1- Introduction

This document presents an executive summary of the Involuntary Resettlement Plan (Plano de Reassentamento Involuntário - PRI) for Families and Economic Activities located in the region of Alagados VI / Salvador / State of Bahia affected by implementation of the Project.

2- Project Conception

The Viver Melhor/BIRD Project seeks to improve living conditions for low-income communities occupying urban settlements in Salvador and other cities in the interior of the state of Bahia through articulated social, economic and physical interventions in housing and infrastructure, and educational and environmental upgrading.

The Alagados VI area in Salvador was chosen for intervention in Year 1 of the Project.

3- Alagados VI – Current Situation

ALAGADOS VI, located in the lower region of Salvador with approximately 133,387 inhabitants (6% of the city’s total), is seen as the most degraded area of the city in urban and environmental terms. It contains mangrove swamps and flood-prone land and has been impacted by environmental degradation since the 1970’s due to raw sewage effluent and industrial waste dumped in the drainage area. Intensive occupation over recent decades has not only used all available dry land but also totally destroyed the mangrove swamps where thousands of stilt houses have spread and created an extreme unhealthy environment.

3.2 – Intervention Proposal

The Project includes interventions developed by the Ribeira Azul Program in the Alagados region including:
1. Urban infrastructure (i) transport system, urbanization and street lighting; (ii) water supply, (iii) sewage system, (iv) storm drainage, (v) special constructions, (vi) landscape development and recovery of damaged areas, (vii) housing improvement
2. Population resettlement
3. Social equipment

---

1 Extracted from the document CARTA CONSULTA COFIEX – EMPRÉSTIMO BIRD – ANO 2002 – PROGRAMA VIVER MELHOR II
2 From the document – Estudos Preliminares para Elaboração de Projetos de Engenharia e Arquitetura com vistas à Recuperação Ambiental da Comunidade de Alagados VI e Mangueira (Preliminary Studies for the Development of the Engineering and Architectural Projects Aiming at the Environmental Recovery of the Alagados VI and Mangueira Community)
The population of Alagados VI is to be resettled for two basic reasons: (i) to build a coastal road system and improve internal roads; (ii) to eliminate housing risk and unsafe living conditions (sanitary, safety and other aspects);

A point to be emphasized is that many engineering solutions have been studied and the one chosen involves the least number of resettlements. However, it will still be necessary to remove 721 dwellings as detailed in the table below:

<table>
<thead>
<tr>
<th>REASON FOR REMOVAL</th>
<th>Number of Dwellings</th>
<th>% per Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eliminating risk and building coastal road - (type of housing: stilt houses)</td>
<td>546</td>
<td>75.7</td>
</tr>
<tr>
<td>Improving the internal road system - (type of housing: brick constructions)</td>
<td>82</td>
<td>11.4</td>
</tr>
<tr>
<td>Improving the internal road system - (type of housing: wooden constructions)</td>
<td>42</td>
<td>5.8</td>
</tr>
<tr>
<td>Reducing population density - (type of housing: brick constructions)</td>
<td>22</td>
<td>3.1</td>
</tr>
<tr>
<td>Reducing population density - (type of housing: wooden constructions)</td>
<td>29</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>721</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The removal of 721 dwellings from a total of 2245 is extremely significant since it represents 32% of the total dwellings in the area. The reasons for this situation are as follows:

- Of the 721 dwellings to be removed 546 are extremely unsafe stilt houses located in risk areas;
- The 1699 brick dwellings (75.6% of the total number of homes) occupy approximately 81% of the total area of the neighborhood, while the 546 stilt houses occupy 19%. So neighborhood population density is high, but it is even higher in the stilt-house area where the quality of life is even more degraded;
- The area occupied by the 546 dwellings is not on dry ground. The stilt houses are built over water and classed as high-risk housing;
- Many engineering solutions have been studied for this area but none presented a possibility of keeping the stilt houses;
- Studies and surveys have shown that the most socially vulnerable families are the ones living in the stilt houses;

In light of all the above facts, the following is a presentation of the Viver Melhor/BIRD Involuntary Resettlement Policy for families affected by the Project in the Alagados VI area.

4 – Involuntary Resettlement Policy

The Viver Melhor/BIRD Project includes an Involuntary Resettlement Policy to be applied in areas where population resettlement is necessary. This policy is described in the document “Política de Reassentamento Involuntário para o Programa Viver Melhor II” (“Involuntary Resettlement Policy for the Viver Melhor/BIRD Project”) with all fundamentals and proceedings to be adopted by the Project regarding this specific issue. This document summarizes the fundamentals of this policy since the Plan for Resettlement of Alagados VI is based on these principles.

4.1 – Fundamentals of the Involuntary Resettlement Policy

Unless adequate measures are properly planned and implemented, relocation may lead to problems such as impoverishment, serious environmental damage, and breakdown in social support networks. The Involuntary Resettlement Policy must ensure that quality of life for families involved in the Project will be restored, not only compensating for physical aspects such as losing their homes, but also loss of earnings (disruption of productive activities), or loss of social support networks and
relations with neighbors. Note that the Involuntary Resettlement Policy should preferably lead to real improvements in the lives of the families affected.

Therefore, the policy must be guided by certain fundamentals:

- Minimize the number of properties to be displaced;
- Ensure that a number of options for compensation are offered;
- Ensure that housing conditions are maintained or improved;
- Ensure that there are opportunities to maintain income;
- Ensure compensation in the amount of the replacement value of the property - including any home improvements made;
- Ensure social services are provided: education, healthcare, transport etc;
- Constantly seek to minimize social and/or environmental impact;

In addition to the fundamentals described above, CONDER will be implementing “good practices”, as follows:

- Engineering work will not start until all families directly involved in the specific stage of the Project have been relocated;
- Affected families will be free to choose the compensation option that best fits their needs;
- CONDER will recognize the needs of the community involved in the Project;
- CONDER will not impose conditions for negotiations that will prevent families rebuilding their lives;
- If the resettlement schedule is delayed, CONDER will not put pressure on the population in order to meet deadlines for the construction project.

Negotiations with the population will only take place when compensation options are available.

5 – Involuntary Resettlement Plan – Methodology

The development of an Involuntary Resettlement Plan is based on the analysis of 4 main data, which are:

a. Situation of families to be affected by the project,
   b. Social-Economic Profile of the Families and Properties Affected,
   c. Social Dynamics, and last
   d. Land Situation and Personal Documentation.

The following items present the situation of each of these structuring elements of the Resettlement Plan considering the case of Alagados VI.

5.1 – Situation of affected families

The situation of affected families in the specific case of Alagados VI is a very particular one since most (75.7% or 546 units) are living in high-risk stilt houses.

The other 124 dwellings (82 brick and 42 wooden homes) that have to be removed in order to build the internal road system - corresponding to 17.2% of the total - are spread around the area. Note that in the specific case of these 124 homes, the executive engineering project will consider the possibility of maintaining some properties if the level of intervention is considered partial and will not affect the main part of the property. This may considerably reduce the number proposed. If this situation involves wooden homes, they will be included in the home improvement policy to be implemented by the project, which will convert them to brick constructions.
The 51 remaining dwellings (29 wooden and 22 brick) correspond to 7.1% of the total and will be removed in order to reduce population density in the area. These properties are very small in size, located in unsuitable areas and lack minimum living conditions (ventilation, lighting, minimum occupancy area).

5.2 – Socioeconomic Profile of Families and Properties Affected

Census surveys and registration in the Alagados VI area were undertaken from October 2003 through January 2004. In order to develop the Resettlement Plan, only data gathered from the families affected by the Project were used. Also, in order to assist understanding of the real situation, data were processed in two samples. One comprised affected families living in stilt houses, the other affected families living on dry land, in brick constructions or wooden homes (very few cases).

<table>
<thead>
<tr>
<th>POPULATION AND PROPERTIES AFFECTED BY THE PROJECT - SOCIOECONOMIC DATA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Physical Data: Housing and Infrastructure</strong></td>
</tr>
<tr>
<td>1. Almost all properties affected are for single family residential use and are occupied by the proprietors;</td>
</tr>
<tr>
<td>2. There is a high risk of stilt houses collapsing, but less for homes on dry land.</td>
</tr>
<tr>
<td>3. The stilt house properties are extremely poorly maintained made of wood and usually have one floor, whereas levels of maintenance vary for dry-land house made of brick and up to 3 stories high.</td>
</tr>
<tr>
<td>4. Both dry land and stilt households have large families – over 6 members.</td>
</tr>
<tr>
<td>5. Almost one quarter of stilt houses lack sanitary units, against 7% for houses on dry land</td>
</tr>
<tr>
<td>6. Almost all properties have illegal water and electricity supplies; waste water goes directly into the sea;</td>
</tr>
<tr>
<td><strong>Profile of Head of Family</strong></td>
</tr>
<tr>
<td>1. Heads of family are mostly males aged 26 - 40.</td>
</tr>
<tr>
<td>2. Most of them have only elementary schooling and monthly income is the minimum wage.</td>
</tr>
</tbody>
</table>

5.3 – Social Dynamics

The implementation of an involuntary dispossession and resettlement project is predominantly a social task, although there are some significant legal and technical issues. In the current stage of the project, many contacts have been made with the affected families. The main steps taken so far regarding communication/interaction and community participation were:

- Home visits in order to fill out the socioeconomic survey and registration form. A census was conducted from Oct/2003 through Jan/2004 and assistants were trained to provide information on the Viver Melhor/BIRD Project;
- Meetings with leaders and community in order to present the Viver Melhor/BIRD Project in the area of Alagados VI (on June 17th, 2004 with 55 people present, June 18th, 2004 with 70, July 16th, 2004 with 91 present);
- Meetings with formal and informal leaders on the Joanes Azul complex (one of the resettlement areas for the Project - section 6.2 of this document) on June 7th, 2001 with 25 people, on June 29th, 2004 with 42 and on June 30th, 2004 with 47 people. Subjects raised were selection of families, urban lots, type of housing units, location of the day care center;
Meetings with formal and informal leaders and community on the preliminary version of the urban division of the Massaranduba complex (one of the resettlement areas for the Project – section 6.2 below). Subjects raised: urban lots, type of housing units.

However, there is still much to be done in terms of community participation and development. There are plans to increase community participation in the next stages of the project. CONDER will open an office to provide exclusive support for the families involved and will also assemble a multidisciplinary team dedicated exclusively to resettlement activities. It is a matter of principle for CONDER that the Resettlement Plan and criteria for compensation must be deeply disseminated to the people involved.

CONDER will take steps to ensure that more vulnerable groups (elderly, families supported by women, widows, family supported by very young people, etc) are heard and have their rights guaranteed. Compensation policy will include specific support measures to assist social integration for these groups.

CONDER’s compensation policy will seek to establish proper negotiating criteria and disseminate the information to avoid the use of unclear criteria. Transparent and accessible communication channels and well-defined negotiating criteria are the basis for establishing a healthy relationship between the public power and the community and CONDER will seek to fulfill this requirement in all stages of the process. There must be community participation throughout the project since this is the only way possible to ensure its success.

Photographs of some of the meetings are shown below.

Photos 1, 2 and 3: Explaining the housing proposal using models and plans

Photo 3: Meeting held with leaders. Photos 4 and 5: Predominance of women present at the meetings

5.4 – Documentation for subdivisions and lots

Occupation of the Alagados VI area started spontaneously and there was no planning. Therefore, there was no concern with regularizing ownership rights. Since the Viver Melhor/BIRD project proposes that the area be legalized and deeds be delivered to the occupants, CONDER has taken specific measures regarding this issue.

CONDER will provide free legal assistance and/or support for families affected to help them acquire all documentation necessary for the resettlement process.
6.0 – Assistance or Compensation Policy

The Assistance or Compensation Policy of an Involuntary Resettlement Plan must seek to rebuild community ties as well as recover or improve quality of life, productive capability, and living conditions. The aim must be to compensate any losses in so far as this is possible.

A key issue here is that, even when families are part of the same context, it does not mean that their realities and needs will be exactly the same, so different solutions may be required. The proposed compensation policy includes options in order to offer solutions matching the different family profiles. It is important to mention that the social profile of the population affected shows that the residents in stilt house areas are more socially vulnerable than those living on dry land. However, their social situation is not far removed from that of the families living on dry land and some indicators are quite similar. This analysis suggests that assistance policy should address the issue of different types of support for different profiles of families affected by the project.

6.1 – Registration of Population Affected

A georeferenced census (conducted October 2003 – January 2004) registered 2245 households in Alagados VI but since it was not specifically for resettlement purposes, CONDER plans to conduct a specific socioeconomic and property survey to register all families affected by the project within the next few months and before beginning construction work, in order to provide better grounds for the process of negotiating with the families and so ensure their rights are respected. This registration will then be used as baseline for the Project and when concluded - with the population involved kept fully informed - any families moving into the area will not have the same rights as those now registered. It is important to consider the families’ preferences expressed during the survey at this stage of planning.

6.2 – Compensation Policy

CONDER compensation policy is based on 3 basic guidelines:

- Resettlement to Housing Complex
- Monitored Resettlement
- Cash compensation

During the various meetings held with the community there was much interest in resettling to a housing complex, preferably in the same area or nearby.

6.2.1 – Option – Resettlement to Housing Complex

Providing resettlement to housing complexes involves a large number of measures from the planning phases through to removal to new homes working to a definite schedule and in sequence as planned.

Selection of Resettlement Areas and Housing Models – CONDER has already identified areas for resettlement:

- Joanes Azul Complex – Located 1000 meters from Alagados VI, 189 units, 35m2, single family (2 bedrooms, living room / kitchen) – final phase of construction. 120 units to be used for Alagados VI.
- Massaranduba Complex – Continuation of Alagados VI covering 1.32 hectares (aprox. 3.26 acres); private property and dispossession process has already started. Urban studies point to
the feasibility of standard vertical housing – 2 stories, capacity for 313 units. Floor space 36 m² each;
- Site of former Corema shipyard, now disused – Area of 1.9 hectares (aprox. 4.69 acres) 500 meters from Alagados VI, expropriation procedure under study. This area would hold 300 housing units.

## Summary Table – Area Available for Resettlement

<table>
<thead>
<tr>
<th>Area / Housing Complex</th>
<th>Number of Housing Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>JOANES AZUL</td>
<td>120</td>
</tr>
<tr>
<td>MASSARANDUBA</td>
<td>313</td>
</tr>
<tr>
<td>COREMA SHIPYARD</td>
<td>300</td>
</tr>
<tr>
<td>TOTAL</td>
<td>733</td>
</tr>
</tbody>
</table>

All the resettlement areas shown above are suitable for urban infrastructure, have adequate topography and satisfy legal requirements.

The housing units will be built to meet current technical and comply with legislation. They will be provided with all necessary urban infrastructure (water and sewage network, electricity supply, garbage collection, public transportation etc.); homes will have 2 bedrooms, kitchen, full sanitary and drainage facilities, etc.

**Income Replacement Model** – There are very few commercial or mixed-use (residential and commercial) properties involved and since most resettlement areas are nearby, relocation is unlikely to have significant impact on family income. However, if this does occur, they will be compensated. On drafting the evaluation report, amounts in relation to loss of earnings from the commercial businesses involved will be evaluated and the total added to the final amount of compensation.

**Moving Assistance** – All affected families will receive moving or transfer assistance for their movable property or goods in the amount of R$ 300.00.

**Post-moving assistance** – CONDER’s team will assist families in their new housing units so resettlement work will not cease on transfer. Before families are transferred, CONDER will begin joint activities aimed at assisting them to adopt their new way of life in terms of rational and proper use of urban services, use of collective areas, community organization, integration with the population in the surrounding areas, etc.

### 6.2.2 – Option – Monitored Resettlement – Conception

Another possible option is Monitored Resettlement. Of the 721 properties affected, 104 are brick constructions so their market value is much higher than that of the stilt houses. Of these 104 units, CONDER recently evaluated 15 units that show good building standards. Their values vary from R$15,500.00 to R$65,918.12 and the average is R$35,000.00. When properties reach higher evaluation prices (above the amount houses in the resettlement area are fetching) their proprietors usually prefer compensation, whereas most owners of lower-value properties prefer to be resettled.

Note that one of the basic points in the Resettlement Plan is the need to offer different compensation options for the families affected. If there is to be real choice, the options posed must have equivalent attractiveness, meaning that if an excellent model for resettlement is offered and the compensation on offer is not enough to return the family to the market, then there will be a rush towards resettlement, even if it is not originally the preferred option. If the contrary occurs, there
will be a rush towards cash compensation. Therefore, the options available have to be well balanced.

This means that families who prefer to look for their own housing solutions in the local real estate market must be able to do so. Based on the initial amount - called P0 - there will a table including progressive subsidies. Therefore, proprietors and/or occupants of smaller and unsafe homes should get enough to regain or even improve their living conditions. The proprietors of homes with higher evaluation value will get smaller subsidies.

CONDER will assist families opting for Monitored Resettlement to find and acquire their new homes. If they decide not to accept this support, they must prove that a new property has been acquired in order to receive financial compensation. When the same person is proprietor and/or occupant of more than one of the properties due to be affected, the subsidy will be calculated on the total value of all properties and home improvements. Therefore, the evaluation amounts for all properties will be summed and compensation applied on the basis of the total.

The final compensation table will be based on the individual evaluation reports compiled. However, a provisional compensation table may be drafted and adjusted as necessary when the reports are ready.

Two guidelines have been used to determine the P0 amount. One is that the P0 amount must be equivalent to the amount required to build the home, not including infrastructure. The other is based on the current market prices of properties for sale on dry land in Alagados VI, which range from R$6,500.00 to R$9,000.0. The stilt houses were valued at R$1,500.00 to R$2,500.00. Note that during execution of the dispossession project, values of properties not dispossessed tend to increase due to extra demand as those compensated seek to recompose their property. The project’s table for indemnification with compensation is shown below:

<table>
<thead>
<tr>
<th>Evaluation</th>
<th>Indemnification with Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Until R$ 6,000.00</td>
<td>P0 = R$8,500.00</td>
</tr>
<tr>
<td>R$6001.00 to R$ 7,000.00</td>
<td>R$10,000.00</td>
</tr>
<tr>
<td>R$7501.00 to R$ 8,000.00</td>
<td>R$10,500.00</td>
</tr>
<tr>
<td>R$8001.00 to R$ 9,000.00</td>
<td>R$11,000.00</td>
</tr>
<tr>
<td>R$9001.00 to R$ 10,000.00</td>
<td>R$12,500.00</td>
</tr>
<tr>
<td>Above R$ 10,001.00</td>
<td>25% and number rounded ***</td>
</tr>
</tbody>
</table>

*** This amount may not exceed R$ 15,000.00

All affected families, whether they have chosen resettlement to a housing complex, monitored resettlement or indemnification, will receive moving assistance in the amount of R$300.00.

There are very few tenants or families living in homes with permission from the owners. Tenants and “permission” families will receive the equivalent of 6 months rent (taking the average rent for the region), totaling approximately R$1,800.00, plus R$300.00 moving assistance totaling R$2,100.00.

Home Purchase Support – All families choosing compensation will receive the following support from CONDER: selection of new home available on the real estate market; legal assistance for acquisition of new home; social assistance for their re-insertion into the new environment; and support for access to educational and healthcare services.
6.2.3 – Option 3 – Indemnification

The third and last option offered by the program is indemnification in the amount of the property’s evaluation price. In this case proprietors and/or occupants are not required to show proof of how the compensation is to be spent. Indemnification must be made beforehand and cover the replacement value of the asset.

6.2.4 – Compensation policy Table

Applications of the options and cases to which they are applicable are shown in the table below:

<table>
<thead>
<tr>
<th>Item</th>
<th>Current situation</th>
<th>Degree Affected</th>
<th>Compensation Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>PROPERTIES – RESIDENTIAL USE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| | | Totally Affected | Directly | Option 1 – Resettlement to housing complex + moving assistance  
Option 2 – Monitored Resettlement + moving assistance  
Option 3 – Indemnification + moving assistance |
| | | Indirectly for determined period | Option 1 – Maintenance assistance during period of activity interruption (calculated using Project criteria and Technical Rules for evaluation), rent payment due to interrupted access, or any other disruption during this period.  
Option 2 – Monitored Resettlement + moving assistance, if the part of the lot affected makes it difficult to stay in the unaffected area - this involves losing the right to the unaffected area.  
Option 3 – Monitored Resettlement on affected area and payment of evaluation amount for unaffected area, if proprietor/occupant chooses not to stay in the unaffected area.  
Option 4 – Compensation for the affected area |
| 1.1  | Proprietors/Occupants | Partially Affected | Directly | Option 1 – Maintenance assistance during period of disrupted activity (calculated using Project criteria and Technical Rules for evaluation), payment of rent due to interrupted access or any other disruption during this period.  
| | | | Indirectly or Determined Period | Option 1 – Payment of Housing Assistance + Moving assistance |
| 1.2  | Tenants/“permission” occupants | Totally Affected or Partially | Directly or Indirectly | Option 1 – Compensation for the affected area only, if it is large enough for normal use to continue.  
Option 1 – Compensation for loss of earnings + transfer assistance* + moving assistance. |

* Transfer assistance is the same amount as housing assistance
7.0 – Action Plan

7.1 – Institutional Matrix

CONDER will open a resettlement center in Alagados VI to assist families affected by the project, including a multidisciplinary team working exclusively on this task. This center will be directly subordinated to UGP, which is directly subordinated to the Urban Development Secretary’s office. The center will be run by CONDER staff and an outsourced team - all highly experienced in resettlement projects.

7.2 – Scheduled Activities

Resettlement activities precede engineering work so if they are not carried out on time other components may be delayed causing financial onus and uncertainty for the population. The work schedule is presented in Annex I.

7.3 – Budget

The budget for the dispossession and resettlement project is an estimate, since actual numbers will not be available until the evaluation reports have been concluded. Nevertheless, the estimate is likely to be quite accurate.

<table>
<thead>
<tr>
<th>Item</th>
<th>ACTIVITY</th>
<th>Unit</th>
<th>Quantity</th>
<th>Unit cost (R$)</th>
<th>Total (R$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>Cash compensation / Monitored Resettlement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>Cash compensation – Dry land / Brick constructions – estimated adhesion 70% of total</td>
<td>indiv.</td>
<td>73</td>
<td>35,000.00</td>
<td>2,555,000.00</td>
</tr>
<tr>
<td>1.2</td>
<td>Cash compensation – Stilt houses – estimated adhesions 5% of total</td>
<td>indiv.</td>
<td>28</td>
<td>2,500.00</td>
<td>70,000.00</td>
</tr>
<tr>
<td>1.3</td>
<td>Monitored Resettlement Payment – Stilt houses – estimated adhesions 10% of total</td>
<td>indiv.</td>
<td>54</td>
<td>8,500.00</td>
<td>459,000.00</td>
</tr>
<tr>
<td>1.4</td>
<td>Moving Assistance</td>
<td>indiv.</td>
<td>721</td>
<td>300.00</td>
<td>216,300.00</td>
</tr>
<tr>
<td>1.5</td>
<td>Housing Assistance (Tenants and &quot;permission” occupants)</td>
<td>indiv.</td>
<td>53</td>
<td>1,800.00</td>
<td>95,400.00</td>
</tr>
<tr>
<td>2.0</td>
<td>Construction work at resettlement site</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>Cost of building new housing units ****</td>
<td>indiv.</td>
<td>566</td>
<td>21,955.50</td>
<td>12,426,813.00</td>
</tr>
<tr>
<td>3.0</td>
<td>Notary Public Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1</td>
<td>Notary public costs</td>
<td>indiv.</td>
<td>620</td>
<td>500.00</td>
<td>310,000.00</td>
</tr>
<tr>
<td>4.0</td>
<td>Project Costs (Reports / Registration) and Plan Implementation (including monitoring)</td>
<td>overall</td>
<td></td>
<td></td>
<td>750,000.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>16,882,513.00</td>
</tr>
</tbody>
</table>

*** Amount includes: purchase of site, subdivision / lots, building house, drainage, and urban infra-structure

7.4 – Sources of funds

The chart below shows the share from each source.

<table>
<thead>
<tr>
<th>Item</th>
<th>ACTIVITY</th>
<th>Total (R$)</th>
<th>Gvmt of Bahia(R$)</th>
<th>IRDB (R$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>Compensation payment</td>
<td>3,395,700.00</td>
<td>3,395,700.00</td>
<td></td>
</tr>
<tr>
<td>2.0</td>
<td>Building resettlement homes ****</td>
<td>12,426,813.00</td>
<td>2,873,858.00</td>
<td>9,552,955.00</td>
</tr>
<tr>
<td>3.0</td>
<td>Notary Public costs</td>
<td>310,000.00</td>
<td>310,000.00</td>
<td></td>
</tr>
<tr>
<td>4.0</td>
<td>Project costs (Reports / Registration) and Plan Implementation</td>
<td>750,000.00</td>
<td>173,477.00</td>
<td>576,523.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>16,882,513.00</td>
<td>6,753,005.00</td>
<td>10,129,508</td>
</tr>
</tbody>
</table>

**** Includes the Joanes Anil Housing Complex under construction using Caixa Econômica Federal funds
8.0 – Monitoring

CONDER will monitor resettlement activities for compliance with fundamentals and reaching objectives at three points in the project: (i) on conclusion of registration, when a group of affected families will be selected for follow-up during the process; (ii) immediately after the negotiation process and on handing over the new home or paying compensation; (iii) preferably some 12 months after families have moved. Monitors will have to devise instruments to compare these three phases, so that the analysis will clearly show how the process is evolving (or failing to evolve).

9.0 – Critical Paths

CONDER will be paying special attention to certain resettlement plan activities that could affect other components in the Project including documentation for lots/individuals; availability of funds; CONDER’s channels of communication with the community; families integrating on moving to housing complexes; payment of compensation within the agreed period.