900), Colonization of Government Lands Act (1912) and the various Land Reform Regulations. Rural land falls under the jurisdiction of revenue districts. Federally Administered Tribal Aare has its set of legislative acts, some of which are related to land and resettlement.

Land, other than rural land, is urban and including all permutations there-under such as residential, commercial, built upon and build-able, and is governed by various regulations and ordinances including the People’s Local Government Ordinance (1972) for each province, Cantonments Act (1924), and Land Control Act (1952). Urban land falls under the jurisdiction of municipal and local government authorities.

While there are broad definitions of rural and urban land in the People’s Local Government Ordinances, such classifications are not immutable and have been, and are, changed by the Collector of Revenues and provincial governments over time. In general it is either the People’s Local Government Ordinances or the Land Revenue Act that determines the classification of land, however there are some cases where both applies and other cases where different legislation altogether can dictate jurisdiction and classification over land. Hence there is neither a universal classification nor legislation pertaining to the land that will be potentially affected under the project.

Therefore an initial step in LARP preparation will require that NTDC work with the Patwari (registrar or keeper of land records) to identify the regulations that govern the land within a subproject area and provide the classification of that land according to the applicable acts and regulations in that area.²

3.3 **KatchiAbadis Act, 1987 (KAA)**

The KatchiAbadis Act (KAA) covers the urban squatter’s rehabilitation rights by providing plots in public resettlement areas or cash assistance. Based on the KAA, the NTDC will provide rehabilitation compensation to eventual squatters/encroachers affected by the project.

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² CASA 1000 Project transmission line corridor is located in rural settings. Any lands to be acquired will be rural.
3.4 Frontier Crime Regulation (FCR) in Federally Administered Tribal Area (FATA) 1901 and 2011

The FCR is the law governing FATA. It states the following in Section 56 regarding acquisition and compensation,

“Protection of Property Rights.– No person shall be compulsorily deprived of his property unless he is paid adequate compensation with consensus rate or Government assessed value as in vogue in settle areas. “

There are other legislative regulations in FATA area related to its administration and governance, such as the role of political agent, his assistant, tribal leaders and council of tribal leaders. While the political agent represents the government in negotiating the compensation rates, the tribal leaders and the council of tribal leaders represent the community members under the tribal system. Both parties are important stakeholders in the resettlement planning and implementation process.

3.5 Involuntary Resettlement (World Bank OP 4.12)

The WB’s experience indicates that involuntary resettlement under development projects, if unmitigated, often gives rise to severe economic, social, and environmental risks: production systems are dismantled; people face impoverishment when their productive assets or income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community institutions and social networks are weakened; kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished or lost. This policy includes safeguards to address and mitigate these impoverishments risks. The overall objectives of the Policy are given below.

- Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.

- Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.

- Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

The Policy defines the requirement of preparing a resettlement plan or a resettlement policy framework, in order to address the involuntary resettlement. For the proposed project, land will need to be acquired for the establishment of the new grid stations. During the site/route selection, settlements are generally avoided, however at some places acquisition of cultivable land – though
temporary - cannot be ruled out. Similarly, crops along the proposed transmission lines may be damaged during the construction and operation phases of the proposed project. If unmitigated, often gives rise to severe economic, social, and environmental risks: production systems are dismantled; people face impoverishment when their productive assets or income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community institutions and social networks are weakened; kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished or lost. This policy includes safeguards to address and mitigate these impoverishment risks.

3.6 Projects in Disputed Areas (OP 7.60)

Projects in disputed areas may raise a number of delicate problems affecting relations not only between the Bank and its member countries, but also between the borrower and one or more neighboring countries. In order not to prejudice the position of either the Bank or the countries concerned, any dispute over an area in which a proposed project is located is dealt with at the earliest possible stage. The Bank may proceed with a project in a disputed area if the governments concerned agree that, pending the settlement of the dispute, the project proposed for country A should go forward without prejudice to the claims of country B.

3.7 Involuntary Resettlement (OP 4.12)

The policy principles and objectives are shown in Box 1 with the key principles highlighted in bold. When land other than government owned land is to be acquired then a Land Acquisition and Resettlement Plan (LARP) is required. In cases where just unused government land is to be acquired then a LARDDR is required.

3.8 Comparison of Key LAA and World Bank Policy Principles and Practices

Table 2 compares the LAA (1894) and the World Bank Involuntary Resettlement policy principles specifically related to land acquisition and resettlement aspects. The object of this exercise is to identify if and where the two sets of procedures are in conformity with each other and more importantly where there are differences and gaps. The key World Bank Involuntary Resettlement Policy Principles are

(i) the need to screen the project early on in the planning stage,
(ii) carry out meaningful consultation,
(iii) at the minimum restore livelihood levels to what they were before the project, improve the livelihoods of affected vulnerable groups (iv) prompt compensation at full replacement cost is to be paid
(V) provide displaced people with adequate assistance,
(vi) ensure that displaced people who have no statutory rights to the land that they are working are eligible for resettlement assistance and compensation for the loss of no-land assets and
(vii) Disclose all reports.
## WB OP 4.12 Involuntary Resettlement & Pakistan Land Acquisition Act

<table>
<thead>
<tr>
<th>S#</th>
<th>WB Involuntary Resettlement Policy Principles</th>
<th>Pakistan’s Land Acquisition &amp; Telegraph Acts</th>
<th>Approaches to Address the GAPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.</td>
<td>No equivalent requirements.</td>
<td>Screened and categorized. Scope defined, social assessment and gender analysis undertaken.</td>
</tr>
<tr>
<td>2</td>
<td>Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons’ concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.</td>
<td>Land Acquisition Collector (LAC) or District Judge (in case of the Telegraph act) are the final authorities to decide disputes and address complaints regarding quantification and assessment of compensation for the affected lands and other assets.</td>
<td>Complaints and grievances are resolved informally through project grievance redress mechanisms. Consultations conducted, vulnerable groups identified and supported as relevant.</td>
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<tr>
<td>3</td>
<td>Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.</td>
<td>No equivalent requirements.</td>
<td>Livelihoods restoration is required and allowances are provided. Provided as relevant.</td>
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<td>4</td>
<td>Provide physically and economically displaced persons with needed</td>
<td>No equivalent requirements.</td>
<td>Support provided commensurate with impacts.</td>
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<tr>
<td>No</td>
<td>Requirement</td>
<td>Outcome</td>
<td>Action</td>
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<td>1</td>
<td>Assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.</td>
<td>No additional support to vulnerable households</td>
<td>Vulnerable households identified and support provided</td>
</tr>
<tr>
<td>2</td>
<td>Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.</td>
<td>Equivalent, negotiation responds to displaced persons requested price but no clear procedure.</td>
<td>Procedures put in place.</td>
</tr>
<tr>
<td>3</td>
<td>Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.</td>
<td>Non-title holders are provided with resettlement and rehabilitation support. Provide with compensation for non-land assets.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.</td>
<td>Land compensation only for titled landowners or holders of customary rights.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Prepare a resettlement plan elaborating on displaced persons’ entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.</td>
<td>No resettlement plans prepared</td>
<td>Plans prepared and disclosed</td>
</tr>
<tr>
<td>6</td>
<td>Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before Project appraisal, in an accessible place and a form and language (s) understandable to affected persons and other stakeholders.</td>
<td>No plans prepared.</td>
<td>Plans prepared and disclosed</td>
</tr>
<tr>
<td>7</td>
<td>Conceive and execute involuntary resettlement as part of a development project or program. Include the full</td>
<td>No equivalent requirement</td>
<td>Addressed as relevant.</td>
</tr>
</tbody>
</table>
### 3.9 Remedial Measures to Reconcile Gaps between the LAA and WB Policy

Project specific resettlement issues have been addressed to assist non-titled persons and bridge the gap between existing practice and the guidelines of the WB Involuntary Resettlement Policy. To reconcile the inconsistencies between the LAA (1894) and WB OP 4.12 the NTDC has drafted this LARF for the Investment Program, ensuring that compensations are provided at replacement cost for all direct and indirect losses so that no one is worse off as a result of the project. Provision of subsidies or allowances will need to be given for affected households that may be relocated, suffer business losses, or may be vulnerable.

### 3.10 National Resettlement Policy / Ordinance (draft to be enacted)

The Ministry of Environment, Local Government and Rural Development formulated a draft policy in 2004 on involuntary resettlement with technical assistance from ADB. This draft policy represents progressive attempts to improve relevant national policy framework in Pakistan. It aims to compensate for the loss of...
of income to those who suffer loss of communal property including common assets, productive assets, structures, other fixed assets, income and employment, loss of community networks and services, pasture, water rights, public infrastructure like mosques, shrines, schools and graveyards. The government has also developed a document entitled "Project Implementation and Resettlement of the Affected Persons Ordinance, 2002", later referred to as the "Resettlement Ordinance", for enactment by provincial and local governments, after incorporating local requirements. The Ordinance, being a new law, shall be supplementary to the LAA as well as other laws of Pakistan, and wherever applicable under this policy. However, if necessary, appropriate amendments to the LAA 1894 will also be proposed to facilitate the application of the Resettlement Ordinance. There has not been much progress on the enactment of the Resettlement Ordinance. In case of its enactment, the IFIs will review its implications for consistency with the IFI resettlement policies before this LARF can be revised or updated. In any case, LARF compliance with IFI involuntary resettlement policies will be ensured.

3.11 Telegraph Act, 1885

This law was enacted to define the authority and responsibility of the Telegraph authority. The law covers, among other activities, installation and maintenance of telegraph lines and posts (poles). The Act defines the mechanism to determine and make payment of compensation associated with the installation of these lines and posts. Under this Act, the land required for the poles is not acquired (or purchased) from the owner, nor the title of the land transferred. Compensation is paid to the owner for any structure, crop or tree that exists on the land; cost of the land is not paid to the owner. WAPDA has been installing the transmission lines and their towers, and determining the associated compensation, on the basis of this Act. For the proposed project as well, NTDC will use this Act. However, the land under the towers will be acquired if there is loss of access, and productive use of the land by the landowners/affectees is impacted.

3.12 Provincial Local Government Ordinances, 2001

These ordinances were issued under the devolution process and define the roles of the district governments. These ordinances also address the land use, conservation of natural vegetation, air, water and land pollution, disposal of solid waste and wastewater effluents, as well as matters relating to public health.

4 COMPENSATION ELIGIBILITY AND ENTITLEMENTS FOR DPS

4.1 Eligibility

The project-affected persons, including displaced persons, eligible for compensation or rehabilitation provisions under the Investment Program are:

(i) All land owning displaced persons losing land or non-land assets, i.e., crops and trees whether covered by legal title or traditional land rights, whether for temporary or permanent acquisition.

(ii) Tenants and share-croppers, whether registered or not; for all non land assets, based on prevailing tenancy arrangements.
(iii) Displaced persons losing the use of structures and utilities, including titled and non-titled owners, registered, unregistered, tenants and lease holders plus encroachers and squatters.

(iv) Displaced persons losing business, income and salaries of workers, or a person or business suffering temporary effects, such as disturbance to land, crops, and business operations both permanently and also temporarily during construction.

(v) Loss of communal property, lands and public infrastructure.

(vi) Vulnerable displaced persons identified through the social impact assessment (SIA).

(vii) In the event of relocation, all displaced persons will receive, transitional and other support to reestablish livelihoods

Compensation eligibility will be limited by a cut-off date for each project or subproject under financing facility on the day of the beginning of the census survey for the impact assessment in order to avoid an influx of outsiders. Each displaced person will be identified and issued with a household identification which confirms their presence on the site prior to the cut-off date. The cut-off date will be announced through the mass media. Displaced persons who settled in the affected areas after the cut-off date will not be eligible for compensation.

The following entitlements are applicable for displaced persons losing land, houses and incurring income losses. These displaced persons are eligible for rehabilitation subsidies and for the compensation of lost land, structures and utilities along with loss of livelihood. There will also be special provisions for vulnerable displaced persons.

(i) **Agricultural Land Impacts** will be compensated as follows:

(a) **Permanent Losses**: legal/legalizable landowners (legalizable owners assessed by the DPAC include those who may have customary rights to their land which could be converted to statutory rights) are compensated either in cash at replacement cost plus a 15% compulsory acquisition surcharge (CAS) free of taxes and transfer costs; or through land for land compensation mechanisms with plots comparable in area, productivity and location to the plots lost. Leaseholders of public land will receive rehabilitation in cash equivalent to the market value of the gross yield of lost land for the remaining lease years (up to a maximum of three years). Encroachers will instead be rehabilitated for land use loss through a special self-relocation allowance (additional to all allowances detailed below) corresponding to one year of agricultural income or through the provision of a free or leased replacement plot comparable in area, productivity and location to the plots lost.

(b) **Temporary Land Loss**: legal/legalizable owners and tenants assessed by the DPAC or encroachers will receive cash compensation equal to the average market value of each lost harvest for the duration of the loss, and by the restoration of both, cultivable and uncultivable land, to pre-construction conditions. Through
specification in the contract agreements, contractors will be required to carry out restoration works before handing land back to the original occupiers, or APs will be provided with cash to rehabilitate the land.

(c) **Severely Displaced Persons**: Vulnerable households, legal/legalizable owners, tenants or encroachers will be entitled to one severe impact allowance equal to the market value of the harvest of the lost land for one year (*rabi* and *kharif*seasons), in addition to the standard crop compensation. The aim of this payment is to assist severely displaced persons to overcome the short term adverse impacts of land and asset loss, and help them to readjust to their changed circumstances while they are making replacement earning arrangements. There will be a need to closely monitor such severely displaced people. The one time payment should, at the absolute minimum be adequate to provide them with equivalent level of livelihood than they had previously. Other options can be considered, including non-cash based livelihood support and employment, both temporary and permanent. Other additional income restoration measures can be considered based upon the findings of the Social Impact Analysis.

(ii) **Residential and Commercial Land** will be compensated at replacement value for each category of the APs. Assessments will be conducted by the DPAC. There are complex issues when an AP may not lose all of their residential and commercial land but it is significant enough for them to consider relocating. The detailed socio-economic household surveys will need to identify when such situations occur. In such cases compensation may need to be made for all of their land even though not all of it has to be acquired. Residential and commercial land owners will be entitled to the following:

(a) **Legal/legalizable owners** will be compensated by means of either cash compensation for lost land at replacement cost based on the market value of the lost land plus a 15% CAS, and any applicable taxes and transfer costs; or in the form of replacement land of comparable value and location as the lost asset.

(b) **Renters** are compensated by means of cash compensation equivalent to three months of rent or a value proportionate to the duration of the remaining lease, including any deposits they may lose.

(c) **Non-title holders including encroachers/squatters** are compensated through either a self-relocation allowance covering six months of income or the provision of a leased replacement plot in a public owned land area. They will be compensated for the loss of immovable assets, but not for the land that they occupy.

(iii) **All other Assets and Incomes**
(a) Houses, buildings and structures will be compensated for in cash at replacement cost plus 15% CAS. There will also be a 10% electrification allowance and the any transaction costs will be paid. Material that can be salvaged is allowed to be taken by the owner, even if compensation has been paid for them. For evaluation of replacement costs, a survey will be conducted to obtain the current prices for calculation of compensation.

(b) Renters or leaseholders of a house or structure are entitled to cash compensation equivalent to three month rent or a value proportionate to the duration of the remaining lease period, whichever is greater.

(c) Crops will be compensated for to owners, tenants and sharecroppers based on their agreed shares. The compensation will be the full market rate for one year of harvest including both rabi and kharif seasons.

(d) Fruit and other productive trees will be compensated for based on rates sufficient to cover income replacement for the time needed to re-grow a tree to the productivity of the one lost. Trees used as sources of timber will be compensated for based on the market value of the wood production, having taken due consideration of the future potential value.

(e) Businesses will be compensated for with cash compensation equal to six months of income for permanent business losses. For temporary losses, cash compensation equal to the period of the interruption of business will be paid up to a maximum of six months or covering the period of income loss based on construction activity.

(f) Workers and employees will be compensated with cash for lost wages during the period of business interruption, up to a maximum of three months or for the period of disruption.

(g) Relocation assistance is to be paid for APs who are forced to move from their property. The level of the assistance is to be adequate to cover transport costs and also special livelihood expenses for at least 1 month or based on the severity of impact as determined on a case by case basis and included in the LARP.

(h) Community Structures and Public Utilities, including mosques and other religious sites, graveyards, schools, health centers, hospitals, roads, water supply and sewerage lines, will be fully replaced or rehabilitated to ensure their level of provision is, at a minimum, to the pre-project situation.

(i) Vulnerable people are defined as households who have a per capita monthly income of below PRs 7,000 (or provincial figures relevant at the time of tranche preparation) and those who are headed by a widow or identified as vulnerable through the SIA. This figure is based on the provincial poverty line using the minimum wages that are fixed by the GOP. These vulnerable people will be identified through the Social Impact Assessment (SIA) process and will receive a lump sum allowance, or additional assistance, to enable them to restore their livelihoods. They must be compensated and supported to improve their living standards to at least national
minimum standards in accordance with the IFIs standards for involuntary resettlement.

Detailed household level socio-economic surveys will need to be carried out prior to any land acquisition activity in order to fix the baseline condition. At this time an assessment is to be carried out to determine the nature and level of household losses and the likely impact on livelihoods. The range of options available, including relocation, will be outlined to the displaced persons. These surveys of all displaced persons will need to be repeated at appropriate times. Such times are normally immediately after relocation and then immediately after construction has been completed followed by an appropriate period into the operational stage.

Compensation and rehabilitation entitlements are summarized in the Entitlement Matrix in Table 3.

**TABLE 3: Entitlement Matrix**

<table>
<thead>
<tr>
<th>Asset</th>
<th>Specification</th>
<th>Affected People</th>
<th>Compensation Entitlements</th>
</tr>
</thead>
</table>
| Arable Land        | Access is not restricted and existing or current land use will remain unchanged | Farmer/Titleholder    | • No compensation for land provided that the land is rehabilitated/restored to its former quality following completion of works;  
                        |                                                    |                        | • Compensation, in cash, for all damaged crops and trees as per item below plus 15% compulsory acquisition surcharge |
| Leaseholder (registered or not) |                                                    | Farmer/Titleholder    | • No compensation for land provided that the land is rehabilitated/restored to its former quality following completion of works;  
                        |                                                    |                        | • Compensation, in cash, for all damaged crops and trees as per item below |
| Sharecroppers (registered or not) |                                                    |                        | • Compensation, in cash or kind, for all damaged crops and trees as per item below |
| Agricultural workers |                                                    |                        | • Compensation, in cash or kind, for all damaged crops and trees as per item below |
| Squatters          |                                                    |                        | • Compensation, in cash, for all damaged crops and trees as per item below |
| Arable Land        | All adverse effects on land use independent of severity of impact | Farmer/Titleholder    | • Land for land compensation with plots of equal value and productivity to the plots lost; or;  
                        |                                                    |                        | • Cash compensation for affected land at replacement cost based on market value a free of taxes, registration, and transfer costs |

a free of taxes, registration, and transfer costs
<table>
<thead>
<tr>
<th>Asset</th>
<th>Specification</th>
<th>Affected People</th>
<th>Compensation Entitlements</th>
</tr>
</thead>
<tbody>
<tr>
<td>where access is restricted and/or land use will be affected</td>
<td>Leaseholder <em>(registered or not)</em></td>
<td>• Renewal of lease in other plots of equal value/productivity of plots lost, or Cash equivalent to market value of gross yield of affected land for the remaining lease years (up to a maximum of 3 years).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sharecroppers <em>(registered or not)</em></td>
<td>• Cash compensation equal to the market value of the lost harvest share once (temporary impact) or twice (permanent impact)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Agricultural workers losing their contract</td>
<td>• Cash indemnity corresponding to their salary (including portions in kind) for the remaining part of the agricultural year.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Squatters/encroachers</td>
<td>• 1 rehabilitation allowance equal to market value of 1 gross harvest (in addition to crop compensation) for land use loss.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Additional provisions for severe impacts (More than 10% of land loss)</td>
<td>Farmer/Titleholder</td>
<td>• 1 severe impact allowance equal to market value of gross harvest of the affected land for 1 year (inclusive of winter and summer crop and additional to standard crop compensation)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sharecroppers <em>(registered or not)</em></td>
<td>o 1 severe impact allowance equal to market value of share of harvest lost (additional to standard crop compensation)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Squatters/encroachers</td>
<td>• 1 severe impact allowance equal to market value of gross harvest of the affected land for 1 year (inclusive of winter and summer crop and additional to standard crop compensation)</td>
</tr>
<tr>
<td>Houses and Structures</td>
<td>All relevant APs <em>(including squatters)</em></td>
<td>• Cash compensation at replacement rates for affected structure and other fixed assets free of salvageable materials, depreciation and transaction costs. In case of partial impacts full cash assistance to restore remaining structure.</td>
<td></td>
</tr>
<tr>
<td>Crops</td>
<td>Crops affected</td>
<td>All <em>(including squatters)</em></td>
<td>• Crop compensation in cash at full market rate for one harvest (either winter or summer) by default for impacts caused by tower bases, stringing and access. • All other crop losses will be compensated at market rates based on actual losses.</td>
</tr>
<tr>
<td>Trees</td>
<td>Trees affected</td>
<td>All <em>(including squatters)</em></td>
<td>• Cash compensation shall reflect income replacement</td>
</tr>
<tr>
<td>Asset</td>
<td>Specification</td>
<td>Affected People</td>
<td>Compensation Entitlements</td>
</tr>
<tr>
<td>-------------------------</td>
<td>---------------</td>
<td>-------------------------</td>
<td>-------------------------------------------------------------------</td>
</tr>
<tr>
<td>Community assets</td>
<td></td>
<td></td>
<td>• Rehabilitation/substitution of the affected structures/utilities (i.e. mosques, footbridges, roads, schools, healthcenters, etc..)</td>
</tr>
<tr>
<td>Vulnerable AP livelihood</td>
<td>AP below poverty line</td>
<td></td>
<td>• Employment priority in project-related jobs.</td>
</tr>
</tbody>
</table>

The above entitlements are applicable as in this LARF to all IFI financed operations under NTDC. In transmission line operations that are considered linked to power generation projects financed by IFIs, NTDC will also take into consideration relevant provisions in the entitlement policies of the generating projects.

5 VALUATION AND REPLACEMENT OF ASSETS

The following methodology will be adopted for assessing unit compensation rates:

(i) Land will be valued at replacement cost based on current market values by carrying out a survey of transactions in the year previous to the date of invoking Section 5 and subsequent sections.

(ii) Houses, buildings and other structures will be valued at replacement cost plus labor cost based on the area, type and material of the affected item. No deductions will be made for depreciation, salvageable materials or transaction costs and taxes. Rates for building structures will be evaluated by the Building Department/Works Department using the latest quarterly report that is regularly published by the Building Department.

(iii) Crops will be valued at current market rates of gross value of harvest as valued by the Agricultural Department.

(iv) The loss of fruit bearing trees will be compensated for based on their type, productive age and the market value of the produce for the remaining period of its average life. The value of younger fruit trees will be based on the expenditure made to bring the tree to its current state. This will be assessed by the Horticultural Wing of the Agriculture Department.

(v) The value of trees that would have been used for timber will be calculated based on the average volume and quality of wood produced and taking into consideration the size classes as determined by girth, diameter at breast, height and volume as assessed by the Forest Department.

6 LAND FOR LAND COMPENSATION

Land for land compensation has significant advantages in that it reduces the chance of displaced people spending their compensation on items that will not provide them with an alternative economic livelihood. The difficulty is that in the location of the proposed program there are not that many areas of suitable productive land that are not already owned. In cases where displaced persons desire land for land compensation, then the process by which replacement land is
identified needs to be recorded. When land for land compensation is used, along with provision of replacement housing, then the replacement plots are to include facilities and services such as water supply, sanitation, roads, drainage and electricity. The LARP will detail the costs for site preparation and for the provision of these basic facilities. The LARP will clearly detail site preparation and resettlement schedules and tenure arrangements. In managing the land for land relocation, the socio-cultural and religious characteristics of the displaced persons and host communities will be taken into consideration and the distance between the old and new locations should be minimized as far as is possible. If land for land cannot be found, the LARP will clearly demonstrate the lack of land.

7 IMPACT ASSESSMENT AND LARP PREPARATION

7.1 Impact Assessment

LARP preparation activities will be initiated as part of the preparation of each new project, subproject or tranche of funding under a financing facility. The requirement will be to take the completed detailed design of the intervention and carry out a measurement survey and enumeration. The relevant Board of Revenue approved rates will be included in the LARP. An outline for preparing a resettlement plan based on the IFIs standards of Resettlement Policies. The appraisal will entail the following studies and investigations:

1. **Socioeconomic Survey:** A socio-economic survey will be carried out to provide a detailed socio-economic profile of the population in the project areas. The information gathered will focus on: (i) household composition and demography; (ii) ethnicity; (iii) education; (iv) livelihood patterns and income baseline; (v) land ownership patterns; (vi) displaced persons income levels and expenditure patterns; (vii) displaced persons views on the subproject and various resettlement and rehabilitation options; (viii) specific impacts on the poor, indigenous people, women and other vulnerable groups. The data will be gender disaggregated to identify specific gender related issues. The survey will be used to investigate the displaced persons socio-economic condition, identify the project impacts on displaced persons and to establish a benchmark for monitoring and evaluating the implementation of a subproject’s compensation and rehabilitation program.

2. **Census Survey:** A census of all AHs and displaced persons will be undertaken based on the categorizations in the entitlement matrix. The Census will determine the exact number of AH/displaced persons and how they are affected by the specific land acquisition requirements of a subproject. The Census will also identify all severely displaced and vulnerable AHs.

3. **Impacts Assessment and Inventory:** This task will be based on a Detailed Measurement Survey (DMS) which identifies the nature and magnitude of loss. The survey will include all losses including land (residential and agricultural), immovable structures, communal, public and cultural/religious facilities, crops, trees and business incomes and wages. The impact assessment will also include a survey of compensation rates as detailed.
above and also the incomes of the Ahs. Updating of land records with the support of the collector

8 GENDER IMPACTS AND MITIGATION MEASURES

LARP will include measures ensuring that the socio-economic needs and priorities of women are identified, addressed and mitigated. The following gender provisions will be incorporated to safeguard the specific needs and problems of women displaced persons during subproject implementation.

1. The socio-economic data gathered will be gender-disaggregated. Gender roles analyzed and if women and the needs, aspirations and priorities of women will be taken into consideration during consultation and preparing mitigation measures and reported in the LARP. Female staff will be hired to collect data and assist women in resettlement activities.

2. Female household heads will be registered as the recipients of compensation and rehabilitation measures due to their households. Land titles and use rights to replacement land will be registered in the name of women if the land lost to a subproject was legally owned by women.

3. Women will be included in the consultation process through meetings held with women and will be encouraged to participate in the LARP planning and implementation process.

4. Due consideration will be given to complaints and grievances lodged by women displaced persons following the procedures outlined in Section M.

9 LARP PREPARATION

All LARPs will be based on the provision outlined in this LARF. LARPs may need to be updated to take into account changes in the final designs. If needed, the LARP should be updated (i) on the completion of detailed engineering design but prior to the award of civil works contracts and (ii) during the subproject civil works where design changes during construction result in changes to the resettlement impacts. Land will not be possessed until all amended LARPs are approved by the IFIs, payments made, replacement land found, replacement structures provided and displaced persons relocated. The LARPs will include a time bound program which is related to the date that the land is required for construction purposes.

10 CONSULTATION, PARTICIPATION AND DISCLOSURE

10.1 Stakeholder Consultation

The timing and nature of stakeholder consultation will vary depending upon the implementation program. Stakeholders will be identified through the initial social assessment for subprojects. Stakeholder consultations will be carried out over the preparation of the subproject through community meetings, focus group
discussions and interviews of key informants for their views and recommendations for the sub-project preparation.

Specific consultations will be carried out with the displaced persons to identify their needs and preferences for compensation and rehabilitation measures. In this regard the affected persons, including the displaced persons, will be thoroughly informed on the results of the census and impact assessment and their preferences for compensation and other resettlement assistance will be given due consideration. The processes and mechanisms ensuring the active involvement of displaced persons and other stakeholders will be detailed in the LARPs, which will include an Appendix with the list of participants, the location, date and minutes of consultation meetings.

10.2 Information Disclosure Plan

There will be a need to establish a communications strategy for addressing the requirement for public consultation and participation, including a needs assessment. The Environment and Social Issues Cell (ESIC) of the EA (NTDC) will be responsible to ensure that all LAR information is properly and meaningfully disclosed to the DPs, their concerns addressed and necessary changes made in the subproject design for this purpose.

Before the socio-economic baseline surveys are mobilized the Implementing Agencies will need to have developed a workable strategy for public consultation and information disclosure, the ESIC will take lead assuming this responsibility. During the census and DMS, each affected household will be directly informed about the subproject entitlements and procedures.

Key information in the LARF, including the entitlement matrix, will be translated in Urdu and/or other local languages and disclosed to displaced persons and kept in relevant government departments for the DPs to access. Arrangements should also be made to provide information through educational institutions and also for disadvantaged groups. The ESIC have to take a significant role in this process.

An Urdu information pamphlet or in provincial languages, which the DPs can easily read, summarizing the LARP will be provided to all displaced persons and translated information pamphlet summarizing the LARF will be made available to the communities prior to the LARP submission to IFIs.

The consultation process will need to outline the legal procedures that are to be followed for land acquisition and relocation. The details of the process will have to be clearly communicated to any displaced people and in a form that can be easily understood. The information given should also include the provisions of the recent IFIs Resettlement Policies Standards and outline the rights and obligations of any displaced people.

The consultation process for any displaced people will need to establish the degree to which any lost land and assets contributed towards their livelihood. The range of options for compensation can be identified, along with their entitlements for lost assets that are outlined in Table 3 of this LARF.
11 INSTITUTIONAL ARRANGEMENTS

The roles and responsibilities for the design, implementation and supervision of land acquisition and resettlement functions within the Investment Program are vested with a number of different institutional actors as outlined below and shown in Figures 1 and 2. These include NTDC as the EA, its environment and social cell (ESIC), the Provincial Boards of Revenue, Agency Secretariat, External Monitoring Agency (EMA), District Government, Resettlement Specialists team of supervision consultants, IFIs and NGOs, other concerned district governments, and coordination mechanisms, as detailed in the sections below.

Requirements under the LARF for institutional arrangements and resources should be reflected in the governments PC-1, with dated milestones as appropriate.

11.1 National Transmission and Dispatch Company (NTDC)

28. NTDC has overall responsibility for the Program including preparation/implementation and financing of all LAR tasks and cross-agency coordination. NTDC will exercise its functions through the Project Management Unit (PMU) which will be responsible for general project execution, and through the Project Implementation Units (PIU) which will be tasked with day-to-day Project activities at district/subproject level. Within the PMU, LAR tasks will be managed by a specific unit, the Environment and Social Issues Cell (ESIC), which will organize and internally monitor LARP preparation and implementation (including surveys, asset valuation, and community consultation), LAR-related cross-agency coordination, and LARP approval. In the implementation of these tasks the ESIC will receive specific technical assistance from:

i. **Resettlement Specialists team** will be hired under the Project Supervision Consultants contract. It will assist in LAR planning/implementation, internal M&E, and training of NTDC and districts on impact assessment and IFIs resettlement policy requirements;

ii. A **local NGO and impact assessment/valuation team** will be hired to provide on-site LARP preparation assistance for surveys, information gathering and AP consultation;

iii. **An External Monitoring Agency (EMA)** will be hired to conduct periodic monitoring and evaluation/ 3rd party validation of implementation of the LARP activities.

11.2 District Governments

District governments, FATA Secretariat and relevant line departments have jurisdiction for land administration, valuation and acquisition. At Provincial level these functions rest on the Board of Revenue while at District level they rest on the District Collector Office (DCO) and, within the DCO, on the Land Acquisition Collector (LAC). Several minor agents, most notably the **Patwari**, (and records keeper), carry out specific roles such as titles identification and verification (see Figure 1). Functions pertaining to compensation of assets different from land (i.e.
buildings and crops) or income rehabilitation also fall on the local governments, more specifically on the relevant District Department.

Figure 1: Organization of District Land Acquisition Collector Office

As noted above it will be important for NTDC to work with the Patwari to clearly identify urban and rural areas. For land in urban areas the LARF requires compensation for land under the towers and for any effect on structures within the safety corridor, this is current NTDC practice. For rural land affected by tower installation NTDC and the resettlement specialist will work with the land users concerned to determine that access and use is not restricted and cultivation can continue. In cases where either land access or use is restricted this impact will require compensation as per the matrix.

This LARF will apply to FATA areas. Compensation rates will be agreed based on the principle of negotiation and agreement between the Pakistani Government, locally represented by the Political Agent (PA) and his subordinates, and the tribal leaders representing the tribal community members. This is largely due to the fact that in tribal territories it is not possible to work with market rates because land is seldom sold. This rate negotiation often takes place in the form of a joint assessment committee to be formed in each agency with representation (tribal leaders) from the tribe villagers and government representative. The committees assess and provide the recommended compensation rates to ensure “adequate compensation with consensus rate” as required under the FCR. The consent compensation rates will be attested by the Assistant Political Agent.
A project implementing unit will be established within FATA secretariat. This implementing unit, assisted by resettlement planning consultant teams will develop LARPs in line with the LARF. In the LARF, individual household compensation packages will be developed in line with the LARF entitlement policy and the agreed compensation rates. The political agent and his assistants, together with the project implementing unit, will deliver the compensation package to individual affected households.

11.3 Coordination Initiatives

The agencies and actors above identified will be carefully coordinated to obtain effective, smooth and timely DP compensation and LARP implementation. To this purpose a LAC will be directly assigned to the PMU by the Board of Revenue and 2 coordination/consultation committees will be included at the top and bottom levels of the LAR organization as follows:

Based on experience it is expected that in Pakistan the implementation of a LARP of category “A” may take up to one year. A local NGO or a local consultant will be hired by NTDC to assist in the LARP implementation process. NTDC will announce the cut-off-date based on the date of census for the proposed subproject based on the eligibility criteria defined in this LARF. The APs of affected structures/assets (houses, shops, etc.) will be paid their due compensations at least 1 months (30 days) prior to demolition of the structures from the corridor of impact. This time will allow them to dismantle and remove all salvageable material for rebuilding of houses and re-establishment of businesses. However, NTDC reserves the right of directly demolishing such structures if this has not been done by the AP by the agreed deadline. Grievances or objections may be referred to the project Grievance Redress Committees to be established.

11.4 LRA Related Steps

The basic LAR-related steps are summarized on Box 1 below. The Process combines in a single sequence steps required by the LAA and by IFIs policies.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>A)</td>
<td>Project PREPARATION</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Subprojects identification</td>
<td>PMU/Consultants</td>
</tr>
<tr>
<td>2</td>
<td>Review and update of PF</td>
<td>ESIC/Consultants</td>
</tr>
</tbody>
</table>

3 The administration of tribal areas is radically different from that of settled districts which has been assumed as a model in this LARF. For subprojects in tribal areas the local government is represented by the Political Agent and by his deputies’ offices and local communities are represented by the tribal jirgas, and/or the officially recognized Maliks. LARP prepared for projects and subprojects in tribal areas will have an organizational setting fitting local specificity.
3 Preparation of IPSA indicating for a specific subproject whether LAR is needed. If so, a scheduled action plan detailing LARP tasks to be assigned to ESIC, consultants, local government, and NGO is established and the formation of coordination committees at subproject level is initiated.

### B) LARP PREPARATION

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Proposal to Revenue Department with Brief Description of subproject including LAR.</td>
<td>EA</td>
</tr>
<tr>
<td>2</td>
<td>Publication of Notice expressing the intent to Acquire Land under Section 4 of LAA.</td>
<td>Revenue Department</td>
</tr>
<tr>
<td>3</td>
<td>Prepare impacts/AP surveys forms, train impact assessment and valuation teams, and establish coordination with relevant local government agencies.</td>
<td>ESIC/Consultants</td>
</tr>
<tr>
<td>4</td>
<td>Verify land records in affected areas, update cadastral maps and carry out impacts and valuation surveys, identify land classification for affected areas.</td>
<td>Loc. Gov.; Patwari/ESIC/Consultants</td>
</tr>
<tr>
<td>5</td>
<td>Check surveys and, if necessary, request additional fieldwork to improve them.</td>
<td>ESIC/Loc.Gov./Consultants</td>
</tr>
<tr>
<td>6</td>
<td>Conduct public consultations and negotiations.</td>
<td>ESIC/Loc. Gov./Consultants/NGO</td>
</tr>
<tr>
<td>7</td>
<td>Integrate impacts base-line and results of consultations/negotiations into the LARP.</td>
<td>ESIC/Consultants</td>
</tr>
<tr>
<td>8</td>
<td>Submission of LARP to PMU, local governments and then to the Ministry of Environment (MOE) for approval. After this the LARPs are sent to IFIs for approval.</td>
<td>ESIC/Loc. Gov./EPA/ESIC/IFIs</td>
</tr>
</tbody>
</table>

### C) LARP IMPLEMENTATION

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>LARP disclosure: Distribution of LARP and information pamphlets in Urdu in the affected communities; posting of LARP in English on the IFIs websites</td>
<td>ESIC/Loc.Gov./IFIs</td>
</tr>
<tr>
<td>2</td>
<td>Approval of Contract awards</td>
<td>IFIs</td>
</tr>
<tr>
<td>3</td>
<td>Distribution of Relocation Notices to APs</td>
<td>PMU, ESIC</td>
</tr>
<tr>
<td>4</td>
<td>Award of Checks for Land Compensation</td>
<td>PMU/ESIC/LAC/AP</td>
</tr>
<tr>
<td>5</td>
<td>Award of Checks for other Compensation &amp; Assistance/Rehabilitation</td>
<td>PMU/ESIC/PIU/AP</td>
</tr>
<tr>
<td>5</td>
<td>Demolishing/ Relocation of Affected Structures/Assets</td>
<td>ESIC, NGO</td>
</tr>
<tr>
<td>6</td>
<td>Review of LARP Implementation.</td>
<td>PMU/ESIC/IFIs/NGO</td>
</tr>
<tr>
<td>7</td>
<td>If LARP Implementation found satisfactory, notice to proceed for Civil works is issued</td>
<td>IFIs/PMU</td>
</tr>
</tbody>
</table>

### D) POST-IMPLEMENTATION TASKS

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Independent evaluation of LARP Program.</td>
<td>EMA</td>
</tr>
</tbody>
</table>

### E) CYCLICAL/CONTINUOUS TASKS

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Internal monitoring. Quarterly reporting on LAR to IFIs</td>
<td>PMU</td>
</tr>
<tr>
<td>2</td>
<td>External Monitoring. Semi-annual reporting to IFIs</td>
<td>EMA/PMU</td>
</tr>
<tr>
<td>3</td>
<td>Grievances Redress/Law Suites</td>
<td>ESIC/PMU/LAC/COURT</td>
</tr>
<tr>
<td>4</td>
<td>Inter-agency coordination and Communication with AP</td>
<td>PMU/ESIC/LAC/Loc. Gov.</td>
</tr>
</tbody>
</table>
12 COMPLAINTS AND GRIEVANCES REDRESS

A Grievance Redress Mechanism will exist at the program level with grievance redress committees set up in each province, FATA and at field/project level for expeditious. The aim of the Grievance Redress Mechanism and Committees is to provide the mechanism whereby any displaced persons who are dissatisfied with their entitlements can seek redress. However, with careful observance of the provisions of the LARF and LARPs by all stakeholders involved, grievances should be avoided. Grievances redress will utilize local tribal mechanisms to the extent possible to address grievances. In FATA area, tribal Jirga are the most important means to resolve grievances. The project mechanisms will coordinate closely with these tribal institutions in resolving grievances.

If necessary, the aggrieved displaced person will first approach the subproject level committee through ESIC, whose officers will strive for an informal settlement within 10 days of lodging of the complaint. If the complaint cannot be settled, the grievance will be referred to the LAC (member of the subproject level grievance committee for all land, trees and crops compensation related matters).

The LAC will have to address the complaint within 15 days. If the complaint still remains unresolved, it can be re-lodged by the displaced person within one month to the Program level GRC headed by the General Manager NTDC. If the grievance redress mechanism fails to satisfy the aggrieved displaced person, they can submit the case to the appropriate court of law as set out in Sections 18 to 22 of the LAA (1894).

This grievance mechanism will be developed in full for individual subprojects or operations. In transmission line operations that are considered linked to generating projects, NTDC will coordinate with the project office of the generation project and take into full consideration the GRM setups in the generating operations in the designing of the GRM for the transmission line projects. These will be detailed out in the resettlement action plans of the projects or subprojects.

The grievances will be attempted appropriate resolution in the following manner.

Table.4: Grievance resolution process

<table>
<thead>
<tr>
<th>Land/crops compensation issues</th>
<th>Project/other items compensation issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. First, complaints resolution will be attempted at village level through the involvement of the ESIC, NGO and informal mediators.</td>
<td>1. First, complaints resolution will be attempted at village level through the involvement of the ESIC, NGO and informal mediators.</td>
</tr>
<tr>
<td>2. If still unsettled, a grievance can then be lodged to the LAC who has 30 days to decide on the case.</td>
<td>2. If still unsettled, a grievance can be lodged to the PIU/ESIC, which will have 30 days to respond.</td>
</tr>
</tbody>
</table>

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4 In case of subprojects in tribal areas the process will instead include: (stage 2) appeal to the deputy political agent; (stage 3) appeal to the Political agent through the Jirga, and (stage 4) appeal to the court.
3. If no solution was reached a grievance can be lodged to the ESIC of PMU. The AP must lodge the complaint within 1 month of lodging the original complaint with the LAC and must produce documents supporting his/her claim. The ESIC of PMU will provide the decision within 21 days of registering the complaint. The ESIC of PMU decision must be in compliance with this LARF provisions.

4. Should the grievance redress system fail to satisfy the AP, they can further submit their case to the appropriate court of law as per the process set out in Sections 18 to 22 of the LAA (1894).

13 RESETTLEMENT BUDGET AND FINANCING

Due to the approach and programmatic nature of engineering design for transmission line operations, it is not possible to lock in the transmission line corridor and accurately define the impact corridor at the time of project appraisal by IFIs. Consequently it is difficult to calculate the quantities of adverse impacts and any estimate the cost of resettlement.

The detailed cost estimation will be carried out when preparing LAR in line with this LARF. All LAR preparation and implementation costs, including cost of compensation, various eligible allowances, monitoring, evaluation, grievances redress and LAR administration, as well as contingencies, will be estimated and included in the LAP and they will be considered an integral part of Project cost. Each LARP will include a budget section indicating (i) unit compensation rates for all affected items and allowances, (ii) methodology followed for the computation of unit compensation rates, and (iii) a cost table for all compensation expenses including administrative costs and contingencies.

Finances for LAP cost, including compensation, allowances, and administration of LARP preparation and implementation, will be provided by the Government as counterpart funds. Costs for external monitoring tasks can be allocated under the loan. In order to ensure that sufficient funds are available for LAR tasks, the local governments will have to allocate 100% of the cost of compensation at replacement cost and expected allowances estimated in each LARP plus 5% of contingencies before LARP implementation.

Being the project owner, NTDC is responsible for the timely allocation of the funds needed to implement the LARPs. Allocations will be reviewed twice a year based on the budget requirements indicated by the LARPs.

As per the flow of LAR finances it is noted that the budget for land and crop compensation will be disbursed by NTDC to the District Collector Office which in turn, through the LAC will disburse the compensation to the APs. For what
concerns compensation funds for other items such as documented structures (houses, shops, etc.), house restoration, shops, employment, income loss, etc. will go from NTDC to the ESIC of PMU which will disburse the funds to the APs with assistance from the PIU.

14 MONITORING AND REPORTING

LAR tasks under the Project will be subjected to both internal and external monitoring. Internal monitoring will be conducted by the PMU, assisted by the Design and Supervision Consultant. External monitoring will be assigned to an External Monitoring Agency (EMA) to be hired by PMU, and approved by IFIs. The EMA will be chosen among local consultants. IFIs will prepare the terms of reference (TOR) for the EMAs before LARP implementation begins.

14.1 Internal Monitoring

Internal monitoring will be carried out routinely by the ESIC of PMU their results will be communicated to concerned Affected People and to IFIs through the quarterly project implementation reports. Indicators for the internal monitoring will be those related to process and immediate outputs and results. This information will be collected directly from the field and reported monthly to the ESIC of PMU to assess the progress and results of LARP implementation, and to adjust the work Program, if necessary. The monthly reports will be quarterly consolidated in the standard supervision reports to IFIs. Specific monitoring benchmarks will be:

a) Information campaign and consultation with APs;
b) Status of land acquisition and payments on land compensation;
c) Compensation for affected structures and other assets;
d) Relocation of APs;
e) Payments for loss of income;
f) Selection and distribution of replacement land areas; and
g) Income restoration activities

The above information will be collected by the Environment & Social Impact Cell (E&SIC) and field office which are responsible for monitoring the day-to-day resettlement activities of the project through the following instruments:

a) review of census information for all APs;
b) consultation and informal interviews with APs;
c) in-depth case studies;
d) sample survey of APs;
e) key informant interviews; and
f) Community public meetings.

14.2 External Monitoring

External monitoring will be carried out twice a year, and its results will be communicated to all concerned APs, the PMU and IFIs through semi-annual reports. Subprojects whose implementation time-frame will be under 6 months will be monitored only once. Indicators for External Monitoring tasks include:
a) Review and verify internal monitoring reports prepared by ESIC and its field offices;
b) Review of the socio-economic baseline census information of pre-displaced persons;
c) Identification and selection of impact indicators;
d) Impact assessment through formal and informal surveys with the affected persons;
e) Consultation with APs, officials, community leaders for preparing review report; and
f) Assess the resettlement efficiency, effectiveness, impact and sustainability, drawing lessons for future resettlement policy formulation and planning.

The EMA will also assess the status of project affected vulnerable groups such as female-headed households, disabled/elderly and families below the poverty line. The following will be considered as the basis for indicators in monitoring and evaluation of the project:

a) Socio-economic conditions of the APs in the post-resettlement period;
b) Communications and reactions from APs on entitlements, compensation, options, alternative developments and relocation timetables etc.;
c) Changes in housing and income levels;
d) Rehabilitation of squatters;
e) Valuation of property;
f) Grievance procedures;
g) Disbursement of compensation; and
h) Level of satisfaction of APs in the post resettlement period.

The EMA will carry out a post-implementation evaluation of the LARP about a year after completion of its implementation. The compelling reason for this study is to find out if the objectives of the LARP have been attained or not. The benchmark data of socioeconomic survey of severely affected APs conducted during the preparation of the LARP will be used to compare the pre and post project conditions. The EMA will recommend appropriate supplemental assistance for the APs should the outcome of the study show that the objectives of the LARP have not been attained.
15 APPENDIX 1: OUTLINE OF A RESETTLEMENT PLAN

This outline is part of the Safeguard Requirements. A resettlement plan is required for all projects with involuntary resettlement impacts. The level of detail and comprehensiveness is commensurate with the significance of potential involuntary resettlement impacts and risks. The substantive aspects of the outline will guide the preparation of the resettlement plans, although not necessarily in the order shown.

A. Executive Summary

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

B. Project Description

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

C. Scope of Land Acquisition and Resettlement

This section:

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

D. Socioeconomic Information and Profile

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

(i) define, identify, and enumerate the people and communities to be affected; describe the likely impacts of land and asset acquisition on the people and communities affected taking social, cultural, and economic parameters into account;
(ii) discuss the project’s impacts on the poor, indigenous and/or ethnic minorities, and other vulnerable groups; and
(iii) identify gender and resettlement impacts, and the socioeconomic situation, impacts, needs, and priorities of women.
E. Information Disclosure, Consultation, and Participation

This section:

(i) identifies project stakeholders, especially primary stakeholders;
(ii) describes the consultation and participation mechanisms to be used during the different stages of the project cycle;
(iii) describes the activities undertaken to disseminate project and resettlement information during project design and preparation for engaging stakeholders;
(iv) summarizes the results of consultations with displaced persons (including host communities), and discusses how concerns raised and recommendations made were addressed in the resettlement plan;
(v) confirms disclosure of the draft resettlement plan to displaced persons and includes arrangements to disclose any subsequent plans; and
(vi) describes the planned information disclosure measures (including the type of information to be disseminated and the method of dissemination) and the process for consultation with displaced persons during project implementation.

F. Grievance Redress Mechanisms

This section describes mechanisms to receive and facilitate the resolution of displaced persons’ concerns and grievances. It explains how the procedures are accessible to displaced persons and gender sensitive.

G. Legal Framework

This section:

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

This section:

(i) defines displaced persons’ entitlements and eligibility, and describes all resettlement assistance measures (includes an entitlement matrix);

(ii) specifies all assistance to vulnerable groups, including women, and other special groups; and.

(iii) outlines opportunities for displaced persons to derive appropriate development benefits from the project.

I. **Relocation of Housing and Settlements**

This section:

(i) describes options for relocating housing and other structures, including replacement housing, replacement cash compensation, and/or self-selection (ensure that gender concerns and support to vulnerable groups are identified);

(ii) describes alternative relocation sites considered; community consultations conducted; and justification for selected sites, including details about location, environmental assessment of sites, and development needs;

(iii) provides timetables for site preparation and transfer;

(iv) describes the legal arrangements to regularize tenure and transfer titles to resettled persons;

(v) outlines measures to assist displaced persons with their transfer and establishment at new sites;

(vi) describes plans to provide civic infrastructure; and

(vii) explains how integration with host populations will be carried out.

J. **Income Restoration and Rehabilitation**

This section:

(i) identifies livelihood risks and prepare disaggregated tables based on demographic data and livelihood sources;

(ii) describes income restoration programs, including multiple options for restoring all types of livelihoods (examples include project benefit sharing, revenue sharing arrangements, joint stock for equity contributions such as land, discuss sustainability and safety nets);
(iii) outlines measures to provide social safety net through social insurance and/or project special funds;

(iv) describes special measures to support vulnerable groups;

(v) explains gender considerations; and

(vi) describes training programs.

K. Resettlement Budget and Financing Plan

This section:

(i) provides an itemized budget for all resettlement activities, including for the resettlement unit, staff training, monitoring and evaluation, and preparation of resettlement plans during loan implementation.

(ii) describes the flow of funds (the annual resettlement budget should show the budget-scheduled expenditure for key items).

(iii) includes a justification for all assumptions made in calculating compensation rates and other cost estimates (taking into account both physical and cost contingencies), plus replacement costs.

(iv) includes information about the source of funding for the resettlement plan budget.

L. Institutional Arrangements

This section:

(i) describes institutional arrangement responsibilities and mechanisms for carrying out the measures of the resettlement plan;

(ii) includes institutional capacity building program, including technical assistance, if required;

(iii) describes role of NGOs, if involved, and organizations of displaced persons in resettlement planning and management; and

(iv) describes how women’s groups will be involved in resettlement planning and management,

M. Implementation Schedule

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

This section describes the mechanisms and benchmarks appropriate to the project for monitoring and evaluating the implementation of the resettlement plan. It specifies arrangements for participation of displaced persons in the monitoring process. This section will also describe reporting procedures.
Box 1: Involuntary Resettlement Safeguards

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

**Scope and Triggers:** The involuntary resettlement safeguards covers physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.

**Policy Principles:**

1. **Screen the project early on** to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.

2. **Carry out meaningful consultations with displaced persons, host communities, and concerned non-government organizations.** Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line. These include the landless, the elderly, women and children. Specific safeguards cover Indigenous People, including those without statutory title to land, including those having communal rights, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the displaced persons’ concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.

3. **Improve, or at least restore**, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based and where it is possible to give cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where these are possible.

4. **Provide physically and economically displaced persons with needed assistance**, including the following: (i) if there is relocation, secured tenure to
relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.

5. **Improve the standards of living of the displaced poor and other vulnerable groups**, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.

6. Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.

7. **Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.**

8. **Prepare a resettlement plan** elaborating on displaced persons’ entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.

9. **Disclose a draft resettlement plan**, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to displaced persons and other stakeholders. Disclose the resettlement plan and its updates to displaced persons.

10. **Conceive and execute involuntary resettlement as part of a development project or program.** Include the full costs of resettlement in the presentation of project’s costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.

11. **Pay compensation and provide other resettlement entitlements before physical or economic displacement.** Implement the resettlement plan under close supervision throughout project implementation.

12. **Monitor and assess resettlement outcomes**, their impacts on the standards of living of displaced persons and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of the resettlement monitoring. **Disclose monitoring reports.**