Arab Republic of Egypt

Governorate of Alexandria

Alexandria Development Project

Integrated Environmental and Social Impact Assessment (IESIA)

Resettlement Policy Framework

June 21, 2007
Barbarossastraat 35
P.O. Box 151
Nijmegen 6500 AD
The Netherlands
+31 (0)24 328 42 84 Telephone
+31(0)24 323 1603 Fax
info@nijmegen.royalhaskoning.com E-mail
www.royalhaskoning.com Internet

27 Yehia Ibrahim St., Apt 4
Zamalek
Cairo 11311
Egypt
+20 (2) 7351045
+20 (2) 7383091 Telephone
Fax
info@nsce-inter.com E-mail
www.nsce-inter.com Internet

Document title
Alexandria Development Project
Resettlement Policy Framework

Document short title
RPF

Status
Final Report

Date
June 21, 2007

Project name
Integrated Environmental and Social Impact Assessment for the Alexandria Development Project

Client
Governorate of Alexandria
ABBREVIATIONS

ADP    Alexandria Development Project
ARP    Abbreviated Resettlement Plan
ASDCO  Alexandria Sanitary Drainage Company
CAPMAS Central Agency for Public Mobilization and Statistics
CBOs   Community Based Organizations
CDS    City Development Strategy
DP     Displaced Person
EPAP   Egyptian Pollution Abatement Project
ESA    Egyptian Survey Authority
ESMP   Environmental and Social Management Plan
GOPP   General Organization for Physical Planning
GTZ    Deutsche Gesellschaft für Technische Zusammenarbeit
Hai    District
MUSD   Million United States Dollars
NGOs   Non Governmental Organizations
NSCE   North South Consultants Exchange, Consultants, Egypt
OBA    Output-Based Aid Program
PHRD   Japan Policy and Human Resources Development
PMU    Project Management Unit
PSP    Private Sector Participation
RAP    Resettlement Action Plan
RPF    Resettlement Policy Framework
SA     Social Assessment
Sheyakha Sub district
SPAAC  Social Planning Analysis and Administration Consultants
UNDP   United Nations Development Programme
Rates of exchange (June, 2007)

USD/EGP  5.73
# Table of Contents

**Abbreviations** ..................................................................................................................................................... III

**Rates of Exchange** ............................................................................................................................................... IV

**Table of Contents** ................................................................................................................................................ V

**Annexes** ............................................................................................................................................................ VII

**List of Tables** ..................................................................................................................................................... VII

**List of Figures** .................................................................................................................................................... VII

1. **Executive Summary** ....................................................................................................................................... VIII

2. **Introduction** .................................................................................................................................................... 1
   A. **Scope of the Assignment** ........................................................................................................................ 1
   B. **Scope and Contents of this Report** ......................................................................................................... 1

3. **Description of the Project** ........................................................................................................................ 1
   C. **Project Rationale and Objectives** ........................................................................................................ 1
   D. **Project Components and Objectives** .................................................................................................... 2

4. **Potential Project Impacts on Assets and Livelihoods** .............................................................................. 3
   E. **Overview** ................................................................................................................................................ 3
   F. **Generic Project Impacts on Assets and Livelihoods** .......................................................................... 4
      i. **Categorization of Impacts by Type of sub-projects** .................................................................... 4
      ii. **Categorization of Project land needs** ......................................................................................... 4
   G. **Tentative Quantification of Impacts on Assets and Livelihoods** .................................................. 6

5. **Legal and Institutional Background** .................................................................................................... 7
   H. **Overview** ................................................................................................................................................ 7
   I. **Property Rights and Expropriation within the Egyptian Constitution** ............................................. 7
   J. **Land Tenure and Related Laws to Land and Structures Expropriation** ........................................ 7
   K. **Institutional Background** ...................................................................................................................... 12
   L. **World Bank Safeguard Policy on Involuntary Resettlement** ............................................................ 12
   M. **Gaps between Egyptian Regulations and World Bank Policies** .................................................. 14
   N. **Egyptian Experience in Involuntary Resettlements, Lessons to be Learned for ADP** ............ 17
      i. **Mit Okba Case Study: Expropriation of land for Extending the 26th of July Corridor and Forms of Compensation** ............................................................................................................... 17
      ii. **Hekr Abou Doma, Downtown Cairo: Expropriation of Tenure and Buildings for Investment and Redevelopment Purpose** ......................................................................................... 17
      iii. **Lessons to be learned for ADP** ..................................................................................................... 18
   O. **Principles and Objectives** .................................................................................................................... 20
      i. **Regulatory Framework** .................................................................................................................. 20
      ii. **Minimization of Displacement** ..................................................................................................... 20
      iii. **Cut-off date - Eligibility** ............................................................................................................... 20
      iv. **Income and livelihood restoration** ............................................................................................. 21
      v. **Compensation** ............................................................................................................................... 21
      vi. **Consultation – Grievance mechanisms** ..................................................................................... 22
   P. **Processes** .................................................................................................................................................. 22
      i. **Categorisation of project activities with respect to land needs** .................................................. 22
      ii. **Overview of the resettlement preparation process** .................................................................... 22
iii. Census of Affected Assets and Affected Households ................................................................. 25
iv. Resettlement Action Plan .................................................................................................................. 25
v. Abbreviated Resettlement Plan ........................................................................................................... 25
vi. Works packages ................................................................................................................................ 25

6. ENTITLEMENTS.................................................................................................................................. 26
Q. GENERIC ENTITLEMENT MATRIX ......................................................................................................... 26
R. APPLICATION OF THE ENTITLEMENT MATRIX TO SOME KNOWN PROJECT SITUATIONS .......... 27
i. Example: Business on Project-affected land ......................................................................................... 27

7. VALUATION AND COMPENSATION RATES ................................................................................. 31
S. VALUATION AND COMPENSATION OF LANDS AND STRUCTURES ACCORDING TO EGYPTIAN REGULATION 31
T. VALUATION AND COMPENSATION OF STRUCTURES ........................................................................ 32
U. VALUATION OF LOSSES OF INCOME FOR BUSINESSES ................................................................ 32
V. DISTURBANCE ALLOWANCE .................................................................................................................. 32

8. GRIEVANCE MANAGEMENT AND REDRESS MECHANISMS .................................................... 33
W. POTENTIAL GRIEVANCES/DISPUTES ................................................................................................. 33
X. PROPOSED GRIEVANCE MANAGEMENT AND REDRESS MECHANISM ........................................ 33
i. Overview .............................................................................................................................................. 33

9. THE CURRENT GRIEVANCE PROCEDURES UNDER EGYPTIAN LAWS AND REGULATIONS COULD BE EXPLAINED AS FOLLOWS ................................................................. 33
i. Registration of grievances ....................................................................................................................... 35
ii. Amicable mediation and settlement ....................................................................................................... 36
B. ADMINISTRATIVE MECHANISM AND APPEAL TO COURT ................................................................ 36
C. DOCUMENTATION AND TRACING ....................................................................................................... 37

10. VULNERABLE GROUPS ......................................................................................................................... 37
D. IDENTIFICATION OF VULNERABLE GROUPS ..................................................................................... 38
E. ASSISTANCE TO VULNERABLE PEOPLE .......................................................................................... 38
F. PROVISIONS TO BE MADE IN RAPs/ARPs ...................................................................................... 38

11. MONITORING AND EVALUATION ....................................................................................................... 39
G. GENERAL OBJECTIVES OF MONITORING AND EVALUATION ............................................................. 39
H. MONITORING ........................................................................................................................................ 39
i. Scope and content ..................................................................................................................................... 39
  ii. Monitoring indicators .............................................................................................................................. 39
I. EVALUATION ......................................................................................................................................... 40
i. Evaluation objectives ............................................................................................................................... 40
  ii. Evaluation Process ............................................................................................................................... 40

12. CONSULTATION AND DISCLOSURE .................................................................................................. 41
J. CONSULTATION ON THE RESETTLEMENT POLICY FRAMEWORK .................................................... 41
K. CONSULTATION ON RAPs AND ARPs .............................................................................................. 41
L. DISCLOSURE REQUIREMENTS .............................................................................................................. 41
i. Egyptian legal requirements for disclosure ........................................................................................... 41
  ii. World Bank requirements .................................................................................................................... 42

13. IMPLEMENTATION RESPONSIBILITIES ............................................................................................. 42
iii. Implementation Responsibilities ........................................................................................................... 42
M. RESOURCES, TECHNICAL SUPPORT AND CAPACITY ENHANCEMENT ........................................ 42
i. Resources available to deal with resettlement issues ................................................................. 42
ii. Technical support and capacity building ..................................................................................... 42

14. BUDGET AND FUNDING .................................................................................................................. 46

N. Budget of resettlement activities related with FYIP ..................................................................... 46
O. Assumptions used for budget estimate .......................................................................................... 46
P. Arrangements for funding .............................................................................................................. 46
Q. Compensation payment procedure ................................................................................................ 46

15. ANNEXES ....................................................................................................................................... 1

ANNEXES
Annex1: List of Preparers
Annex3: Framework for the census of affected assets and affected people
Annex4: Outline of a Resettlement Action Plan
Annex5: Outline of an Abbreviated Resettlement Plan
Annex6: Template of a claim registration and follow-up form
Annex7: Template of a consultation meeting minute form
Annex8: Template itemization of RAP/ARP budget
Annex9: Assumptions used for the budget estimate
Annex10: Egyptian Experiences in Resettlements and Gaps and Suggested Areas for Improvement for ADP
Annex11: List of References

LIST OF TABLES
TABLE 1 PROJECT IMPACTS ON ASSETS AND LIVELIHOODS (EXAMPLES OF UPGRADING THREE INFORMAL SETTLEMENTS AND ROADS REHABILITATION AND RECONSTRUCTION) ...................................................... 5
TABLE 2 COMPARISON OF EGYPTIAN REGULATIONS WITH WORLD BANK POLICIES ..... 15
TABLE 3 GAPS BETWEEN EGYPTIAN REGULATION AND WORLD BANK POLICY RELATED TO ENTITLEMENT .............................................................................................................. 26
TABLE 4 ENTITLEMENT MATRIX ........................................................................................................... 29
TABLE 5 IMPLEMENTATION RESPONSIBILITIES .................................................................................. 43

LIST OF FIGURES
FIGURE 1: RESETTLEMENT PREPARATION PROCESS FOR PROJECT COMPONENTS WITHOUT LAND ACQUISITION ................................................................................................................. 23
FIGURE 2: RESETTLEMENT PREPARATION PROCESS FOR PROJECT COMPONENTS WITH LAND ACQUISITION ..................................................................................................................... 24
1. Executive Summary

The overarching aim of the project is to support development in Alexandria through strategic investments in hard and soft infrastructure that support its competitive advantages, which would contribute to removing constraints to private sector-led growth and improving the management and utilization of local assets, while ensuring the socio-economic integration of the poor.

Specifically, the project development objective is to support local development in Alexandria by removing key infrastructural constraints, reducing barriers to investment, and ensuring the socioeconomic integration of the poor.

The following are the key performance indicators:

i. Increased private sector investment in the project area adjacent to Lake Marriout as a result of servicing lands and improved ambient conditions.

ii. Improved accessibility and reduced travel time to the main centers of economic activity (industrial estates, enterprise parks, and Alexandria ports), through rehabilitation/reconstruction of selected arterial roads.

iii. Improved living conditions of the population living in selected undersrviced squatter settlements as a result of increased access to basic infrastructure and economic services.

iv. Improved local business environment as a result of streamlining key business start-up procedures and regularizing land ownership.

The preparation of the ADP has progressed under the leadership of the Governor of Alexandria and its Secretary General. The project builds on the vision of the City Development Strategy (CDS), and its objective and components have been defined, with cost estimates of each component/sub-component established.

Among these proposed activities, several projects would take place which may entail partial or full resettlement of certain residential, industrial or other business-related activities.

Accordingly, this resettlement policy framework has been prepared to set the required policy framework and operational procedures for the design and implement a proper resettlement plan for any relevant case of resettlement pursuant to the World Bank resettlement policy and Egyptian legislation and regulation and at the same time ensuring that no individual or corporate subjected to this resettlement action would be negatively affected.

Project components

The ADP is composed by 4 main components with related sub-components and parallel activities. These are, based on ADP documentation listed as follows:

Component 1 - Priority Economic Infrastructure to Support Local Economic Development
Sub-component 1.1 - Providing off-site infrastructure needed to support private development of land bordering Lake Marriout’s main basin

Sub-component 1.2 - Rehabilitating critical access roads linking major centers of economic activity in Alexandria

Component 2 – Improving the Local Investment Climate

Sub-component 2.1- Streamlining key business start-up licensing procedures at the Alexandria Investor Services Complex.

Sub-component 2.2 – Preparing the regulatory framework for the registration of existing land and real property at the North Merghem enterprise park.

Sub-component 2.3 - Designing the regulatory, technical and financial framework for an expanded private sector role in managing and developing industrial areas in Alexandria.

Component 3: Urban Upgrading of Squatter Settlements

Providing support to basic infrastructure, community facilities and services, including the construction of water, wastewater networks, surface water drains, rehabilitation of access roads, establishment of community facilities and provision of community services

Component 4: Institutional Development and Technical Support to Project Operation

Sub-component 4.1 - Updating Alexandria’s Urban Master Plan. This include preparation of an urban structure plan for Alexandria Governorate, a land use plan for Alexandria City and detailed local area plans for selected strategic areas.

Sub-component 4.2 – Establishing the Alexandria Development Agency.

Sub-component 4.3 – Supporting the operational capacity of the PMU, engineering design and construction supervision. This includes hiring consulting service to support: (i) procurement, financial management, contract management activities, M&E of project indicators; (ii) monitor compliance with the EMP and safeguards issues; (iii) engineering design and construction supervision of component 1 of the Project; (iv) TA and urban regulatory plan of component 2; and (v) project audit. It also covers required goods for the PMU and EMP monitoring.

Resettlement may only be applied in the components with “works” content. All project components may entail the application of the resettlement policy framework, however, the more likely components where the resettlement policy framework would be possibly applied are:

Sub Component 1.2: Rehabilitating critical access roads linking major centers of economic activity:
Alexandria Governorate, in consultation with the business and industry community, has identified four important arterial roads in very poor condition that link important centers of production and economic activity (e.g. industrial zones, tourism attraction centers, etc) with major hubs of
transportation infrastructure (especially the Ports of Alexandria and Dekheila and the Airports of Nozha and Borg Al Arab) and that are in need of major rehabilitation/reconstruction.

Of these, two major arteries were identified as a first priority for financing under the ADP first year of operation: Om Zeghiou, Al Sad Al Aly, as well as the local access road along Nubariya canal serving North Merghem industrial area (called North Merghem Nubariya road). Given the fact that those roads extend through a constricted residential section, the improvement work may require the demolition of limited number of houses.

Component 3: Urban upgrading of squatter settlements
Providing support to basic infrastructure, community facilities and services, including the construction of water, wastewater networks, surface water drains, rehabilitation of access roads, establishment of community facilities and provision of community services.

According to Participatory Rapid Appraisal Surveys conducted in 20 squatter and informal settlements in consultation with community representatives and city officials, squatter settlements suffer from several problems, including:

Inadequate municipal services, especially primary health care, education and youth facilities;
Poor coverage with infrastructure, especially clean water (in 7 settlements), piped sanitation (non-existent in 10 settlements) and narrow unpaved roads; and poor housing conditions, especially in Amriya and West districts where the informal status of land discouraged residents to invest in house improvement.

The upgrading component emphasizes the provision of quality infrastructure and enabling housing improvement to squatter and informal settlements within each settlement and is to be managed and implemented by the PMU. Urban upgrading will be piloted in six squatter settlements in a two-staged preparation and implementation process. The first three settlements (Naga Al Arab and El Amrawy, then Al Hadara Al Gedida), have been selected and the identification of the other settlements will be done within the first year of project implementation.

On demand basis, and based on baseline survey that is currently undertaken in the three squatter settlements by a professional consultancy firm, this sub-component will address the most urgent infrastructure and services needed by the community, especially for piped water, sewerage, street lighting, and road pavement. Based on the detailed identification of such services, certain resettlement actions may be required to extend these services.

Legal and Institutional Background
This part explains the current legal and institutional framework governing resettlement activities in Egypt. It highlights different types of land tenure in Egypt then it analyzes the various laws and legislation managing the issue of expropriation for public interest whether for land or structures. It also shows the operational procedures stated within Egyptian law that should be followed during the expropriation process and methods of estimating compensation for those persons affected by displacement/resettlement.

Several governmental bodies are involved in land or property expropriation or resettlement. According to law 10/1990, the Egyptian Authority for Land Surveying (ESA) is mandated to do this task at the central level together with other ministries or local governmental bodies (Governorates). The law presented the detailed procedures and steps to be taken considering the expropriation, compensation and grievance methods. Based on an analysis of different Egyptian legislation and previous experiences, a gap between the existing context in Egypt and the World
Bank OP 4.12 concerning involuntary resettlements has been defined, and this should be considered during the implementation of ADP components. The major gaps to be highlighted are:

- Compensation is not paid prior to displacement for affected people
- The valuation of compensation is crucial since all Egyptian previous practices of valuation have been substantially below the market rate due to:
  - Lack of valuation experience in ESA
  - No real market rate is defined due to taxes & fees charged on properties
- The issue of resettlement option has to be clearly considered in any resettlement action. A variety of options whether through alternative shelters or fair compensation that enables affected people to find other shelter are not offered
- The affected people are not supported with a sort of soft-loan that compensates the difference in value between the old and new property. Such assistance could be included in any resettlement project in ADP through the Governorate
- The PMU and Upgrading unit in each informal settlement should pay considerable attention for those groups, giving them priority in selecting resettlement options and receiving financial support.
- Affected groups do not have access to full information about the resettlement process and options for compensation.
- Participatory planning and decision making is not applied in resettlement options and compensation
- The needs of affected groups are not taken into consideration and direct channels for grievance and receiving redress in proper time prior to resettlement are not offered.

Targeted Beneficiaries for RPF
Based on the previous analysis and the proposed components of ADP, the targeted beneficiaries for RPF, who will be eligible to Project resettlement assistance are:

those who have formal legal rights to land and structures (including customary and traditional rights recognized under the laws of Egypt);

those who do not have formal legal rights to land or structures at the time of the cut-off but have a claim to such land or assets—provided that such claims are recognized under the laws of Egypt or become recognized through a process identified in the resettlement plan

those who have no recognizable legal right or claim to the land or structures they are occupying.

Compensation Valuation, Grievance and Redress mechanism

Compensation principles will be as follows:

- Compensation shall be paid prior to displacement / land entry;
- Compensation will be at full replacement value prior to displacement.
- For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.
- For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to, or better than, those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labour and contractors’ fees, plus the cost of any registration and transfer taxes.
By contrast with the depreciated or net value of a structure, the “replacement value” includes the full cost of materials and labour required to reconstruct a building of similar surface and standing. In other words, the affected person must be able to have their structure rebuilt in a different location using the compensation paid for the old building. For grievance and redress, the report highlights the Egyptian practice and compares it with the WB OP 4.12 and calls for Governorate intervention in areas where the legal framework has not covered.

**Major Findings and recommendations:**
Resettlement should be an integral part out of an overall improvement project. With regards to operational procedures, the following steps should be taken:

*Methods and procedures for evaluating assets affected by expropriation*
Consulting engineers prepare a number of design scenarios for decision by the PMU. One of the criteria for the best scenario is least expropriation impact on private land and least disturbance of any nature. As soon as the detailed designs for the various sub-projects have been completed, more specific information on resettlement and/or land expropriation requirements, if any, will be available.

The relevant office for legislation and compensation applies to the Governorate for permission to expropriate. They annex to the letter the full rationale together with sketch maps. No further actions may be taken without the express consent of the Governorate.

Upon review of the evidence, and on finding the application justified, the Governorate gives permission to the relevant office for legislation and compensation to expropriate with the consent of the owner and to pay agreed compensation.

The details of planned expropriation will be considered in Resettlement Plans as appropriate. The relevant office for legislation and compensation in cooperation with PMU, ensures that Resettlement Plans conform to the requirements of Egyptian law and the World Bank’s policy. The document is transmitted to the PMU and the World Bank who determine whether the plan conforms to Bank requirements for financing.

Concerning the organizational responsibilities and institutional framework;

Enforcement of the Policy Framework and planning/implementing Resettlement Plans: The overall responsibility for enforcement of the Policy Framework and for planning and implementing Resettlement Plans in the project area with the Governorate of Alexandria through their relevant offices for legislation and compensation. The Governorate will be responsible for preparing Inventories and Resettlement Plans and for the day-to-day implementation thereof within respective jurisdictions.

Delivery of entitlements: The process of delivery of entitlements and who are involved at which stages should be described in detail.

Provision of funds for implementing Resettlement Plans: Funds for implementing Resettlement Plans will be provided for by the project based on the cost estimated and presented in the Resettlement Plans. In case of overruns of costs due to unforeseen delays or other circumstances, the PMU will be responsible for providing necessary additional funds as required to cover all resettlement costs.

Transfer of land may not take place prior to payment: The funds for any resettlement and land acquisition will be provided by the Alexandria Governorate, who is officially responsible for such issues.

*Public participation, consultation, complaints and grievances*
Public participation and consultation: displaced persons (DPs) should participate throughout the various stages of the planning and implementation of the Inventories and Resettlement Plans. For these purposes and prior to the preparation of the Inventories and Resettlement Plans, the DPs will be informed of the provisions of this of this Policy Framework at public meetings at local and governorate levels. Each household DP will be fully informed of their entitlements and rehabilitation choices under the respective Inventory or Resettlement Plan. In this context, it would be judicious to involve Alexandria Local Council to ensure that project affected people stay well informed throughout the process.

Disclosure: In addition to the consultation process, and in accordance with the World Bank’s Public Consultation and Information Disclosure Policy BP 17.50, the RPF and each Resettlement Plan (Land Acquisition Plan) should be made available locally in Arabic, before the start of any expropriation activities.

Complaints and grievances: Agreement is reached in the great majority of cases without recourse to appeals for redress of grievance. Grievances and appeals may arise in the following cases: (a) Owner not willing to part with land: Since the Public interest has been determined, the court acts in the place of the owner. (b) All other cases: Any affected person may appeal to the court for redress. The court has the power to hear submissions, review the process, and make such provisions as it deems fit. These include ordering compensation to be paid, halting works and fining the owners. In most cases, the owner benefits from such appeals. However, in the case of any delay, owners lose since no provision is made for inflation.

**Monitoring and Evaluation**

Implementation of the Resettlement Plans will go regularly supervised and monitored by the PMU in coordination with the Governorate. The finding will be recorded in reports to be furnished to the World Bank and one to the PMU.

**Internal monitoring and supervision by the PMU will:**

Verify that the baseline information of all DPs has been carried out and that the valuation of assets lost or damaged, and the provision of compensation, resettlement and other rehabilitation entitlements have been carried out in accordance with the provision of this Policy Framework.

**Oversee that the RPs are implemented as designed and approved.**

Verify that the funds for implementing the Resettlement Plans are provided in a timely manner, and that such funds are used by them in accordance with the provisions of the Resettlement Plan.

Record all grievances and their resolution and ensure that complaints are dealt with in a timely manner.

An independent agency or agencies will be retained by the Governorate to periodically carry out external monitoring and evaluation of the implementation of the Resettlement Plans. The independent agency may be an academic or research institution, a non-governmental organization (NGO) or an independent consulting firms, all with qualified staff and terms of reference acceptable to the World Bank.

---

1 A person that loses assets and/or usage rights and/or income generation capacities (e.g. land, structures, crops, businesses, etc.) because these assets/rights/capacities are located in land to be acquired for needs of the Project. Not all PAPs are displaced due to the Project, but all are potentially affected either in assets they hold or use, or in their ability to maintain their livelihood.
Determine whether the procedures for DPs participation and delivery of compensation and other entitlements have been done in accordance with this policy Framework and the respective Resettlement Plan;

Assess if the Policy Framework objectives or enhancement or at least restoration of living standards and income levels of DPs have been met;

Gather qualitative information on the social and economic impact of Project Implementation on the DPs;

Suggest modifications in the implementation procedures of the Resettlement Plan Framework, as the case may be, to achieve the principles and objectives of this Policy Framework.
2. **Introduction**
   a. **Scope of the assignment**

   This Resettlement Policy Framework has been prepared for the entire Alexandria Development Project (ADP) in Alexandria, Egypt. The study is intended to contribute to the design and appraisal of the ADP by the Egyptian Authorities and the World Bank.

   b. **Scope and contents of this report**

   The development of a RPF is a requirement for projects that may entail involuntary resettlement under the World Bank safeguard policy on involuntary resettlement (OP 4.12, December 2001).

   In addition to meeting the World Bank requirements, this RPF intends to provide a practical toolkit for Project practitioners, who may have to be exposed to resettlement issues during the course of Project implementation, such as outlines for RAPs and ARPs, and census instruments.

3. **Description of the Project**
   c. **Project rationale and objectives**

   As part of the Governorate of Alexandria’s comprehensive City Development Strategy (CDS), which aims at the improvement of the environment and the situation of its people, the Governorate has, with the support of the World Bank, planned the Alexandria Development Project (ADP) as one of the main activities to be carried out within this larger initiative. The objective of the Alexandria Development Project (ADP) is to support the economic development of Alexandria Governorate through removing key infrastructural constraints, reducing barriers to investment and ensuring the socio-economic integration of the poor. Specifically, the objectives of the ADP are to work with the Alexandria Governorate within the framework of the City Development Strategy (CDS) to (i) support the Governorate’s economic development and utilization of local assets through investments in land development and improved accessibility between centers of economic activities and major transport hubs; (ii) support private sector development through removing key infrastructural and administrative constraints hindering its operation and growth; and (iii) improve access of residents in squatter settlements to infrastructure, basic services and income-enhancing opportunities.

   All financial investments under the ADP are screened against specific eligibility criteria in order to ensure the following impacts:

   Increasing private sector productivity; generating employment; supporting growth in Alexandria’s most competitive economic clusters (the manufacturing and tourism sectors); increasing exports; and/or improving the livelihood of the poor;

   Increasing municipal revenues, tax revenues and/or user charges; and improving municipal and other beneficiary institutions, capacity to maintain investments that will be financed under the project- i.e. put in place an explicit system and budget for operation & maintenance (O&M).

   The project shall be carried out under the leadership of the Governor of Alexandria and its Secretary General. The project builds on the vision of the City Development Strategy (CDS), and both its objective and components have been defined, with the cost estimates of each component/sub-component established. These estimates will not be presented in this report.
d. Project components and objectives

ADP is composed of 4 main components with 10 related sub-components in addition to 3 parallel activities that will be carried out by different Governmental institutions. Based on ADP Project Appraisal Document (PAD) these components are described as follows:

The project has four components (Annex 4 provides detailed description of each component):

**Component 1—Priority Infrastructure in support of Local Economic Development:**

This component finances works and related services (engineering designs and construction supervision) aimed at achieving the following:

1.1 Providing off-site infrastructure needed to support private development of land bordering Lake Marriout’s main basin (works, $45.00 million, financed by IBRD); and

1.2 Rehabilitating critical access roads linking major centers of economic activity in Alexandria (works, $28.50 million, financed by IBRD).

The estimated cost of this component is $73.50 million, financed by IBRD.

**Component 2—Improving the Local Investment Climate:**

This component finances goods and services aimed at achieving the following:

2.1 Streamlining key business start-up licensing procedures at the Alexandria Investor Services Complex (goods, $0.75 million, financed by IBRD);

2.2 Preparing the regulatory framework for the registration of existing land and real property at the North Merghem enterprise park (goods, $0.15 million, financed by IBRD); and

2.3 Designing the regulatory, technical and financial framework for private sector expanded role in managing and developing industrial areas in Alexandria (services, $1.10 million, financed by GOE).

The estimated cost of this component is $2.00 million, of which IBRD contributes $0.90 million and GOE contributes $1.10 million.

**Component 3—Urban Upgrading of Squatter Settlements:**

This component finances works and services to improve living conditions of residents in squatter settlements through:

3. Providing support to basic infrastructure, community facilities and services, including the construction of water, wastewater networks, surface water drains, rehabilitation of access roads, establishment of community facilities and provision of community services.

The estimated cost of this component is $26.25 million, of which IBRD contributes $25.00 million for works and community services and GOE contributes $1.25 million for admin/supervision fee of this component over the project’s period.

**Component 4—Institutional Development and Technical Support to Project Operation:**
This component consists of providing goods and services in support of institutional development and technical support to project operation. Specific activities are:

4.1 Updating Alexandria’s Master Plan including an urban structure plan for Alexandria Governorate, a land use plan for Alexandria City and detailed local area plans for selected strategic areas (services, $1.30 million, financed by GOE);

4.2 Establishing the Alexandria Development Agency (goods and services, $0.65 million, of which IBRD contributes $0.40 million for goods and GOE contributes $0.25 million for services);

4.3 Supporting the operational capacity of the PMU for the implementation of the Project activities, the EMP, the Resettlement Policy Framework, the monitoring and evaluation of the Project and the engineering design and construction supervision of component 1 of the Project (services and goods, $6.30 million, of which IBRD contributes $0.20 million for goods and GOE contributes $6.10 million for services).

The estimated cost of this component is $8.25 million, of which IBRD contributes $0.60 million for goods and GOE contributes $7.65 million.

**Parallel Activities**

- Improving wastewater treatment quality
- Collection, pumping and treatment of untreated sewage East of Alexandria
- Micro-Credit Program

4. **Potential Project Impacts on Assets and livelihoods**

e. **Overview**

The objective of ADP is to enable Alexandria to take advantage of its competitive endowments, better manage local assets, and lay the foundation for sustained private sector-led growth, while ensuring the socio-economic integration of the poor. Among these proposed activities, several projects would take place that may entail partial or full resettlement of certain residential, industrial or other business-related activities.

Accordingly this RPF is prepared to set the required policy framework and operational procedures for design and implementation of a proper plan for any relevant case of resettlement pursuant to the World Bank resettlement policy and Egyptian legislation and regulation while ensuring that no individual or corporate subjected to this resettlement action would be negatively affected.
f. **Generic project impacts on assets and livelihoods**

   i. **Categorization of impacts by type of sub-projects**

   Table 1 shows in generic terms what impacts on assets (land and structures) and livelihoods can be expected given the types of project activities that are envisioned under the ADP.

   ii. **Categorization of Project land needs**

   Land required for the Project may fall under the following three categories:

   - Land permanently required for construction and operation (example: land for roads' widening, establishment of services such as library, youth and health centres, Nursery etc. as in component 3 in Nagaa El Arab and El Hadara El Gedida);
   - Land temporarily required for the duration of construction activities (example: access track that will be reclaimed after construction, or staging area that a contractor will use for the duration of construction of a given facility);
   - Rights-of-Way, i.e. land that can still be used by its former users during operation of the facility subject to certain restrictions (example: pipeline corridor).
### Table 1  Project impacts on assets and livelihoods (Examples of Upgrading Three Informal Settlements and Roads Rehabilitation and Reconstruction)

<table>
<thead>
<tr>
<th>Type of project activities</th>
<th>Land</th>
<th>Structures</th>
<th>Livelihoods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road Rehabilitation and Reconstruction</td>
<td>Expropriation of X square meters of land to improve Om Zeghiou, Al Sad Al Aly, and North Merghem Nubariya roads</td>
<td>Expropriation of &quot;X&quot; housing units and &quot;X&quot; economic units along the roads’ new proposed extension to enable the reconstruction or rehabilitation work</td>
<td>Loss of X jobs due to expropriation of working places within the roads’ extensions. Increase in the living costs by X LE monthly as cost for transportation or commuting for those who has to be resettled in other locations far from their original working places, schools or etc..</td>
</tr>
<tr>
<td>(in case there is less than 200 affected households, an ARP would be conducted while for 200 or more a full RAP would be carried out)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure installation and improvement in informal areas</td>
<td>Expropriation of X square meters of land to install or improve infrastructure networks and local roads within the three informal settlements</td>
<td>Expropriation of &quot;X&quot; housing units and &quot;X&quot; economic units along the infrastructure networks’ extension to enable the infrastructure improvement</td>
<td>Loss of X jobs due to expropriation of working places within the infrastructure networks’ extension. Increase in the living costs by X LE monthly as cost for transportation or commuting for those who has to be resettled in other locations far from their original working places, schools or etc..</td>
</tr>
<tr>
<td>(in case there is less than 200 affected households, an ARP would be conducted while for 200 or more a full RAP would be carried out)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services development in informal settlements</td>
<td>Expropriation of X square meters of land to provide key services for the three informal settlements</td>
<td></td>
<td>Loss of households’ assets in terms of land that represents potential base for future economic improvement.</td>
</tr>
</tbody>
</table>
g. Tentative quantification of impacts on assets and livelihoods

At the time when this RPF is prepared, there is no sufficient detailed information from the detailed studies on the components 1.2 and 3 which may entail resettlement action. Therefore it is not possible at this stage to quantify the impacts on assets and livelihoods caused by the proposed resettlements. If impacts were known, at this stage, resettlement action plans would be needed. It should be noted that in order to quantify these impacts, the detailed studies of these components should include:

- Detailed maps showing the extensions of roads and/or infrastructure networks, right-of-ways, parts require widening, structures located on these proposed extensions and right-of-ways,
- Number of housing units and other economic units existing in these affected structures,
- Total areas of land subjected to expropriation for public interest,
- Land tenure status of those subjected to expropriation,
- Socio-economic surveys for those affected households and economic units,
- Information about land value in adjacent or neighbouring areas.

As soon as such information is available, the quantification of impacts on assets and livelihoods could be estimated for those components.

However, it has been agreed between the different stakeholders, and especially the Alexandria Governorate and the World Bank, that physical resettlement of people would be avoided in all project components and all stakeholders would opt for choosing other development or improvement alternatives that avoid resettlement. An RPF has nevertheless been prepared, because according to the World Bank, the policy on involuntary resettlement (OP 4.12) also applies in cases involving land acquisition and/or loss of income. This document is also meant to be a reference document for Alexandria Governorate for any potential future case where resettlement could be required.
5. Legal and institutional background

h. Overview

This part explains the current legal and institutional framework governing the resettlement activities in Egypt. It part highlights the different types of land tenure in Egypt then it analyzes the various laws and legislations managing the issue of expropriation for public interest whether for land or structures. It also shows the operational procedures stated within Egyptian laws that should be followed during the expropriation process and methods of estimating the compensations for those affected persons by displacement/resettlement.

Based on this analysis, the gap between existing legislation in Egypt and the World Bank OP 4.12 concerning involuntary resettlements, which should be considered during the implementation of ADP components. Finally other institutional and operational frameworks that should be considered based on the previous Egyptian experiences in resettlements are defined.

i. Property Rights and Expropriation within the Egyptian Constitution

The Egyptian Constitution recognizes three main types of ownership. Article 29 of the 1971 Constitution provides that “ownership is subject to the control of the people, is protected by the State and is divided into three types: public ownership, co-operative ownership, and private ownership”.

Article 34 of the Constitution further provides that “private ownership is protected and may not be sequestrated except in the cases provided by law pursuant to a court decision and may not be expropriated except for public interest against compensation determined pursuant to the law”.

- Expropriation can be exercised only with respect to real property and not movable property. The term real property means, “Anything that is fixed in its space affirmed therein, which may not be moved without being damaged.” Accordingly, real property includes only land (whether agricultural or vacant, whether in urban or rural areas) and buildings above this land.
- Expropriation can only be exercised with respect to real property belonging to private persons (individuals or corporate) or to State private property. State public property may not be expropriated; rather the concerned administrative parties would enter into an agreement with respect to such property either by divesting the property in question from its public characterisation or by re-appropriating the said property to another public use or entity.

j. Land tenure and Related Laws to Land and Structures Expropriation

There are three main forms of land ownership in Egypt:
Public or State land (in Arabic Amlak Amiriya), which is divided into the State’s public domain that cannot be alienated and the State’s private domain, which can be alienated generally through sale, lease, Takhssiss (i.e. transfer of ownership conditional on meeting certain criteria, such as keeping the land use unchanged and paying the remaining instalments of the land price) or through Haq Intifaa (i.e. usufruct);
Private land (in Arabic Mulk horr), which may be alienated/transferred freely; and
Waqf land (land held as a trust/endowment for religious or charitable purposes), which is often subject to covenants on transfer or use, and which is typically transferred through leasehold or usufruct.

In addition, there are some areas in Sinai and in the northern coast, in Alexandria and Matruh Governorates, with implicitly recognized customary rights to land to the benefit of Bedouins. In these areas, someone wishing to acquire land often has to make two payments, first to the Bedouin claimant(s) for the right of use and then to the State to regularize and register their land tenure/ownership and be able to obtain services.

It is important to note that the Civil Code (No. 131 of 1948) recognizes Hiyaża (i.e. possession of immovable/movable property without ownership) as a legitimate channel to acquire ownership of the property in question through adverse possession, provided that the Hiyaża has been “peaceful, unchallenged and uninterrupted” for a period of 15 years. By Law, ownership through adverse possession does not, however, apply to State lands.

The large majority of land in Egypt is public or State-owned desert land that is for the most part underdeveloped (estimated to be 90-95% of the national territory).

Within the framework of the Constitution, the Civil Code, in articles 802-805 concerning private property, has recognized the private ownership right. Article 802 has stated that the owner, pursuant to the law, has the sole right of using and/or disposing his property. In Article 803, land ownership has been defined as land with all things above and below it and pursuant to the law, the property of the surface may be separated from the property of what is above or below it.

Then, Article 805 provides that “No one may be deprived of his property except in cases prescribed by law and this would take place with an equitable compensation.”

As mentioned above, the Constitution prohibits the expropriation of private property except for public interest against compensation determined pursuant to the law. Law 10 of 1990 concerning the Expropriation of Ownership for Public Interest was issued to reflect this constitutional mandate. In addition, expropriation of property is further regulated by Law 59 of 1979 concerning the Establishment of New Urban Communities and Law 3 of 1982 concerning Urban Planning.

The term “public interest” in the context of expropriation has been defined in Article 2 of Law 10/1990. The Article specifies the acts that are considered for public interest. These include:

- Constructing, widening, improving, or extending roads, streets, or squares, or the construction of new districts.
- Water supply and sewage projects.
- Irrigation and drainage projects.
- Energy projects.
- Construction or improvement of bridges, cross roads for railway and tunnels.
- Transportation and telecommunication projects.
- Urban planning purposes and improvements to public utilities.
- Other acts considered as acts for public interests mentioned in other laws.

2 The Ministry of Local Administration estimates that 15.7 million Egyptians (22.3% of the population) live in 1,105 informal or squatter settlements, called ashwâ‘iyat, including unlawful urbanization of agricultural lands, unplanned/unauthorized land subdivisions, and squatting on public or privately-owned lands.
In addition, other laws have also added some acts which are as follows:

- Law 3 of 1982 concerning Urban Planning added to the foregoing list acts aiming at the establishment of green areas and public parking.
- Prime Ministerial Decree No. 160 of 1991 added to the list the establishment of governmental educational buildings.
- Prime Ministerial Decree No. 2166 of 1994 further added fishery farms established by ministries, governmental departments, local government units, and public authorities.

Article 2 of law 10, 1990 further delegates the Cabinet of Ministers to add other acts to the foregoing list. Expropriation may not be limited to those land or buildings directly subjected to the previous acts but it could include also any other neighbouring properties that are deemed useful for the acts.

Law 10, 1990 has described the expropriation procedures as follows:

The procedures start with a declaration of public interest pursuant to a Presidential Decree accompanied with a memorandum on the required project and a complete plan for the project and its buildings (Law 59/1979 and Law 3/1982 provide that the Prime Minister issues the decree).

The decree and the accompanying memorandum must be published in the Official Gazette. A copy for the public is placed in the main offices of the concerned local government unit.

Based on that, the operational steps go as follows:

1. The entity requesting the expropriation of the ownership of a real property for public interest (“Expropriating Entity”) submits a memorandum with the request to the President or the Prime Minister (if a delegation of authority by the President is granted). The Egyptian General Authority for Land Survey (“ESA”) has been defined as the Expropriation Entity, except for projects handled by other entities pursuant to a law to be issued in this respect.

2. The memorandum would explain the reasons for the request, stating the compensation to be offered to the concerned owner of the property, together with evidence that the compensation amount has been issued in the form of a bank check in favour of Egyptian General Authority for Land Survey "ESA:.

3. The compensation is usually determined in accordance to the prevailing price for land surrounding the expropriated land (the market price). These prices are taken from recorded contracts in the Real Estate & Authentication Offices. However, usually this entails a crucial problem that always faces such expropriation projects, as these prices are, in most cases, not real, since the parties to the contracts usually state lower prices in order to reduce charges and fees decided on the basis of data recorded in the contracts. Also it should be noted that the representatives of ESA are assumed to be experts in evaluating land prices.

4. If approved, the President or the Prime Minister would issue the required decree declaring the property in question appropriated in the public interest and authorising taking the property pursuant to direct enforcement procedures by the Expropriating Entity.

5. Once the authorizing decree is published, the concerned Expropriating Entity is authorized to enter into the property in question in the case of
long-term projects and after giving notice of its intention to do so for other projects. The objective of such immediate authorisation is to conduct necessary technical and survey operations, position landmarks, and obtain information on the property.

6. The Expropriating Entity shall communicate the authorising decree to ESA, together with the information on the project to be executed and a drawing of the full project and the real property needed in order to take procedures for expropriating the property in question.

7. According to Article 3 of the Executive Regulation of Law 10, a committee will be formed to determine the properties required for the public interest. The committee is to be composed of:

8. A representative of ESA;

9. A representative of the local government unit within which jurisdiction the project is located;

10. The treasurer of the local area in question.

11. The committee shall declare its activities to the public 15 days prior to the commencement of its works.

12. The land survey department shall verify the information collected by the committee referred to in the preceding paragraph by comparing such information with that found in the official records.

13. The General Department for Appraisal within ESA shall inspect the property of the project in question, examine and complete the appraisal maps and lists of transactions concerning the property within the area of the project. It shall also prepare a consultative report with the estimated compensation for consideration by the Compensation Estimation Committee within ESA.

14. After depositing the compensation amount by the Expropriating Entity within ESA—the concerned local office—lists of all real properties and facilities being identified shall be prepared, their areas, location, description, names of their owners, and holders of property rights therein, their addresses, and the compensation determined by the Compensation Estimation Committee.

15. ESA shall thereafter officially notify the property owners, other concerned parties and the Expropriating Entity with the dates on which the lists prepared in accordance with the preceding paragraph shall be presented to them, at least 1 week prior to such presentation. These lists will be posted for a period of 1 month in the offices of the concerned local government unit and shall also be published in the Official Gazette and two widespread daily newspapers.

16. Owners of the properties and holders of rights therein shall be officially notified with an evacuation request within a period not to exceed 5 months from the date of their notification.

17. The holders of rights include: owners of beneficiary rights, using rights, housing rights, mortgaging rights, concession rights, hekr right holders

18. Court of Cassation decisions have resolved that rights holders are those who hold rights on the tenement and that, accordingly, the holders of leasing rights are regarded as right holders since they are holders of personal rights.

19. It is further resolved that lease agreements are terminated upon expropriation. Examples are: Court of Cassation, session of 1 January 1981 Technical office year 32 and Court of Cassation, session of 25 May 1967 Technical office year 18 no. 167.
20. Article (26) of Law 577 of 1954 states, “All the real suits shall not stop the procedures of the expropriation and shall not stop its results. The rights of the right holders are transferred to the compensation.”

Although Law 10/1990 does not clearly specify lessees as entitled to compensation, however, lessees implicitly fall within the group of “right holders” referred to in the law. It is clear, however, that lessees may not have recourse against the landlord for termination of their lease agreements as a result of the expropriation act.

Despite that several legal advisors, based on their understanding of Law 10/1990, concluded that lessees are not entitled to compensation, in all cases of land expropriation applied in Egypt so far, lessees were compensated.

Another important issue that has not been addressed in Egyptian law, is the right of squatters to be compensated in cases of displacement or resettlement. The Egyptian legislation framework has not recognized the rights of squatters whether squatting took place on State private land (where adverse possession applies after 15 years of peaceful visible and uninterrupted possession) versus those of State public land (where no adverse possession applies irrespective of time). However, the Egyptian experiences in dealing with this issue has shown the fact that due to the political pressure and the social dimension, the government has been forced to provide an alternative for those groups of households whether in terms of alternative shelter or cash liquidity.

The same has been applied with the issue of customary ownership, which prevails in Alexandria north of the Alexandria-Cairo desert road and along the northern-western coast. Although the laws do not specifically provide any rights for those customary owners, however, this issue has been sensitively dealt with where it exists. In several cases, the adverse possession has been applied. The Egyptian government has recently shifted towards a more strict position against this phenomenon and has stopped recognizing the right of land ownership by those Bedouins who claimed that those lands have been under their custody for long periods. The Case of Dahab city in South Sinai Governorate is an example of this fact. The governorate has previously recognized the right of customary ownership of land by Bedouins based on their living on uncharted land for a sufficient number of years, accordingly, claimants can buy it at a nominal price from the government despite the lack of official proofing documents for that. However, since 1986, the governorate stopped this practice and stated that those Bedouins have no legal right on land, which has created several problems between the two parties. Accordingly, this issue would need to be dealt with based on negotiation and amicable mediation between the Alexandria governorate and local community.

Law No. 3, 1982 for Physical Planning, in its Sixth chapter concerning District Renewal (this also applies for slums’ redevelopment or resettlement projects) has obliged the concerned local body entitled to renewal to first plan and prepare the proposed relocation sites where the occupants of the original area under renewal or redevelopment, would be resettled. The concerned local body should first prepare these relocation sites to be suitable for housing and proceeding different activities of the relocates prior to their transfer to the new site.

Article 40 of this law stated that it is not allowed to commence with the resettlement before at least one month from officially notifying the affected groups with their new destination. Any occupant, who would be subjected to the resettlement and receives a new housing unit, has the right to complain of its unsuitability within 15 days of receiving the notification to a specialized committee formulated by the concerned Governor. The committee should reach its decision concerning the complaint within a maximum one month period. However, the right to complaint does not include the location of the new resettlement site, rather it is only limited to the unit itself.
k. Institutional background

On the central level, the governmental agency in charge of the implementation of the expropriation acts issued for public interest is the Egyptian General Authority for Land Survey (“ESA”), except for projects handled by other entities pursuant to a law to be issued in this respect. As mentioned above, ESA is charged with the formation of the expropriation and compensation committees.

Usually the executing body could be other Ministries (e.g., Ministry of Housing as in Mit Okba-Giza, Ministry of Transport) or Governorate (e.g., Hekr Abou Doma area in Cairo and relevant cases in the Western district in Alexandria). Accordingly, this executing agency would be responsible for paying the compensation to affected groups through ESA or under its supervision, offering alternative resettlement options, and implementing the resettlement project.

On the local level, several local departments and directorates in Alexandria should be involved in the resettlement program:

- **Directorate of Housing and Infrastructure**, this department is to be responsible for setting the alternative resettlement options for the affected group and participate in all operational procedures concerning defining compensation and setting improvement actions within informal settlements.

- **Department of Physical Planning**, this department is to be responsible for preparing the detailed plans for areas subjected to resettlement and provide all detailed maps and documents required to define the affected groups (e.g., roads right-of-ways, Set-backs,..)

- **Department of Amlak**, is to be responsible for providing all required documents for ownerships or tenure status within the affected areas with all attached historical documents for those properties that show the different transactions of the properties.

- **Department of Land Surveying**, is the main responsible body for defining the size, area ad locations of different ownerships to be affected by the resettlement. It is also responsible for defining the compensation mechanisms and values in cooperation with ESA and other relevant local bodies.

- **Department of Social Affairs**, is to be responsible for conducting all field surveys required to define the affected groups, their socio-economic status, affordability level, their preference against different resettlement options and compensations mechanisms. Another major role to be played by this department is to mitigate the negative impact of resettlement whether during or after resettlement, through preparing rehabilitation programs for those affected group, and monitoring the impact of the process.

- **Department of Legal Affairs**, to deal with legal issues related to tenure and ownerships and resolve dispute between different involved parties

- **Head of District where the resettlement project takes place**, to manage the overall project

In addition, relevant NGOs, CBOs and elected councils together with PMU or Local Upgrading Unit in the project area (LUU) would play crucial roles in ensuring the participatory decision making, planning, implementation and monitoring for resettlement plan.

I. World Bank safeguard policy on involuntary resettlement

The full text of OP 4.12 including its Annex A on resettlement instruments is presented in Annex2. OP 4.12 “Involuntary Resettlement” (December 2001) is to be complied with where involuntary
resettlement, impacts on livelihoods, acquisition of land or restrictions to natural resources, may take place as a result of the project. It includes requirements that:

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.

According to OP 4.12, the resettlement plan or resettlement policy framework should include measures to ensure that the displaced persons are:

- informed about their options and rights pertaining to resettlement;
- consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and
- provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project.

- If the impacts include physical relocation, the resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
  - provided assistance (such as moving allowances) during relocation; and
  - provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site.

Where necessary to achieve the objectives of the policy, the resettlement plan or resettlement policy framework also includes measures to ensure that displaced persons are:

offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and provided with development assistance in addition to compensation measures, such as land preparation, credit facilities, training, or job opportunities.

---

3 The method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account. With regard to land and structures, "replacement cost" is defined as follows:

- For agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes.
- For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.
- For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labour and contractors' fees, plus the cost of any registration and transfer taxes.
- In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset.
- Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures so as to meet the replacement cost standard.
Under its safeguard policy, the World Bank does not disburse against cash compensation and other resettlement assistance paid in cash, or against the cost of land (including compensation for land acquisition). However, it may finance the cost of land improvement associated with resettlement activities. The practical implication of this provision is that wherever land or structures have to be compensated for, this will need to be financed by the borrower.

m. Gaps between Egyptian regulations and World Bank policies

The gaps between Egyptian regulations and World Bank policies are summarised in the following table:
Table 2  Comparison of Egyptian regulations with World Bank policies

<table>
<thead>
<tr>
<th>Topic</th>
<th>Egyptian legislative requirements</th>
<th>WB policy requirement</th>
<th>Practical Implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timing of compensation payment</td>
<td>Prior to displacement</td>
<td>Prior to displacement</td>
<td>Compensation should be paid prior to displacement for affected people</td>
</tr>
<tr>
<td>Calculation of compensation</td>
<td>According to prevailing prices in the affected area and assessed by a specialized committee for that purpose</td>
<td>Full replacement cost</td>
<td>This issue is crucial since all Egyptian previous practices of valuation have been substantially below the market rate due to: Lack of valuation experience in ESA No real market rate is defined due to taxes &amp; fees charged on properties</td>
</tr>
<tr>
<td>Squatters</td>
<td>Not included in the legislation (Applied cases for resettlements revealed that squatters have been compensated as a result of political sensitivity)</td>
<td>Are to be provided resettlement assistance (but no compensation for land)</td>
<td>This has to be clearly considered in any resettlement action and offered options whether through alternative shelters or fair compensation that enables them to find other shelter.</td>
</tr>
<tr>
<td>Resettlement</td>
<td>Affected occupants who are physically displaced are to be provided with another residential housing. They do not have the rights to object the location of the resettlement but only the housing suitability in terms of area, design or relevant issues. Their objection is submitted within 15 days after receiving the notification of the new housing, to a dedicated committee for that purpose, which should respond in one month.</td>
<td>Affected people who are physically displaced are to be provided with residential housing, or housing sites, or, as required, agricultural sites at least equivalent to the old site. Preference to be given to land-based resettlement for displaced persons whose livelihoods are land-based. The resettlement would be based on RAP in case there the affected people is 200 or more while for less than 200, an ARP would be conducted</td>
<td>Affected people should be offered various options for resettlements (not only one option) at least equivalent to the old property or site. The affected people should be supported also with a sort of soft-loan that compensates the difference in value between the old and new property. Both RAP and ARP should be followed in relevant cases.</td>
</tr>
<tr>
<td>Topic</td>
<td>Egyptian legislative requirements</td>
<td>WB policy requirement</td>
<td>Practical Implications</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>----------------------------------</td>
<td>--------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Resettlement assistance</td>
<td>Not included</td>
<td>Affected people are to be offered support after displacement, for a transition period.</td>
<td>This assistance should be included in any resettlement project in ADP through the governorate.</td>
</tr>
<tr>
<td>Vulnerable groups</td>
<td>Not Included</td>
<td>Particular attention to be paid to vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities…</td>
<td>The PMU and Upgrading unit in each informal settlement should pay considerable attention for those groups and giving them priority in selecting resettlement options and receiving financial support.</td>
</tr>
<tr>
<td>Information &amp; consultation</td>
<td>Displaced persons are provided timely and relevant information. Not consulted on resettlement options Not able to participate in planning, implementing and monitoring resettlement</td>
<td>Displaced persons and their communities (…) are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement.</td>
<td>Affected groups should get access to full information about the resettlement process and options for compensation. Participatory planning and decision making should be applied in resettlement options and compensation.</td>
</tr>
<tr>
<td>Grievances</td>
<td>Specialized committees for that purpose and time One month to object the decision of resettlement One month to object the decision of resettlement Four months to object the compensation value</td>
<td>Appropriate and accessible grievance mechanisms to be established.</td>
<td>There is a need for ensuring that affected groups offered the direct channel for grievance and receive redress in proper time prior to resettlement. The receiving of full compensation should be prior to resettlement.</td>
</tr>
</tbody>
</table>
n. Egyptian Experience in Involuntary Resettlements, Lessons to be learned for ADP

The issue of involuntary resettlements through land or real estate expropriation is not new for the Egyptian context. In fact this instrument has been used in several cases within upgrading and urban development projects with the purpose of public interest. As mentioned above several laws regulate this action and provide for the operational and regulatory framework for intervention, compensation for displaced persons and affected businesses and mechanisms for objections.

This section presents examples of Egyptian experiences in involuntary resettlements in order to highlight the different institutional, regulatory, financial and technical mechanisms adopted by the concerned agencies. The impact of the resettlement on the displaced persons and businesses is also analyzed to draw the lessons to be learned for Alexandria Development Project especially within the components of squatter settlements upgrading.

Two different experiences are analyzed and evaluated which are Mit Okba resettlement project, and Hekr Abou Doma development project. The two projects are analyzed through defining the institutional, regulatory, technical mechanisms implemented by the State and methods of compensation.

i. Mit Okba Case Study: Expropriation of land for Extending the 26th of July Corridor and Forms of Compensation

The Mit Okba Resettlement Project is a case study of property expropriation in the city of Giza. The land and real estates were taken to extend the 26th of July traffic corridor to 6th of October city. The Prime Minister issued Public Interest Decree no. 3580 of year 1997, in which all properties obstructing the corridor route were to be expropriated and demolished and their residents or occupants had to be resettled and receive compensation.

Originally Mit Okba has been a small rural settlement surrounded by agricultural land. The original buildings were typical rural houses constructed by mud bricks. Since 1950s, the area around it (named as Awkaf and later Mohandseen) has been planned as an urban expansion for Giza city and Mit Okba was left without any intervention. In 1999, the majority of Mit Okba buildings (about 80%) were already old and in a deteriorated condition with an average height of 2 stories and with narrow streets (3-5 meters width). The remaining 20% of the buildings were recently constructed replacing the old buildings and made of concrete with more than 5 stories height with wider streets (5-8 meters). The whole area was already connected with infrastructure and has access to several services.

Given the fact that the area was in the heart of Giza city and obstructing the extension of the 26th July Corridor which is one of the main arteries that connect both Cairo and Giza cities and according to Greater Cairo Structural Plan in 1987, this corridor was to be extended to reach 6th October new city, a resettlement plan has been proposed for those buildings obstructing this extension. In total about 528 families in addition to several small shops or businesses had to be resettled since their housings or buildings were to be demolished to construct the corridor.

ii. Hekr Abou Doma, Downtown Cairo: Expropriation of Tenure and Buildings for Investment and Redevelopment Purpose

The Hekr Abou Doma area is considered one of the most deteriorated slum areas in Cairo. The area covers almost 70,000 sq.m. Although it is directly located on the Nile Cornish street with a 450 meter frontage (less than 50m from the Nile) the area lacks all infrastructure such as water supply and sewage or other urban services. The area includes 1025 housing units, 185 shops or commercial
activities and hosts about 7,000 inhabitants. The majority of constructions within the area was in form of shacks and deteriorated buildings built from bricks with narrow streets. The land is owned by the Governorate and was leased on annual basis through Hekr system with nominal fee to its tenants. Given this prime location overlooking the Nile beside other mega tourist, commercial and administrative projects, the Governorate of Cairo since 1972 tried to redeveloped the area. Several land expropriation decrees have been issued by the Prime Minister, however none of them were implemented until the last decree no. 2423, 1994 for re-planning and redevelopment the area for the purpose of public interest. The decree stated that this would be carried out through direct expropriation of all land and buildings within the area. This has been followed by another decree from the Governor of Cairo 794, 2000 approving the new land use of the area as tourism, commercial and administrative uses after the approval of the Local Popular Council of the Governorate.

The new redevelopment has been based on subdividing the land into 16 different plots to be sold through public auction by the governorate. The Governorate entered into Public Private Partnership with the National Egyptian Bank to market those areas. The Governorate would pay the cost of compensation of original tenants or occupants together with infrastructure costs and all these costs would be recovered through selling the land afterwards. The residents had two options for compensation whether to receive an alternative housing unit or receive a financial compensation.

iii. Lessons to be learned for ADP

The following part highlights the gaps and suggested areas for improvement in the Egyptian context that should be considered for ADP based on the WB policy on involuntary resettlement (OP 4.12). What follows is a summary of the main lessons learnt from previous experiences of resettlement cases in Egypt. Detailed description on the two cases are enclosed in appendix 11.

The affected group should be informed with the displacement plan and participate in defining resettlement options from the earliest stage of the process even before issuing the decree for pubic interest.

Cut-off date should clearly spell out in order to maintain the rights of affected groups and avoid further problems in that respect.

A detailed economic study for valuating expected properties to be expropriated should be carried out by professional body (private or public) to define the real-market value.

There is a need to establish a specialized unit for managing the project from the beginning. The unit should include local governmental executive bodies in addition to representatives from the local affected community.

A detailed socio-economic studies should be carried out with emphasis on affordability issue and expected impacts on assets and livelihood of affected people.

All steps concerning resettlement should be carried out in full transparency and consultation with affected group through established project unit.

The higher official support (the Governor or Secretary General) for the process during the implementation and solving any urgent issue is crucial for building the trust with the local affected community and the project’s success.

Active involvement of natural leaders within the local community is also a cornerstone for the success of the project.

Several gaps exist and require administrative decisions by the Governor or Secretary General to bridge them:
Rights of squatters to be compensated
Rights of customary owners to be compensated
Valuation of compensation should be based on the date of implementing the resettlement not the date of issuing the decree of public interest.
Publication of list of properties should be done in compliance with the law.
Dispute over land or structures ownership or tenure should be solved through specialized committee to expedite the payment of compensation of the affected groups
Compensation should be defined based on transparent criteria that cover both real market value and transfer cost. This is to be applied to residential and economic activities for different tenure status (e.g., owners, tenants, squatters, customary owners).
Compensation is to be paid prior to displacement/resettlement
Compensation is valued based on date of implementation rather than date of issuing decree
For those poor households and vulnerable groups, compensation should be linked with soft loans for paying the price of the alternative housing or job opportunities
Resettlement option is to be avoided and to be ranked as the least preferred option.
In case, the resettlement is inevitable, the option with minimum number of displaced people should be selected
The resettlement decision should be supported with detailed technical documents (maps, drawings, reports) showing the scope of resettlement.
All technical steps and procedures should be explained to affected people prior to resettlement in order that they would be prepared for displacement.
Several committees should be established for preparation, implementation, management, assessment of compensation and monitoring of project operations. Those committees should include representatives from different central and local executive bodies to ensure the coordination of different tasks within the process.
The role of NGOs and CBOs in mediating, informing and supporting socio-economic aspects related to resettlement, has to be explored and practices in ADP.
NGOs and CBOs could play important role in bridging the gap between the government and local communities, especially during the displacement process.
Affected families should be offered various options for displacement and resettlements whether in terms of locations for resettlements and compensation mechanisms
The affected people should have the rights to claim about resettlement location.
The compensation value should be based on real market assessment that can enable those affected group to get equivalent shelter or economic unit.
An effective monitoring mechanism should be established to follow up impact of the resettlement process on the livelihood of affected persons.
Rehabilitation programs should be designated for affected group to overcome the negative impact of resettlement.
Socio-economic support from local government and NGOs should be provided for displaced persons during and after the resettlements (e.g., small and short-term credit for transfer and start new business, soft-loans for housing improvement).
o. Principles and objectives

i. Regulatory Framework

Any impact of the ADP on land, structures and/or people (land acquisition, resettlement, livelihood restoration of affected people) will be addressed in compliance with the Constitution of Egypt and other Egyptian regulations, and with the World Bank safeguard policy on involuntary resettlement (OP 4.12). Where there are gaps or inconsistencies between Egyptian legislation and the World Bank policy, the World Bank policy OP 4.12 shall apply.

ii. Minimization of Displacement

In line with the World Bank safeguard policy OP 4.12, the ADP will minimize displacement through the following design procedures:

- Wherever inhabited dwellings may potentially be affected by a component of a project activity, the project activity shall be redesigned (facility relocation, rerouting) to avoid any impact on such dwellings and to avoid displacement/relocation accordingly;
- Wherever the impact on the land holding of one particular household is such that this households may not be sustainable in the long term, even if there is no need to physically displace this household, the activity shall be redesigned (facility relocation, rerouting) to avoid any such impact;
- For major works like treatment plants, minimization of land impact will be factored into site and technology selection and design criteria;
- Costs associated with displacement and resettlement will be internalized into activity costs to allow for fair comparison of processes and sites;
- To the extent possible, Project facilities will be located on public spaces;
- Pipelines, public taps, other linear infrastructures (power lines) required by the ADP will be routed inside existing right-of-ways, easements or reservations (roads, streets, power lines) wherever possible.

These principles intend to minimize negative impacts. However, it will not be always feasible to avoid displacement or land acquisition. In addition to impact minimization measures, mitigation measures are therefore needed, hence this RPF.

iii. Cut-off date - Eligibility

In accordance with OP 4.12 and for any activity under the ADP, a cut-off date will be determined, taking into account the likely implementation schedule of the sub-project. To ensure consistency between Egyptian legal requirements and WB policies, this cut-off date should be at one month prior to the publication of the expropriation decree for public interest.

In line with OP 4.12, the following three categories of affected people will be eligible to Project resettlement assistance:

those who have formal legal rights to land and structures (including customary and traditional rights recognized under the laws of Egypt);
those who do not have formal legal rights to land or structures at the time of the cut-off but have a claim to such land or assets—provided that such claims are recognized under the laws of Egypt or become recognized through a process identified in the resettlement plan.

---

4 “Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.”
those who have no recognizable legal right or claim to the land or structures they are occupying.

Persons covered under (a) and (b) above are provided compensation for the land and/or structures, they lose, and other assistance as needed.

Persons covered under (c) above are provided resettlement assistance in lieu of compensation for the land and/or structures they occupy, and other assistance, as necessary, if they occupy the project area prior to the cut-off date.

In practice, this means that people usually considered in Egypt as “squatters” will be entitled to Project assistance as long as they are present on site at the cut-off date.

However, persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance.

iv. Income and livelihood restoration

One paramount principle of World Bank safeguards is that where people are affected by land take, the aim of resettlement must be that they should be “no worse-off if not better off” after the resettlement has taken place.

Where impact on land use is such that people may be affected in the sustainability of their livelihoods, preference will be given to land-for-land solutions rather than cash compensation, in consistency with the Constitution of Egypt and with OP 4.12. This applies to people who are not necessarily physically displaced but who are affected by a land loss that affects their sustainability.

Where necessary, affected people will be monitored in the rehabilitation of their livelihood, during and after the transition period.

Livelihood restoration measures will be assessed in relevant RAPs and ARPs depending upon the specific situation of the considered location. They may include the following:

- Micro-finance support (savings and credit), and other small business development activities,
- Skill development and training to build their capacities on new vocations.

v. Compensation

Compensation principles will be as follows:

- Compensation shall be paid prior to displacement / land entry;
- Compensation will be at full replacement value prior to displacement.

By contrast with the depreciated or net value of a structure, the “replacement value” includes the full cost of materials and labour required to reconstruct a building of similar surface and standing. In other words, the affected person must be able to have their structure rebuilt in a different location using the compensation paid for the old building.

---

5 Depreciation (or wear) coefficients are usually applied by Government valuers. This would not be acceptable under WB policies.
vi. Consultation – Grievance mechanisms

The Egyptian law requirements on consultation and information, as well as those related with grievance management could fall short of meeting WB requirements. The application of these will require:

- meaningful information and consultation to take place before the process leading to displacement is launched in each particular location concerned by a sub-project,
- a specific grievance registration and processing mechanism to be put in place.

p. Processes

i. Categorisation of project activities with respect to land needs

From the observation of site conditions, it appears that as far as land needs and resettlement requirements are concerned, two different situations may be encountered in the course of the implementation of the ADP:

- the project component has no land need other than already acquired State land (e.g. the situation of most pipeline/water mains construction),
- the implementation of the project component requires land acquisition (for instance construction of a Nursery, youth centre, health centre, etc…).

In situation a) above, as mentioned in section 4.3 concerning legal and institutional aspects for resettlement, the fact that there is no land acquisition involved means that procedures required by the Egyptian law do not need to be triggered. Proposed processes will therefore be consistent with WB requirements only.

Situation b) is more complex because it implies that both Egyptian procedures and WB requirements are to be followed, hence the need for an integrated process.

ii. Overview of the resettlement preparation process

The proposed process for project component without land acquisition is summarized by Figure 1 hereunder, and that for project component with land acquisition by Figure 2. As indicated in the figures, the process varies according to the following two parameters that will need to be checked early in the design stage through a field reconnaissance:

- Whether land acquisition is involved (Figure 2) or not (Figure 1);

The number of affected people, which will determine whether the process is to include the preparation of a full RAP (200 affected individuals or more), or of an Abbreviated Resettlement Plan (less than 200).
Figure 1: Resettlement preparation process for project components without land acquisition

1. Preliminary siting and/or routing of sub-project
   - **Inhabited dwellings affected**
     - **Number of affected individuals**
       - **200 or more**
         - Definition and public disclosure of cut-off date
         - Initial information to affected people
         - Census of affected people and affected assets
         - Development of Resettlement Action Plan
         - Consultation with affected community on RAP
         - Submission of RAP to WB
         - Implementation of RAP
       - **Less than 200**
         - Definition and public disclosure of cut-off date
         - Initial information to affected people
         - Census of affected people and affected assets
         - Development of Abbreviated Resettlement Plan
         - Consultation with affected community on ARP
         - Submission of ARP to WB
         - Implementation of ARP
     - **NO**
   - **YES**

2. Preliminary reconnaissance of resettlement issues
   - **Land acquisition involved**
     - See Figure 2
Figure 2: Resettlement preparation process for project components with land acquisition

Preliminary sitting and/or routing of sub-project

Preliminary reconnaissance of resettlement issues

Inhabited dwellings affected

Yes

NO

Application of national legislation

Notification to identified owners/occupants

Period for registration of claims starts

Valuation of land and immoveable assets

Total number of affected individuals

200 or more

Less than 200

Yes

NO

Same process as in Figure 1

Same process as in Figure 1

See Figure 1

Routing /routing

Land acquisition involved

NO

YES
iii. Census of Affected Assets and Affected Households

In all events, a census will be carried out to inventory affected assets and affected households. Annex3 presents frameworks of forms to be used for this census, namely:

- Affected plot form,
- Affected structure form,
- Affected household form.

iv. Resettlement Action Plan

The Resettlement Action Plan will be used where more than 200 individuals are displaced. The outline of a RAP is given in Annex4. All RAPs need World Bank approval prior to commencing resettlement activities. RAPs need to be developed once the final design of the works is known and prior to their commencement. Ideally, a time period of 2 to 3 months should be made available for consultants to develop RAPs prior to actual work commencement.

v. Abbreviated Resettlement Plan

It is generally the practice to carry out an Abbreviated Resettlement Plan where less than 200 individuals are resettled, however this is also a good practice even is there are less than 50 individuals. The outline of an ARP is given in Annex5. The project must keep documentation and provide reports that detail what actions were taken in these areas. All ARPs need World Bank approval prior to commencing resettlement activities. As for RAPs, ARPs need to be developed once the final design of the works is known and prior to their commencement. Ideally, a time period of 1 to 2 months would be required to develop ARPs.

vi. Works packages

It is advised that RAPs and ARPs should be grouped in a way consistent with lots of civil works that are defined by the PMU. This will ensure consistency in timing and approach.
6. entitlements

q. Generic Entitlement Matrix

The Egyptian laws and regulation state that formal affected owners or formal occupiers are only entitled for compensation. The laws showed that they are entitled to physical compensation whether through offering alternative shelter or equivalent remuneration to their original properties.

While, the Egyptian laws do not state any formal right for squatters, the World Bank OP 4.12 gives those squatted households entitlements for shelter and compensation for involuntary resettlement. Accordingly, ADP would provide all affected groups from any proposed involuntary resettlement action, with proper entitlements.

Table 3  Gaps between Egyptian regulation and World Bank policy related to Entitlement

<table>
<thead>
<tr>
<th>Entitlement Cases</th>
<th>Entitlement in Egyptian Regulation</th>
<th>Entitlement according to World Bank Policy</th>
<th>Gaps to be considered in ADP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent acquisition of land (residential, or commercial)</td>
<td>Full payment according to prevailing prices in the date of the decree</td>
<td>Full value of the land based on price of similar land in adjacent areas</td>
<td>The real market value should be defined as the basis for compensation. Need for clear mechanism for defining real value together with capacity building for concerned local government</td>
</tr>
<tr>
<td>Acquisition of easement rights</td>
<td>Compensation through equivalent value (usually value is determined below real market value)</td>
<td>Full value of the land based on price of similar land in adjacent areas</td>
<td>The real market value should be defined as the basis for compensation. Need for clear mechanism for defining real value together with capacity building for concerned local government</td>
</tr>
<tr>
<td>Temporary occupation of land</td>
<td>No Compensation</td>
<td>Full value of economic return (assuming that the land has been rented on market basis) within the occupation period.</td>
<td>The real market value should be defined as the basis for compensation.</td>
</tr>
<tr>
<td>Destruction of permanent immoveable</td>
<td>Determination of price per room or area (usually the)</td>
<td>Full cost of the structure (without applying any)</td>
<td>The real market value should be defined as the basis for compensation.</td>
</tr>
</tbody>
</table>
### Entitlement Cases

<table>
<thead>
<tr>
<th>Entitlement Cases</th>
<th>Entitlement in Egyptian Regulation</th>
<th>Entitlement according to World Bank Policy</th>
<th>Gaps to be considered in ADP</th>
</tr>
</thead>
<tbody>
<tr>
<td>structures</td>
<td>compensation below actual market value) Tenants get the options for acquiring alternative shelter but paying the difference in price.</td>
<td>depreciation) including internal finishing. Both owner and tenants get full compensation</td>
<td>compensation.</td>
</tr>
<tr>
<td>Temporary displacement of moveable structures</td>
<td>No entitlement for compensation</td>
<td>Estimated value of using this moveable structure within the displacement period</td>
<td>Estimated value of using this moveable structure within the displacement period</td>
</tr>
<tr>
<td>Businesses</td>
<td>Entitlement for compensation determined by committee (usually below market value)</td>
<td>Compensation is based on area, location, license, practice of activity, internal or external finishing together with compensation for establishing new business</td>
<td>The real market value should be defined as the basis for compensation.</td>
</tr>
</tbody>
</table>

Table 6 hereunder presents the matrix of entitlements for the different categories of impacts, likely to be encountered in the ADP, and described above in paragraph f.i and table 2.

**r. Application of the entitlement matrix to some known Project situations**

i. Example: Business on Project-affected land

**Situation:**
Moveable container used for business, located within a road reservation affected by pipeline construction: the container needs to be temporarily displaced and can be moved back when construction is completed

The owner of the container is also the operator of the business located inside the container

**Entitlement:**
Land: no entitlement (the container is squatting public land)

**Structure:**
Cost of displacing the affected structure
Cost of moving the affected structure back to Project-affected land
Disturbance allowance (10% of the total of two above components)

**Livelihood:**
Cash compensation of temporary loss of income incurred during the period required to re-establish the business to pre-Project conditions, i.e. the period between displacing and moving back the container (likely between one week and three months depending on situations and construction schedule)
Monitoring of livelihood restoration after pre-Project conditions
### Table 4: Entitlement matrix

Refer to Table 2 for a more detailed description of impacts on assets and livelihoods.

<table>
<thead>
<tr>
<th>Type of impact</th>
<th>Entitled units</th>
<th>Eligibility criteria</th>
<th>Entitlement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent acquisition of land (residential, or commercial)</td>
<td>Landowner (individual, household or stool)</td>
<td>Own the affected plot in a recognized manner under Egyptian law (which includes ownership under both common and customary laws)</td>
<td>Full value of the land based on price of similar land in adjacent areas</td>
</tr>
<tr>
<td>Acquisition of easement rights</td>
<td>Landowner (individual, household or stool)</td>
<td>Own the affected plot (same as above)</td>
<td>Full value of the land based on price of similar land in adjacent areas</td>
</tr>
<tr>
<td>Temporary occupation of land</td>
<td>Landowner (individual, household or stool)</td>
<td>Own the affected plot (same as above)</td>
<td>Full value of economic return (assuming that the land has been rented on market basis) within the occupation period</td>
</tr>
<tr>
<td>Type of impact</td>
<td>Entitled units</td>
<td>Eligibility criteria</td>
<td>Entitlement</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>----------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Destruction of permanent immovable structures</td>
<td>Owner</td>
<td>Evidence of ownership of the affected structure (regardless of ownership of the plot where the structure is located)</td>
<td>Full cost of the structure (without applying any depreciation) including internal finishing</td>
</tr>
<tr>
<td></td>
<td>Occupant</td>
<td>Live in the affected structure on a permanent basis (tenant)</td>
<td>A lump-sum compensation related to the area and location to be determined based on real market estimate to enable the occupant to get access to equivalent place</td>
</tr>
<tr>
<td>Temporary displacement of moveable structures</td>
<td>Owner</td>
<td>Own the affected structure (regardless of related plot ownership)</td>
<td>Estimated value of using this moveable structure within the displacement period</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of impact</th>
<th>Entitled units</th>
<th>Eligibility criteria</th>
<th>Entitlement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Businesses</td>
<td>Business person (may be distinct from owner of structure where business takes place)</td>
<td>Operate a business on Project affected land, regardless of the land ownership situation (includes squatters)</td>
<td>A lump-sum amount based on area, location, license, practice of activity, internal or external finishing together with compensation for establishing new business</td>
</tr>
<tr>
<td>Livelihood</td>
<td>User of such resources (can be individuals or communities)</td>
<td>Use communal resources as an element of livelihood</td>
<td>NA</td>
</tr>
</tbody>
</table>
7. Valuation and compensation rates

s. Valuation and compensation of Lands and Structures according to Egyptian Regulation

Determination of the compensation to be given to expropriated property owners and holders of rights therein is made at two separate levels. The first is made by the Expropriating Entity in order to meet the requirement that the estimated compensation amount is deposited with ESA prior to proceeding with the remaining formalities as described in the preceding section. The second level is a review of that estimated compensation by the Compensation Estimation Committee within ESA.

The first level, as stated in Article 6 of Law 10/1990, requires the Minister of Public Works and Water Resources to form a Committee within each governorate to be charged with the determination of compensation (this contradict with Article 47 of Law 3, 1982 which authorised the concerned Governor to formulate this committee!). The Committee shall be composed of a representative of ESA as chairman and the membership of representatives of certain departments within the governorate: the Agricultural, Housing and Infrastructure, and the Real Estate Tax Departments (in law 3, 1982, the committee is headed by the representative of Housing department and includes representative of Surveying Department, Real Estate Tax Department, Land Registration Department and local unit).

Compensation is determined pursuant to prevailing prices at the time the expropriation decree is issued and the estimated compensation amount shall be deposited with ESA within one month from the date of such decree. It is possible, if approved by the property owners or right holders to obtain in-kind compensation either in full or in part.

The second level is conducted by ESA. The Compensation Estimation Committee within ESA makes a final administrative determination of the compensation to be granted to property owners and rights’ holders after having received a consultative report from the General Department for Appraisal within ESA.

All concerned parties, including the Expropriating Entity, have the right to object to the compensation determined in accordance with the foregoing rules before ESA and, thereafter, to ESA’ ruling on the objection before the competent court. The following section describes the objection procedures.

The following rules concerning the determination of the compensation for expropriation of ownership are worth noting:

- Should the value of the un-expropriated part of the expropriated property increase or decrease due to the public interest works in projects other than zoning projects within cities, such decrease or increase shall be taken into consideration when determining the compensation amount.
- Compensation is determined in accordance with Article (20) of Law 10/1990 on the basis of prevailing prices at the date of issuance of the expropriation decree in question. The committee and the courts would look to expert opinion in determining the prevailing prices, taking into account prices stated in recorded contracts.
- Should the value of the expropriated property increase due to prior public interest works in a previous project, such increase shall not be calculated in determining the compensation value if expropriation is exercised within 5 years from the date of executing the previous public interest project.
• Compensation under Law 3/1982 can be in one of two ways: (i) taking the value of the property; or (ii) postponing the taking of such value in full or in part until all or part of the area in question is sold. In such event, the owner or holder of rights deserves compensation equal to the said value in proportion to the total value of the properties in question together with one-half of the difference between the two values after deducting the costs of executing the project.

According to World Bank OP 4.12, RAPs and ARPs state clearly which methods are used to calculate land and/or structure compensation rates, and provide evidence that these rates are consistent with the “full replacement value” requirement. This issue is crucial for ADP, as all previous Egyptian experiences showed that this full replacement has not been realized by the affected group. As stated in table 3, this area would require capacity building for the concerned local governmental staff.

1. Valuation and compensation of structures

The Egyptian regulation matches with WB OP 4.12 in the need to compensate any affected structure with the full cost. The value of structures that are to be demolished because of any proposed action by the project is to be assessed by professional valuers, either from the Egyptian General Organization for Surveying “ESA”, or from private offices certified by ESA. However, this would need also a capacity building activity for those valuers.

Structures will be valued at full replacement cost, according to methods that will be detailed in the relevant RAPs or ARPs.

2. Valuation of losses of income for businesses

The method should be the following:
Estimate of net monthly profit of the business, based on records if any, on operator’s statements, cross-checked by an assessment of visible stocks and activity,
Application of this net monthly profit to the period during which the business is prevented to operate (should be between 2 and 6 weeks in most cases).

3. Disturbance allowance

Although Egyptian regulation does not specify such type of compensation, however following the WB OP 4.12, on top of compensation, a disturbance allowance of 10% of total compensation would be served as per the eligibility matrix.
8. Grievance management and redress Mechanisms

w. Potential grievances/disputes

In practice, grievances and disputes that arise during the course of implementation of a resettlement and compensation program may be related to the following issues:

- Mistakes in inventorying or valuing properties,
- Disagreement on plot boundaries, either between the affected person and the expropriation agency or between two neighbours,
- Disputed ownership of a given asset (two or more affected people claim that the affected asset is theirs),
- Disagreement on plot/asset valuation,
- Successions, divorces, and other family issues resulting in disputed ownership or disputed shares between inheritors or family members,
- Where affected people opt for a resettlement-based option, disagreement on the resettlement package (the location of the resettlement site does not suit them, proposed housing or resettlement plot characteristics/agricultural potential are not adequate in their view),
- Disputed ownership of businesses and business related assets (quite usually, the owner and the operator of a business may be distinct individuals, which give rise to disputes in the event of compensation).

x. Proposed grievance management and redress mechanism

i. Overview

In such compensation and resettlement operations, it often appears that many grievances derive from misunderstandings of the Project policy, or result from neighbour conflicts, which can usually be solved through adequate mediation using customary rules. Most grievances can be settled with additional explanation efforts and some mediation. This is why a first instance of dispute handling will be set up with the aim of settling disputes amicably.

9. The current Grievance Procedures under Egyptian laws and regulations could be explained as follows

The concerned owners and holders of rights have the right, within 30 days from the date of posting and publishing the lists and information of the expropriated properties, to object to the information contained in such lists. The objection is made to the main offices of the Expropriating Entity or the administration to which it is attached within the governorate in which the property is located.

---

In case of dispute between several individuals or parties on a single property, each party should present all evidences or documents that prove his/her rights within the next 90 days from submitting the memorandum of objection/grievance. In case of failing to submit those required evidences, the grievance would be considered as not submitted. The responsible body for expropriation has the right to request additional documents deemed necessary and define proper period for submitting these documents. Usually in cases of informal settlements or illegal positions as in the cases of Hekr Abou Doma or Mit Okba, these documents include:

- Registered contracts
- Cadastre registers, to determine source of ownership (or the history of the properties)
- Real estate tax registers (the compilation of these registers depended on the cadastre registers)
- “Forms of Change,” which enabled the authorities to determine the changes in ownership of each property before the date of completing cadastre.
- Any official documents recognizing the rights of the claimers such as court decision “Seha wa Nafaz”.

The ruling of the Expropriating Entity on the grievance can be appealed to the court of first instance within whose jurisdiction the expropriated property is located. The appeal must be made within 60 days from the date of notifying the concerned parties with the Expropriating Entity’s ruling on their objection.

1. The Expropriating Entity and the concerned owners and holders of rights have the right within 4 months from the last date on which the lists and other information are posted (1 month after the posting date) to object to the determination of compensation by ESA before the competent court of first instance.

2. A list of properties for which no objection or appeal is made shall be prepared. No objection or dispute may thereafter arise with respect to these particular properties. Payment made to the owners and holders of rights in these properties shall be conclusive as to the fulfilment of the Expropriating Entity’s payment obligations.

3. Non-objecting concerned persons shall execute and sign transfer of title forms in favour of the Expropriating Entity. For properties for which signed forms cannot be obtained, a ministerial decree declaring such transfer shall be issued in lieu thereof. The signed forms and the ministerial decree shall be deposited with the concerned Real Estate Office. The deposit thereof shall result in the full transfer of title ordinarily associated with a recordation of a deed of sale.

4. The non-deposit of the executed forms or ministerial decree with the concerned Real Estate Office for a period exceeding 2 years from the date of publishing the expropriating decree shall render the decree as null and void.
with respect to the properties for which the executed forms or the decree have not been deposited.

5. No objection or appeal shall prevent the property owner or holder of rights therein from collecting the estimated compensation amount.

6. Under current law and practice, the Government has wide powers in determining whether a project is a public interest project. This falls within the full discretion of the Government. Accordingly, objections to an expropriation decree cannot interfere with or limit the Government powers in this respect except where there is a clear misuse or abuse of this right that amount to bad faith on the part of the Government. An example of this bad faith is a case where a property is merely expropriated to harm the owner of the property. Allowable objections are usually based on whether the amount of compensation is sufficient or whether the property falls within the area defined under the expropriation decree.

7. The involvement of right holders usually results in one of the following scenarios with respect to objection procedures:

   a. The holders of rights may object to the amount of compensation in the event that they are of the opinion that the decided amount is not fair and that the title owner has not taken any objection. In such case, the holders of rights may use the right of their debtor (the titleholder) to preserve their interest.

   b. If the holders of rights decide not to object to the amount of compensation on behalf of the titleholder, they effect an attachment of the compensation amount to repay amounts due to them from the titleholders, if any.

Finally, in Egypt, Court cases are known to require long periods of time before settlements can be reached. It is therefore proposed here to make available a first tier of grievance management mechanisms, which will be taken care of by the Project, and which will provide aggrieved people with an avenue for amicable settlement without necessarily opening a Court case. Aggrieved people would however remain free to open a Court case without having registered their grievance with this first-tier mechanism.

**Based on this context and WB OP 4.12, the proposed mechanism will comprise of the following steps:**

- Registration,
- Amicable mediation/litigation and settlement.

   i. Registration of grievances

As long as one of their activities entails resettlement and/or compensation, the ADP implementation agencies shall establish preferably at district level a register of resettlement/compensation related grievances and disputes. The existence and conditions of access to this register (where, when, how) shall be widely disseminated within the community/town as part of the consultation undertaken for the sub-project in general.
ii. Amicable mediation and settlement

A committee of knowledgeable persons, experienced in the subject area, shall be constituted on a District as a Committee to handle grievances. This group of mediators attempting amicable mediation/litigation in first instance will consist of the following members:

- Head of District
- Legal advisor
- Local Representative within the Elected Council
- Head of Community Based Organization
- 2 natural leaders from the community

This mediation committee will be set up at District level by the implementation agency on an “as-needed” basis (i.e. it will be established when a dispute arises in a given community).

When a grievance/dispute is recorded as per above-mentioned registration procedures, the mediation committee will be established, and mediation meetings will be organized with interested parties. Minutes of meetings will be recorded.

The existence of this first instance mechanism will be widely disseminated to the affected people as part of the consultation undertaken for the sub-project in general.

It is important that these mediation committees be set up as soon as RAP/ARP preparation starts. Disputes can arise from census operations and it is therefore that the mediation mechanisms be available to cater for claims, disputes and grievances at this early stage.

b. Administrative mechanism and appeal to Court

Thanks to the existence of the first tier mechanism, Courts of law will be a “last resort” option, which in principle should only be triggered where first instance amicable mechanisms have failed to settle the grievance/dispute. However, the Constitution allows any aggrieved person the right of access to Court of law as described by Law 10/1990 as follows:

- The concerned owners and holders of rights have the right, within 30 days from the date of posting and publishing the lists and information of the expropriated properties, to object to the information contained in such lists. The objection is made to the main offices of the Expropriating Entity or the administration to which it is attached within the governorate in which the property is located.

The ruling of the Expropriating Entity on the objection can be appealed to the court of first instance within whose jurisdiction the expropriated property is located. The appeal must be made within 60 days from the date of notifying the concerned parties with the Expropriating Entity’s ruling on their objection.

- The Expropriating Entity and the concerned owners and holders of rights have the right within 4 months from the last date on which the lists and other information are posted (1 month after the posting date) to object to
the determination of compensation by ESA before the competent court of first instance.

- A list of properties for which no objection or appeal is made shall be prepared. No objection or dispute may thereafter arise with respect to these particular properties. Payment made to the owners and holders of rights in these properties shall be conclusive as to the fulfilment of the Expropriating Entity's payment obligations.

However, it should be noted that the Administrative Courts have set the following principles:

- The competent administrative authority has freedom in selecting the appropriate property for expropriation. Accordingly, it was ruled that as long as the administration is not abusing its powers, its decision to select a particular plot to build a hospital is not subject to review. Similarly, the administration selection of a particular site to build a water treatment plant is not subject to review.

- The determination of the exact area (in square metres) to be expropriated is subject to the discretion of the administration and not subject to judicial review.

- Expropriating the ownership of land to extend sewage pipelines underneath it does not prevent the administration from appropriating the surface of the same land for public use.

- Courts have asserted their judicial review authority whenever the administration's exercises of its discretionary powers are for political or personal objectives aimed at spite.

- The State Council opined that the administration might not expropriate property for merely achieving monetary gains. Accordingly, it opined that the expropriation act by the local council of an area adjacent to the location where a new station will be relocated aiming merely at making a profit was void.

c. Documentation and tracing

Annex 6 presents a template form for claims. It is advised that these forms be collated on a quarterly basis into a database held at ADP level.

10. Vulnerable groups

The Egyptian regulation does not specifically state any privileges for those vulnerable groups. However, the World Bank OP 4.12 emphasizes the need to give special attention to the right
of vulnerable groups to make sure that they are not excluded from any adopted measures within the overall resettlement actions.

d. Identification of vulnerable groups

Vulnerable groups are those at risk of becoming more vulnerable due to the displacement, compensation, and resettlement process. Vulnerable people specific for the ADP include, but not limited to:

- Poor fishermen communities
- Customary right holders
- Female Headed Households
- disabled persons, whether mentally or physically;
- the elderly;
- widows;
- children

e. Assistance to vulnerable people

Assistance to vulnerable people may include the following:

- Identification of vulnerable people and identification of the cause and impacts of their vulnerability, either through direct interviews by the Project social worker or through the community; this step is critical because often vulnerable people do not participate in community meetings, and their disability/vulnerability may remain unknown;
- Identification of required assistance at the various stages of the process: negotiation, compensation, moving;
- Implementation of the measures necessary to assist the vulnerable person; and
- Monitoring and continuation of assistance after resettlement and/or compensation, if required.

Assistance may take the following forms, depending upon vulnerable persons’ requests and needs:

- Assistance in the compensation payment procedure (e.g., going to the bank with the person to cash the compensation check);
- Assistance in the post payment period to secure the compensation money and reduce risks of misuse/robbery;
- Assistance in moving: providing vehicle, driver and assistance at the moving stage;
- Assistance in building: providing materials, workforce, or building houses; and
- Health care if required at critical periods: moving and transition period.

f. Provisions to be made in RAPs/ARPs

Vulnerable people will be identified at census stage. Each RAP or ARP developed under the ADP will make precise provisions with respect to assistance to vulnerable groups, for example amongst assistance possibilities listed above in paragraph e.
11. Monitoring and Evaluation

  g. General objectives of monitoring and evaluation

Evaluation and monitoring are key components of the Resettlement Policy Framework. They have the following general objectives:

- Monitoring of specific situations or difficulties arising from the implementation, and of the compliance of the implementation with objectives and methods as set out in this Resettlement Policy Framework;
- Evaluation of the mid- and long-term impacts of the Resettlement and Relocation Action Plan on affected households' livelihood, environment, local capacities, on economic development and settlement.

Monitoring aims to correct implementation methods during the course of the Project, as required, while evaluation is intended at checking whether policies have been complied with and providing lessons learnt for amending strategies and implementation in a longer term perspective. Monitoring will be internal and evaluation external.

*The Egyptian regulation* does not emphasize any monitoring or evaluation measures. In the previous cases of resettlement described in this document, the lack of monitoring or evaluation measures to assess the situation of affected groups has been considered as one of the major negative issues that should be reconsidered in any future similar action. Accordingly the ADP should develop a clear mechanism for monitoring and evaluation according to World Bank Policy.

*The World Bank OP 4.12* emphasizes the need for monitoring and evaluation measures. Social and economic monitoring for the affected groups is to be conducted. Certain indicators concerning the amounts of compensation paid, time of payment for compensation, number of grievances and redress cases; are to be collected and evaluated to assess the impact of the resettlement action on the affected group. The OP 4.12 explains procedures for such monitoring and evaluation process which should be considered and adopted as follows for ADP.

h. Monitoring

  i. Scope and content

Monitoring will address the following aspects:

- Social and economic monitoring: follow-up of the status of displacees/resettlers, cost of housing in the displacement area, re-establishment of livelihoods including agriculture and other activities;
- Technical monitoring: supervision of infrastructure and housing construction where relevant, commissioning and testing of the technical components of the resettlement housing;
- Grievances and grievance management system;
- Assistance in livelihood restoration: agriculture and business re-establishment and assistance.

  ii. Monitoring indicators

The AG/PMU will keep the following statistics on an annual basis:
• Numbers of households and individuals affected by Project activities,
• Numbers of households and individuals relocated as a result of Project activities and their destinations,
• Amounts of compensation paid,
• Number of grievances registered.

An annual monitoring report will be developed internally by the GWCL/PMU at federal level based on annual reports prepared by the Regions.

i. Evaluation

e. Evaluation objectives

Reference documentation for the evaluation will be the following:
• This Resettlement Policy Framework;
• The Egyptian laws and regulations as described above in Section a and as they stand in April 2004;
• The applicable World Bank Safeguard Policies as they stand in April 2004, i.e. OP 4.12 “Involuntary Resettlement”.

The evaluation has the following specific objectives:
• General assessment of the compliance of the implementation of resettlement activities with objectives and methods as set out in this RPF;
• Assessment of the compliance of the implementation of resettlement activities with laws, regulations and safeguard policies as stated above;
• Assessment of resettlement and relocation procedures as they have been implemented;
• Evaluation of the impact of the resettlement and relocation programs on incomes and standard of living, with focus on the “no worse-off if not better-off” requirement;
• Identification of actions to take as part of the on-going monitoring to improve the positive impacts of the programme and mitigate its possible negative impacts, if any.

ii. Evaluation Process

Evaluation of resettlement activities will be part of general assessment and review activities undertaken for the Project as a whole.
12. Consultation and disclosure

j. Consultation on the Resettlement Policy Framework

As provided under WB policy OP 4.12, information and consultation on the ADP Resettlement Policy Framework shall be organized as follows:
- Circulation of the draft RPF for comments to all relevant institutions (e.g. Alexandria Governorate, PMU, all Land agencies, the ESA, and others as appropriate),
- Communication of comments to the Consultant for incorporation into a final RPF, together with WB comments,
- Presentation of the executive summary of the draft RPF to Alexandria Executive and Local Elected Councils concerned by the Project.

As provided by the Terms of Reference of this assignment, consultation on the RPF is to be organized by the Governorate of Alexandria through the AGGP/PMU.

k. Consultation on RAPs and ARPs

As mentioned in section p.ii (figures 1 and 2), two steps of information and consultation are proposed to be implemented in the course of the preparation of RAPs and ARPs:
- Initial information:
  - This step should coincide with the cut-off date (information should not be delivered in advance of the cut-off date to avoid encroachment of new arrivals),
  - Basic information will be provided to potentially affected people on the Project, and resettlement and compensation principles as they are outlined in this RPF,
  - This step should take the form of one public meeting for each sub-project,
- Consultation on draft RAP/ARP: once these are available in draft form, they should be discussed with local authorities (e.g. District executive and elected Councils) and affected communities, whose comments will be incorporated into final documents.

Annex7 presents a template that can be used during both preparation and implementation of resettlement activities to record minutes of consultation meetings.

l. Disclosure requirements

i. Egyptian legal requirements for disclosure

The Egyptian legal requirements for disclosure as stated in Law 10/1990 can be explained in the following steps:
- After depositing the compensation amount by the expropriating entity with ESA—the concerned local office—lists of all real properties and facilities being identified shall be prepared, their areas, location, description, names of their owners, and holders of property rights therein, their addresses, and the compensation determined by the compensation estimation committee.
- ESA shall thereafter officially notify the property owners, other concerned parties and the expropriating entity with the dates on which the lists prepared in accordance with the preceding paragraph shall be presented to them, at least 1 week prior to such presentation. These lists will be posted for a period of 1 month in the offices of the concerned local government unit and shall also be published in the official gazette and two widespread daily newspapers.
- Owners of the properties and holders of rights therein shall be officially notified with an evacuation request within a period not to exceed 5 months from the date of their notification.
ii. World Bank requirements

OP 4.12 states that:

"As a condition of appraisal of projects involving resettlement, the borrower provides the Bank with the relevant draft resettlement instrument which conforms to this policy, and makes it available at a place accessible to displaced persons and local NGOs, in a form, manner, and language that are understandable to them. Once the Bank accepts this instrument as providing an adequate basis for project appraisal, the Bank makes it available to the public through its InfoShop. After the Bank has approved the final resettlement instrument, the Bank and the borrower disclose it again in the same manner."

13. implementation responsibilities

iii. Implementation Responsibilities

Several stakeholders are going to be involved in the implantation process of resettlement plan. However, their role would vary from leading the assigned task or just involved in implementation. The following table shows the share of responsibilities between the different agencies involved for each task.

m. Resources, technical support and capacity enhancement

i. Resources available to deal with resettlement issues

The financial resources to deal with the resettlements would be determined based on the detailed plans for the proposed components that may entail resettlement action. However, both World Bank and the Alexandria Governorate would allocated the necessary resources to carry out this task when it would be deemed necessary

ii. Technical support and capacity building

Several involved agencies would provide technical support for the action through the PMU. Potential candidates are GTZ and GOPP.
Table 5  Implementation responsibilities

<table>
<thead>
<tr>
<th>Task</th>
<th>Lead Agency and Partnerships</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Sitting and routing of project components</td>
<td>ESA                  Governor, S.G. 9</td>
</tr>
<tr>
<td>2 Preliminary reconnaissance of resettlement issues</td>
<td>ESA                  Department of Housing Infrastructure 9</td>
</tr>
<tr>
<td>3 Assessment of the need for rerouting / resettling certain sub-project components in case they affect inhabited dwellings</td>
<td>ESA                  Department of Physical Planning 9 9</td>
</tr>
<tr>
<td>4 Re-sitting and re-routing of those Sub-Project components that would entail impacts on inhabited dwellings</td>
<td>ESA                  Department of Housing Infrastructure 9</td>
</tr>
<tr>
<td>5 Assessment of the need for land acquisition</td>
<td>ESA                  Department of Land Surveying 9</td>
</tr>
<tr>
<td>6 Assessment of the number of affected people</td>
<td>ESA                  Department of Social Affairs 9</td>
</tr>
<tr>
<td>7 Trigger the procedures required to undertake land acquisition under</td>
<td>ESA                  Department of Legal Affairs 9 9</td>
</tr>
</tbody>
</table>

PMU/LUU      NGOs      CBOs
<table>
<thead>
<tr>
<th>Task</th>
<th>Lead Agency and Partnerships</th>
</tr>
</thead>
<tbody>
<tr>
<td>compulsory acquisition</td>
<td>ESA</td>
</tr>
<tr>
<td>8 Decision on whether a RAP or ARP is needed</td>
<td>Governor, S.G.</td>
</tr>
<tr>
<td>9 Preparation of RAPs</td>
<td>Department of Physical Planning</td>
</tr>
<tr>
<td>10 Preparation of ARPs</td>
<td>Head of District</td>
</tr>
<tr>
<td>11 Organize and implement census of affected people and census and valuation of affected assets in the framework of developing a RAP or ARP</td>
<td>Elected Council</td>
</tr>
<tr>
<td>12 Identify vulnerable people when developing RAPs and ARPs</td>
<td>Local Consultants</td>
</tr>
<tr>
<td>13 Review of RAPs and ARPs</td>
<td>PMU/LUU</td>
</tr>
<tr>
<td>14 Budgeting of compensation costs</td>
<td>NGOs</td>
</tr>
<tr>
<td>15 Determine arrangements for channelling compensation funds</td>
<td>CBOs</td>
</tr>
<tr>
<td>16 Implement RAPs and ARPs</td>
<td></td>
</tr>
<tr>
<td>Task</td>
<td>Lead Agency and Partnerships</td>
</tr>
<tr>
<td>-------------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>ESA</td>
<td>Governor, S.G.</td>
</tr>
<tr>
<td>Direct. Of</td>
<td></td>
</tr>
<tr>
<td>housing</td>
<td></td>
</tr>
<tr>
<td>infrastructure</td>
<td></td>
</tr>
<tr>
<td>Department of</td>
<td></td>
</tr>
<tr>
<td>Physical</td>
<td></td>
</tr>
<tr>
<td>planning</td>
<td></td>
</tr>
<tr>
<td>Department of</td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td></td>
</tr>
<tr>
<td>Department of</td>
<td></td>
</tr>
<tr>
<td>Land Surveying</td>
<td></td>
</tr>
<tr>
<td>Department of</td>
<td></td>
</tr>
<tr>
<td>Social Affairs</td>
<td></td>
</tr>
<tr>
<td>Department of</td>
<td></td>
</tr>
<tr>
<td>Legal Affairs</td>
<td></td>
</tr>
<tr>
<td>Head of District</td>
<td>ESA</td>
</tr>
<tr>
<td>Elected Council</td>
<td></td>
</tr>
<tr>
<td>Local Consultants</td>
<td></td>
</tr>
<tr>
<td>PMU/LUU</td>
<td></td>
</tr>
<tr>
<td>NGOs</td>
<td></td>
</tr>
<tr>
<td>CBOs</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>17 Grievance redress</th>
<th>9 Leading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitoring and</td>
<td>9</td>
</tr>
<tr>
<td>Evaluation</td>
<td>9</td>
</tr>
<tr>
<td>Involved</td>
<td>9</td>
</tr>
</tbody>
</table>
14. **Budget and funding**

   **n. Budget of resettlement activities related with FYIP**

Based on the preliminary quantitative estimate of affected assets and affected people presented in paragraph a, the budget for resettlement activities associated with the First Year Implementation Plan is assessed based on template provided in Annex8 for the itemization of budgets to be prepared under RAPs and ARPs.

This budget will need refinement when RAPs and ARPs are developed.

   **o. Assumptions used for budget estimate**

Assumptions are presented in Annex9.

   **p. Arrangements for funding**

it has been assumed that compensation and land acquisition for resettlement sites (if any need) would be funded by the Governorate of Alexandria. Fund channelling arrangements are to be determined by the ADP/PMU.

   **q. Compensation payment procedure**

Each eligible affected person will sign a compensation certificate together with the authorized Project representative. The compensation certificate will clarify mutual commitments as follows:

- on the Project side: commitment to pay the agreed compensation, including all its components (resettlement package, in-kind compensation and cash compensation);
- on the affected person’s side: commitment to vacate the land by the agreed date.

The format of payment certificates will be developed in order to be as easily understandable as possible to affected residents.

Compensation will be paid prior to the affected person vacating the land. Actual vacation will be monitored by ADP in cooperation with local authorities.
15. ANNEXES

Annex 1
List of Preparers
List of preparers

Herrie Heckman          Team Leader
Ihab Shaalan            Co-team Leader
Mostafa Mabouly         Urban Development and Resettlement Expert
World Bank Policy on Involuntary Resettlement
(OP 4.12)
Involuntary Resettlement

Note: OP and BP 4.12 together replace OD 4.30, Involuntary Resettlement. This OP and BP apply to all projects for which a Project Concept Review takes place on or after January 1, 2002. Questions may be addressed to the Director, Social Development Department (SDV).

1. Bank 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 impoverishment risks.

Policy Objectives

2. Involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out. For these reasons, the overall objectives of the Bank’s policy on involuntary resettlement are the following:

(a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.2

(b) 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 persons3 should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.

(c) 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.4

Impacts Covered

3. This policy covers direct economic and social impacts5 that both result from Bank-assisted investment projects6, and are caused by

(a) the involuntary7 taking of land8 resulting in

(i) relocation or loss of shelter;
(ii) lost of assets or access to assets; or
(iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or
(b) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.

4. This policy applies to all components of the project that result in involuntary resettlement, regardless of the source of financing. It also applies to other activities resulting in involuntary resettlement, that in the judgment of the Bank, are (a) directly and significantly related to the Bank-assisted project, (b) necessary to achieve its objectives as set forth in the project documents; and (c) carried out, or planned to be carried out, contemporaneously with the project.

5. Requests for guidance on the application and scope of this policy should be addressed to the Resettlement Committee (see BP 4.12 para. 7).

Required Measures

6. To address the impacts covered under para. 3 (a) of this policy, the borrower prepares a resettlement plan or a resettlement policy framework (see paras. 25-30) that covers the following:
(a) The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
   (i) informed about their options and rights pertaining to resettlement;
   (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and
   (iii) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project.
(b) If the impacts include physical relocation, the resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
   (i) provided assistance (such as moving allowances) during relocation; and
   (ii) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site.
(c) Where necessary to achieve the objectives of the policy, the resettlement plan or resettlement policy framework also include measures to ensure that displaced persons are
   (i) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and
   (ii) provided with development assistance in addition to compensation measures described in paragraph 6(a) (iii), such as land preparation, credit facilities, training, or job opportunities.

7. In projects involving involuntary restriction of access to legally designated parks and protected areas (see para. 3(b)), the nature of restrictions, as well as the type of measures necessary to mitigate adverse impacts, is determined with the participation of the displaced persons during the design and implementation of the project. In such cases, the borrower prepares a process framework acceptable to the Bank, describing the participatory process by which:
   (a) specific components of the project will be prepared and implemented;
   (b) the criteria for eligibility of displaced persons will be determined;
   (c) measures to assist the displaced persons in their efforts to improve their livelihoods, or at least to restore them, in real terms, while maintaining the sustainability of the park or protected area, will be identified; and
   (d) potential conflicts involving displaced persons will be resolved.

The process framework also includes a description of the arrangements for implementing and monitoring the process.
8. To achieve the objectives of this policy, particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.

9. Bank experience has shown that resettlement of indigenous peoples with traditional land-based modes of production is particularly complex and may have significant adverse impacts on their identity and cultural survival. For this reason, the Bank satisfies itself that the borrower has explored all viable alternative project designs to avoid physical displacement of these groups. When it is not feasible to avoid such displacement, preference is given to land-based resettlement strategies for these groups (see para. 11) that are compatible with their cultural preferences and are prepared in consultation with them (see Annex A, para. 11).

10. The implementation of resettlement activities is linked to the implementation of the investment component of the project to ensure that displacement or restriction of access does not occur before necessary measures for resettlement are in place. For impacts covered in para. 3(a) of this policy, these measures include provision of compensation and of other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, taking of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons. For impacts covered in para. 3(b) of this policy, the measures to assist the displaced persons are implemented in accordance with the plan of action as part of the project (see para. 30).

11. Preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based. These strategies may include resettlement on public land (see footnote 1 above), or on private land acquired or purchased for resettlement. Whenever replacement land is offered, resettlers are provided with land for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the land taken. If land is not the preferred option of the displaced persons, the provision of land would adversely affect the sustainability of a park or protected area, or sufficient land is not available at a reasonable price, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.

12. Payment of cash compensation for lost assets may be appropriate where (a) livelihoods are land-based but the land taken for the project is a small fraction of the affected asset and the residual is economically viable; (b) active markets for land, housing, and labor exist, displaced persons use such markets, and there is sufficient supply of land and housing; or (c) livelihoods are not land-based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.

13. For impacts covered under para. 3(a) of this policy, the Bank also requires the following:

(a) Displaced persons and their communities, and any host communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement. Appropriate and accessible grievance mechanisms are established for these groups.

(b) In new resettlement sites or host communities, infrastructure and public services are provided as necessary to improve, restore, or maintain accessibility and levels of service for the displaced persons and host communities. Alternative or similar resources are provided to compensate for the loss of access to community resources (such as fishing areas, grazing areas, fuel, or fodder).
(c) Patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons. To the extent possible, the existing social and cultural institutions of resettlers and any host communities are preserved and resettlers' preferences with respect to relocating in preexisting communities and groups are honored.

Eligibility for Benefits

14. Upon identification of the need for involuntary resettlement in a project, the borrower carries out a census to identify the persons who will be affected by the project (see the Annex A, para. 6(a)), to determine who will be eligible for assistance, and to discourage inflow of people ineligible for assistance. The borrower also develops a procedure, satisfactory to the Bank, for establishing the criteria by which displaced persons will be deemed eligible for compensation and other resettlement assistance. The procedure includes provisions for meaningful consultations with affected persons and communities, local authorities, and, as appropriate, nongovernmental organizations (NGOs), and it specifies grievance mechanisms.

15. **Criteria for Eligibility**. Displaced persons may be classified in one of the following three groups:

(a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);

(b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets—provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan (see Annex A, para. 7(f)); and

(c) those who have no recognizable legal right or claim to the land they are occupying.

16. Persons covered under para. 15(a) and (b) are provided compensation for the land they lose, and other assistance in accordance with para. 6. Persons covered under para. 15(c) are provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off date established by the borrower and acceptable to the Bank. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in para. 15(a), (b), or (c) are provided compensation for loss of assets other than land.

Resettlement Planning, Implementation, and Monitoring

17. To achieve the objectives of this policy, different planning instruments are used, depending on the type of project:

(a) a resettlement plan or abbreviated resettlement plan is required for all operations that entail involuntary resettlement unless otherwise specified (see para. 25 and Annex A);

(b) a resettlement policy framework is required for operations referred to in paras. 26-30 that may entail involuntary resettlement, unless otherwise specified (see Annex A); and

(c) a process framework is prepared for projects involving restriction of access in accordance with para. 3(b) (see para. 31).

18. The borrower is responsible for preparing, implementing, and monitoring a resettlement plan, a resettlement policy framework, or a process framework (the "resettlement instruments"), as appropriate, that conform to this policy. The resettlement instrument presents a strategy for achieving the objectives of the policy and covers all aspects of the proposed resettlement. Borrower commitment
to, and capacity for, undertaking successful resettlement is a key determinant of Bank involvement in a project.

19. Resettlement planning includes early screening, scoping of key issues, the choice of resettlement instrument, and the information required to prepare the resettlement component or subcomponent. The scope and level of detail of the resettlement instruments vary with the magnitude and complexity of resettlement. In preparing the resettlement component, the borrower draws on appropriate social, technical, and legal expertise and on relevant community-based organizations and NGOs. The borrower informs potentially displaced persons at an early stage about the resettlement aspects of the project and takes their views into account in project design.

20. The full costs of resettlement activities necessary to achieve the objectives of the project are included in the total costs of the project. The costs of resettlement, like the costs of other project activities, are treated as a charge against the economic benefits of the project; and any net benefits to resettlers (as compared to the "without-project" circumstances) are added to the benefits stream of the project. Resettlement components or free-standing resettlement projects need not be economically viable on their own, but they should be cost-effective.

21. The borrower ensures that the Project Implementation Plan is fully consistent with the resettlement instrument.

22. As a condition of appraisal of projects involving resettlement, the borrower provides the Bank with the relevant draft resettlement instrument which conforms to this policy, and makes it available at a place accessible to displaced persons and local NGOs, in a form, manner, and language that are understandable to them. Once the Bank accepts this instrument as providing an adequate basis for project appraisal, the Bank makes it available to the public through its InfoShop. After the Bank has approved the final resettlement instrument, the Bank and the borrower disclose it again in the same manner.

23. The borrower’s obligations to carry out the resettlement instrument and to keep the Bank informed of implementation progress are provided for in the legal agreements for the project.

24. The borrower is responsible for adequate monitoring and evaluation of the activities set forth in the resettlement instrument. The Bank regularly supervises resettlement implementation to determine compliance with the resettlement instrument. Upon completion of the project, the borrower undertakes an assessment to determine whether the objectives of the resettlement instrument have been achieved. The assessment takes into account the baseline conditions and the results of resettlement monitoring. If the assessment reveals that these objectives may not be realized, the borrower should propose follow-up measures that may serve as the basis for continued Bank supervision, as the Bank deems appropriate (see also BP 4.12, para. 16).

**Resettlement Instruments**

*Resettlement Plan*

25. A draft resettlement plan that conforms to this policy is a condition of appraisal (see Annex A, paras. 2-21) for projects referred to in para. 17(a) above. However, where impacts on the entire displaced population are minor or fewer than 200 people are displaced, an abbreviated resettlement plan may be agreed with the borrower (see Annex A, para. 22). The information disclosure procedures set forth in para. 22 apply.

*Resettlement Policy Framework*

26. For sector investment operations that may involve involuntary resettlement, the Bank requires that the project implementing agency screen subprojects to be financed by the Bank to ensure their
consistency with this OP. For these operations, the borrower submits, prior to appraisal, a resettlement policy framework that conforms to this policy (see Annex A, paras. 23-25). The framework also estimates, to the extent feasible, the total population to be displaced and the overall resettlement costs.

27. For financial intermediary operations that may involve involuntary resettlement, the Bank requires that the financial intermediary (FI) screen subprojects to be financed by the Bank to ensure their consistency with this OP. For these operations, the Bank requires that before appraisal the borrower or the FI submit to the Bank a resettlement policy framework conforming to this policy (see Annex A, paras. 23-25). In addition, the framework includes an assessment of the institutional capacity and procedures of each of the FIs that will be responsible for subproject financing. When, in the assessment of the Bank, no resettlement is envisaged in the subprojects to be financed by the FI, a resettlement policy framework is not required. Instead, the legal agreements specify the obligation of the FIs to obtain from the potential subborrowers a resettlement plan consistent with this policy if a subproject gives rise to resettlement. For all subprojects involving resettlement, the resettlement plan is provided to the Bank for approval before the subproject is accepted for Bank financing.

28. For other Bank-assisted project with multiple subprojects that may involve involuntary resettlement, the Bank requires that a draft resettlement plan conforming to this policy be submitted to the Bank before appraisal of the project unless, because of the nature and design of the project or of a specific subproject or subprojects (a) the zone of impact of subprojects cannot be determined, or (b) the zone of impact is known but precise sitting alignments cannot be determined. In such cases, the borrower submits a resettlement policy framework consistent with this policy prior to appraisal (see Annex A, paras. 23-25). For other subprojects that do not fall within the above criteria, a resettlement plan conforming to this policy is required prior to appraisal.

29. For each subproject included in a project described in para. 26, 27, or 28 that may involve resettlement, the Bank requires that a satisfactory resettlement plan or an abbreviated resettlement plan that is consistent with the provisions of the policy framework be submitted to the Bank for approval before the subproject is accepted for Bank financing.

30. For projects described in paras. 26-28 above, the Bank may agree, in writing, that subproject resettlement plans may be approved by the project implementing agency or a responsible government agency or financial intermediary without prior Bank review, if that agency has demonstrated adequate institutional capacity to review resettlement plans and ensure their consistency with this policy. Any such delegation, and appropriate remedies for the entity’s approval of resettlement plans found not to be in compliance with Bank policy, are provided for in the legal agreements for the project. In all such cases, implementation of the resettlement plans is subject to ex post review by the Bank.

Process Framework

31. For projects involving restriction of access in accordance with para. 3(b) above, the borrower provides the Bank with a draft process framework that conforms to the relevant provisions of this policy as a condition of appraisal. In addition, during project implementation and before enforcing of the restriction, the borrower prepares a plan of action, acceptable to the Bank, describing the specific measures to be undertaken to assist the displaced persons and the arrangements for their implementation. The plan of action could take the form of a natural resources management plan prepared for the project.

Assistance to the Borrower

32. In furtherance of the objectives of this policy, the Bank may at a borrower’s request support the borrower and other concerned entities by providing (a) assistance to assess and strengthen resettlement policies, strategies, legal frameworks, and specific plans at a country, regional, or sectoral level;
(b) financing of technical assistance to strengthen the capacities of agencies responsible for resettlement, or of affected people to participate more effectively in resettlement operations;

(c) financing of technical assistance for developing resettlement policies, strategies, and specific plans, and for implementation, monitoring, and evaluation of resettlement activities; and

(d) financing of the investment costs of resettlement.

33. The Bank may finance either a component of the main investment causing displacement and requiring resettlement, or a free-standing resettlement project with appropriate cross-conditionalities, processed and implemented in parallel with the investment that causes the displacement. The Bank may finance resettlement even though it is not financing the main investment that makes resettlement necessary.

34. The Bank does not disburse against cash compensation and other resettlement assistance paid in cash, or against the cost of land (including compensation for land acquisition). However, it may finance the cost of land improvement associated with resettlement activities.

1. "Bank" includes IDA; "loans" includes credits, guarantees, Project Preparation Facility (PPF) advances and grants; and "projects" includes projects under (a) adaptable program lending; (b) learning and innovation loans; (c) PPFs and Institutional Development Funds (IDFs), if they include investment activities; (d) grants under the Global Environment Facility and Montreal Protocol, for which the Bank is the implementing/executing agency; and (e) grants or loans provided by other donors that are administered by the Bank. The term "project" does not include programs under adjustment operations. "Borrower" also includes, wherever the context requires, the guarantor or the project implementing agency.

2. In devising approaches to resettlement in Bank-assisted projects, other Bank policies should be taken into account, as relevant. These policies include OP 4.01 Environmental Assessment, OP 4.04 Natural Habitats, OP 4.11 Safeguarding Cultural Property in Bank-Assisted Projects, and OD 4.20 Indigenous Peoples.

3. The term "displaced persons" refers to persons who are affected in any of the ways described in para. 3 of this OP.

4. Displaced persons under para. 3(b) should be assisted in their efforts to improve or restore their livelihoods in a manner that maintains the sustainability of the parks and protected areas.

5. Where there are adverse indirect social or economic impacts, it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse economic and social impacts, particularly upon poor and vulnerable groups. Other environmental, social, and economic impacts that do not result from land taking may be identified and addressed through environmental assessments and other project reports and instruments.

6. This policy does not apply to restrictions of access to natural resources under community-based projects, i.e. where the community using the resources decides to restrict access to these resources, provided that an assessment satisfactory to the Bank establishes that the community decision-making process is adequate, and that it provides for identification of appropriate measures to mitigate adverse impacts, if any, on the vulnerable members of the community. This policy also does not cover refugees from natural disasters, war, or civil strife (see OP/BP 8.50, Emergency Recovery Assistance).

7. For purposes of this policy, "involuntary" means actions that may be taken without the displaced person’s informed consent or power of choice.

8. "Land" includes anything growing on or permanently affixed to land, such as buildings and crops. This policy does not apply to regulations of natural resources on a national or regional level to promote their sustainability, such as watershed management, groundwater management, fisheries management, etc. The policy also does not
apply to disputes between private parties in land titling projects, although it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse social impacts, especially those affecting poor and vulnerable groups.

9. For the purposes of this policy, involuntary restriction of access covers restrictions on the use of resources imposed on people living outside the park or protected area, or on those who continue living inside the park or protected area during and after project implementation. In cases where new parks and protected areas are created as part of the project, persons who lose shelter, land, or other assets are covered under para. 3(a). Persons who lose shelter in existing parks and protected areas are also covered under para. 3(a).

10. The Resettlement Sourcebook (forthcoming) provides good practice guidance to staff on the policy.

11. "Replacement cost" is the method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account (for a detailed definition of replacement cost, see Annex A, footnote 1). For losses that cannot easily be valued or compensated for in monetary terms (e.g., access to public services, customers, and suppliers; or to fishing, grazing, or forest areas), attempts are made to establish access to equivalent and culturally acceptable resources and earning opportunities. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures necessary to meet the replacement cost standard. Such additional assistance is distinct from resettlement assistance to be provided under other clauses of para. 6.

12. If the residual of the asset being taken is not economically viable, compensation and other resettlement assistance are provided as if the entire asset had been taken.

13. The alternative assets are provided with adequate tenure arrangements. The cost of alternative residential housing, housing sites, business premises, and agricultural sites to be provided can be set off against all or part of the compensation payable for the corresponding asset lost.

14. Such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements


16. See OP 4.04, Natural Habitats.

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

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

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

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

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

22. For projects that are highly risky or contentious, or that involve significant and complex resettlement activities, the borrower should normally engage an advisory panel of independent, internationally recognized resettlement specialists to advise on all aspects of the project relevant to the resettlement activities. The size, role, and frequency of meeting depend on the complexity of the resettlement. If independent technical advisory panels are established under OP 4.01, Environmental Assessment, the resettlement panel may form part of the
environmental panel of experts. See BP 17.50, Disclosure of Operational Information (forthcoming) for detailed disclosure procedures.

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

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

25. For purpose of this paragraph, the term "subprojects" includes components and subcomponents.
Involuntary Resettlement Instruments

1. This annex describes the elements of a resettlement plan, an abbreviated resettlement plan, a resettlement policy framework, and a resettlement process framework, as discussed in OP 4.12, paras. 17-31.

Resettlement Plan

2. The scope and level of detail of the resettlement plan vary with the magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about (a) the proposed resettlement and its impacts on the displaced persons and other adversely affected groups, and (b) the legal issues involved in resettlement. The resettlement plan covers the elements below, as relevant. When any element is not relevant to project circumstances, it should be noted in the resettlement plan.

3. Description of the project. General description of the project and identification of the project area.

4. Potential impacts. Identification of

   (a) the project component or activities that give rise to resettlement;

   (b) the zone of impact of such component or activities;

   (c) the alternatives considered to avoid or minimize resettlement; and

   (d) the mechanisms established to minimize resettlement, to the extent possible, during project implementation.

5. Objectives. The main objectives of the resettlement program.

6. Socioeconomic studies. The findings of socioeconomic studies to be conducted in the early stages of project preparation and with the involvement of potentially displaced people, including

   (a) the results of a census survey covering

       (i) current occupants of the affected area to establish a basis for the design of the resettlement program and to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;

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

       (iii) the magnitude of the expected loss—total or partial—of assets, and the extent of displacement, physical or economic;
(iv) information on vulnerable groups or persons as provided for in OP 4.12, para. 8, for whom special provisions may have to be made; and 

(v) provisions to update information on the displaced people’s livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement.

(b) Other studies describing the following

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

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

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

(iv) social and cultural characteristics of displaced communities, including a description of formal and informal institutions (e.g., community organizations, ritual groups, nongovernmental organizations (NGOs)) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

7. Legal framework. The findings of an analysis of the legal framework, covering

(a) the scope of the power of eminent domain and the nature of compensation associated with it, in terms of both the valuation methodology and the timing of payment;

(b) the applicable legal and administrative procedures, including a description of the remedies available to displaced persons in the judicial process and the normal timeframe for such procedures, and any available alternative dispute resolution mechanisms that may be relevant to resettlement under the project;

(c) relevant law (including customary and traditional law) governing land tenure, valuation of assets and losses, compensation, and natural resource usage rights; customary personal law related to displacement; and environmental laws and social welfare legislation;

(d) laws and regulations relating to the agencies responsible for implementing resettlement activities;

(e) gaps, if any, between local laws covering eminent domain and resettlement and the Bank’s resettlement policy, and the mechanisms to bridge such gaps; and

(f) any legal steps necessary to ensure the effective implementation of resettlement activities under the project, including, as appropriate, a process for recognizing claims to legal rights to land—including claims that derive from customary law and traditional usage (see OP 4.12, para.15 b).

8. Institutional Framework. The findings of an analysis of the institutional framework covering

(a) the identification of agencies responsible for resettlement activities and NGOs that may have a role in project implementation;

(b) an assessment of the institutional capacity of such agencies and NGOs; and

(c) any steps that are proposed to enhance the institutional capacity of agencies and NGOs responsible for resettlement implementation.
9. **Eligibility.** Definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

10. **Valuation of and compensation for losses.** The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation under local law and such supplementary measures as are necessary to achieve replacement cost for lost assets.1

11. **Resettlement measures.** A description of the packages of compensation and other resettlement measures that will assist each category of eligible displaced persons to achieve the objectives of the policy (see OP 4.12, para. 6). In addition to being technically and economically feasible, the resettlement packages should be compatible with the cultural preferences of the displaced persons, and prepared in consultation with them.

12. **Site selection, site preparation, and relocation.** Alternative relocation sites considered and explanation of those selected, covering

   (a) institutional and technical arrangements for identifying and preparing relocation sites, whether rural or urban, for which a combination of productive potential, locational advantages, and other factors is at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;

   (b) any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;

   (c) procedures for physical relocation under the project, including timetables for site preparation and transfer; and

   (d) legal arrangements for regularizing tenure and transferring titles to resettlers.

13. **Housing, infrastructure, and social services.** Plans to provide (or to finance resettlers’ provision of) housing, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health services);2 plans to ensure comparable services to host populations; any necessary site development, engineering, and architectural designs for these facilities.

14. **Environmental protection and management.** A description of the boundaries of the relocation area; and an assessment of the environmental impacts of the proposed resettlement3 and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).

15. **Community participation.** Involvement of resettlers and host communities,4 including

   (a) a description of the strategy for consultation with and participation of resettlers and hosts in the design and implementation of the resettlement activities;

   (b) a summary of the views expressed and how these views were taken into account in preparing the resettlement plan;
(c) a review of the resettlement alternatives presented and the choices made by displaced persons regarding options available to them, including choices related to forms of compensation and resettlement assistance, to relocating as individuals families or as parts of preexisting communities or kinship groups, to sustaining existing patterns of group organization, and to retaining access to cultural property (e.g. places of worship, pilgrimage centers, cemeteries); and

(d) institutionalized arrangements by which displaced people can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such vulnerable groups as indigenous people, ethnic minorities, the landless, and women are adequately represented.

16. Integration with host populations. Measures to mitigate the impact of resettlement on any host communities, including

(a) consultations with host communities and local governments;

(b) arrangements for prompt tendering of any payment due the hosts for land or other assets provided to resettlers;

(c) arrangements for addressing any conflict that may arise between resettlers and host communities; and

(d) any measures necessary to augment services (e.g., education, water, health, and production services) in host communities to make them at least comparable to services available to resettlers.

17. Grievance procedures. Affordable and accessible procedures for third-party settlement of disputes arising from resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.

18. Organizational responsibilities. The organizational framework for implementing resettlement, including identification of agencies responsible for delivery of resettlement measures and provision of services; arrangements to ensure appropriate coordination between agencies and jurisdictions involved in implementation; and any measures (including technical assistance) needed to strengthen the implementing agencies’ capacity to design and carry out resettlement activities; provisions for the transfer to local authorities or resettlers themselves of responsibility for managing facilities and services provided under the project and for transferring other such responsibilities from the resettlement implementing agencies, when appropriate.

19. Implementation schedule. An implementation schedule covering all resettlement activities from preparation through implementation, including target dates for the achievement of expected benefits to resettlers and hosts and terminating the various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

20. Costs and budget. Tables showing itemized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for
expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.

21. Monitoring and evaluation. Arrangements for monitoring of resettlement activities by the implementing agency, supplemented by independent monitors as considered appropriate by the Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

Abbreviated Resettlement Plan

22. An abbreviated plan covers the following minimum elements:6
(a) a census survey of displaced persons and valuation of assets;
(b) description of compensation and other resettlement assistance to be provided;
(c) consultations with displaced people about acceptable alternatives;
(d) institutional responsibility for implementation and procedures for grievance redress;
(e) arrangements for monitoring and implementation; and
(f) a timetable and budget.

Resettlement Policy Framework

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

24. The resettlement policy framework covers the following elements, consistent with the provisions described in OP 4.12, paras. 2 and 4:
(a) a brief description of the project and components for which land acquisition and resettlement are required, and an explanation of why a resettlement plan as described in paras. 2-21 or an abbreviated plan as described in para. 22 cannot be prepared by project appraisal;
(b) principles and objectives governing resettlement preparation and implementation;
(c) a description of the process for preparing and approving resettlement plans;
(d) estimated population displacement and likely categories of displaced persons, to the extent feasible;
(e) eligibility criteria for defining various categories of displaced persons;
(f) a legal framework reviewing the fit between borrower laws and regulations and Bank policy requirements and measures proposed to bridge any gaps between them;
(g) methods of valuing affected assets;
(h) organizational procedures for delivery of entitlements, including, for projects involving private sector intermediaries, the responsibilities of the financial intermediary, the government, and the private developer;
(i) a description of the implementation process, linking resettlement implementation to civil works;
(j) a description of grievance redress mechanisms;
(k) a description of the arrangements for funding resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements;
(l) a description of mechanisms for consultations with, and participation of, displaced persons in planning, implementation, and monitoring; and
(m) arrangements for monitoring by the implementing agency and, if required, by independent monitors.

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

Process Framework

26. A process framework is prepared when Bank-supported projects may cause restrictions in access to natural resources in legally designated parks and protected areas. The purpose of the process framework is to establish a process by which members of potentially affected communities participate in design of project components, determination of measures necessary to achieve resettlement policy objectives, and implementation and monitoring of relevant project activities (see OP 4.12, paras. 7 and 31).

27. Specifically, the process framework describes participatory processes by which the following activities will be accomplished

(a) Project components will be prepared and implemented. The document should briefly describe the project and components or activities that may involve new or more stringent restrictions on natural resource use. It should also describe the process by which potentially displaced persons participate in project design.

(b) Criteria for eligibility of affected persons will be determined. The document should establish that potentially affected communities will be involved in identifying any adverse impacts, assessing the significance of impacts, and establishing of the criteria for eligibility for any mitigating or compensating measures necessary.

(c) Measures to assist affected persons in their efforts to improve their livelihoods or restore them, in real terms, to pre-displacement levels, while maintaining the sustainability of the park or protected area will be identified. The document should describe methods and procedures by which communities will identify and choose potential mitigating or compensating measures to be provided to those adversely affected, and procedures by which adversely affected community members will decide among the options available to them.

(d) Potential conflicts or grievances within or between affected communities will be resolved. The document should describe the process for resolving disputes relating to resource use restrictions that may arise between or among affected communities, and grievances that may
arise from members of communities who are dissatisfied with the eligibility criteria, community planning measures, or actual implementation.

Additionally, the process framework should describe arrangements relating to the following:

(e) **Administrative and legal procedures.** The document should review agreements reached regarding the process approach with relevant administrative jurisdictions and line ministries (including clear delineation for administrative and financial responsibilities under the project).

(f) **Monitoring arrangements.** The document should review arrangements for participatory monitoring of project activities as they relate to (beneficial and adverse) impacts on persons within the project impact area, and for monitoring the effectiveness of measures taken to improve (or at minimum restore) incomes and living standards.

---

1. *With regard to land and structures, “replacement cost” is defined as follows:* For agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors’ fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures so as to meet the replacement cost standard. Such additional assistance is distinct from resettlement measures to be provided under other clauses in OP 4.12, para. 6.

2. **Provision of health care services, particularly for pregnant women, infants, and the elderly, may be important during and after relocation to prevent increases in morbidity and mortality due to malnutrition, the psychological stress of being uprooted, and the increased risk of disease.**

3. **Negative impacts that should be anticipated and mitigated include,** for rural resettlement, deforestation, overgrazing, soil erosion, sanitation, and pollution; for urban resettlement, projects should address such density-related issues as transportation capacity and access to potable water, sanitation systems, and health facilities.

4. **Experience has shown that local NGOs often provide valuable assistance and ensure viable community participation.**

5. **OPN 11.03 Management of Cultural Property in Bank-Financed Projects.**

6. **In case some of the displaced persons lose more than 10% of their productive assets or require physical relocation, the plan also covers a socioeconomic survey and income restoration measures.**
Annex 3

Framework for the census of affected assets and affected people
### FRAMEWORK for the census of affected ASSETS AND AFFECTED people

#### AFFECTED PLOT SHEET

Reference:  
Location: District:

<table>
<thead>
<tr>
<th>Area:</th>
<th>Structures:</th>
<th>Channels:</th>
<th>Owner:</th>
<th>Anti-erosive structures:</th>
<th>Owner:</th>
<th>Buildings:</th>
<th>Owner:</th>
</tr>
</thead>
</table>

Users:  
User 1: Surface used:  Regime of tenure:  
User 2: Surface used:  Regime of tenure:  
User 3: Surface used:  Regime of tenure:  
User 4: Surface used:  Regime of tenure:  

Valuation proposal (details of calculation on attached sheet):  
Crops:  
Structures:

Proposed distribution of compensation:  
User 1:  
User 2:  
User 3:  
User 4:  

Date: Prepared By:
AFFECTED BUILDING SHEET

Reference:
Location: Region: District:
GPS Coordinates: Photograph number:
Owner: Address:

Description:
- Permanent Non permanent
- Surface: Number of rooms:
- Walls: Material Condition
- Roof: Material Condition
- Floor: Material Condition
- Annexes outside: Latrine: Bathroom: Kitchen: Others:
- Additional features:

Permanently Inhabited: By: Regime of occupation:
Periodically Inhabited: By: Regime of occupation:

Valuation proposal (details of calculation on attached sheet):

Proposed distribution of compensation:
User 1:
User 2:
User 3:
User 4:

Date: Prepared By:
## Affected Household Sheet

**Household Reference:**
- Location: 
- Region: 
- District: 
- Village: 

**Reference of Affected Asset:**
- Type: Structure, Plot, Crop
- Reference of Affected Asset Sheet:
  - Location: 
  - Zone: 
  - Region: 

**Household Information:**
- Head of Household: Name, Age, Sex
- Identity Document: Type, Number

**Composition of Household:**

<table>
<thead>
<tr>
<th>Number</th>
<th>Name</th>
<th>Relationship with Household Head</th>
<th>Sex</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Socio-Economic Information:**
- Occupations:
  - Head of Household: Occupation
  - Other members of Household:
    - Number: Occupation
    - Number: Occupation
    - Number: Occupation
    - Number: Occupation

**Total Estimated Household Cash Income:**
Education level of Household Members:
Number: Level:
Number: Level:
Number: Level:
Number: Level:

Project Impact:
Assessment of the Impact of the Loss of the Affected Asset on Household’s Livelihood:

Proposed Compensation or Resettlement Package
Household’s Wishes

Proposed Package

Proposed Livelihood Restoration Package:
Household’s Wishes

Proposed Package
Annex 4
Outline of a Resettlement Action Plan
OUTLINE OF A RESETTLEMENT ACTION PLAN
Reference: OP 4.12, annex A.

Description of the sub-project and of its potential land impacts

General description of the project and identification of the project area

Potential impacts. Identification of
the project component or activities that give rise to resettlement;
the zone of impact of such component or activities;
the alternatives considered to avoid or minimize resettlement; and
the mechanisms established to minimize resettlement, to the extent possible, during project implementation.

Objectives. The main objectives of the resettlement program.

Socio-economic studies and census of affected assets and affected livelihoods. The findings of socio-economic studies and census to be conducted with the involvement of potentially displaced people, include:

the results of a census survey covering current occupants of the affected area to establish a basis for the design of the resettlement program and to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;

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

the magnitude of the expected loss—total or partial—of assets, and the extent of displacement, physical or economic;

information on vulnerable groups or persons as provided for in OP 4.12, para. 8, for whom special provisions may have to be made;

provisions to update information on the displaced people's livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement.

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

the patterns of social interaction in the affected communities, including social networks and social support systems, and how they will be affected by the project;

public infrastructure and social services that will be affected; and

social and cultural characteristics of displaced communities, including a description of formal and informal institutions (e.g., community organizations, ritual groups, nongovernmental organizations (NGOs)) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.
Legal and Institutional Framework.

Summary of the information included in this RPF

Local legal specificities if any

Local institutional specificities

identification of agencies locally responsible for resettlement activities and NGOs that may have a role in project implementation;

assessment of the institutional capacity of such agencies and NGOs; and

Eligibility and entitlements. Based on the definitions and categorization in this RPF (see entitlement matrix), definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

Valuation of and compensation for losses. The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation under local law and such supplementary measures as are necessary to achieve replacement cost for lost assets.

Resettlement measures:

Description of the packages of compensation and other resettlement measures that will assist each category of eligible displaced persons to achieve the objectives of the policy (see OP 4.12, para. 6).

Site selection, site preparation, and relocation. Alternative relocation sites considered and explanation of those selected.

Legal arrangements for regularizing tenure and transferring titles to resettlers.

Housing, infrastructure, and social services.

Environmental protection and management.

Community participation. Involvement of resettlers and host communities

Integration with host populations. Measures to mitigate the impact of resettlement on any host communities

Specific assistance measures intended for vulnerable people, to be identified for instance amongst those listed in section 10 of the RPF

Grievance procedures. Based on the principle mechanisms described in this RPF, description of affordable and accessible procedures for third-party settlement of disputes arising from resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.

Organizational responsibilities. The organizational framework for implementing resettlement, including identification of agencies responsible for delivery of resettlement measures and provision of services; arrangements to ensure appropriate coordination between agencies and jurisdictions involved in implementation; and any measures (including technical assistance) needed to strengthen the implementing agencies’ capacity to design and carry out resettlement activities; provisions for the transfer to local authorities or resettlers themselves of responsibility for managing facilities and services provided under the project and for transferring other such responsibilities from the resettlement implementing agencies, when appropriate.

Implementation schedule. Based on the template presented in the RPF, present an implementation schedule covering all resettlement activities from preparation through implementation, including target dates for the achievement of expected benefits to resettlers.
and hosts and terminating the various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

Costs and budget. Tables showing itemized cost estimates for all resettlement activities (see Annex11 of this RPF), including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.

Monitoring and evaluation. Arrangements for monitoring of resettlement activities by the implementing agency, supplemented by independent monitors as considered appropriate by the Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.
Annex 5

Outline of an Abbreviated Resettlement Plan
Outline of an ABBREVIATED RESETTLEMENT PLAN

Depending on the magnitude of the displacement, an Abbreviated Resettlement Plan (ARP) should be between 10 and 25 pages, including annexes.

Brief Description of the Sub-Project
Sub-Project Land Needs
Land Needs Justification and Minimization
Census Survey of Displaced Persons and Valuation of Assets
Methodology
Results
Affected Assets
Socio-Economic Features and Affected People’s Livelihoods
Description of Compensation and Other Resettlement Assistance
Consultation with Displaced People
Procedures for Grievance Redress
Monitoring and Evaluation
Institutional Responsibilities and Arrangements for Implementation
Timetable, Budget and Funding Arrangements
Annex 6

Template of a claim registration and follow-up form
TEMPLATE OF A CLAIM REGISTRATION and Follow-up FORM

Date: Prepared by:

**Aggrieved person:**
Full name:
Residence:
Project registration number:

*Reason for the claim* (detailed description of the aggrieved person’s version):

**Composition of the mediation committee:**
Chair (name, position):
District chief executive representative (name, position):
Project (name, position):
Other elders (name, position):

**Report of mediation efforts:**

**Agreed solution:**

**Implementation of the agreed solution:**
Close-out:

In case no settlement is reached:

Reason why no settlement could be reached:
Follow-up by claimant:
Annex 7

Template of a consultation meeting minute form
TEMPLATE OF A CONSULTATION MEETING MINUTE FORM

Date : Venue:

**Project participants:**

**Other participants** (name, position) : Total number:

**Objective and agenda of the meeting:**

**Points addressed by Project:**

**Points raised by participants:**

**Follow-up activities:**

Prepared by: Date:
Annex 8
Template itemization of RAP/ARP budget
## TEMPLATE ITEMIZATION OF A RAP/ARP BUDGET

<table>
<thead>
<tr>
<th>N°</th>
<th>Item (break down and detail as appropriate)</th>
<th>Egyptian Cedis</th>
<th>USD</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>COMPENSATION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A1</td>
<td>Compensation for land acquisition</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A2</td>
<td>Compensation for destruction and damage to crops</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A3</td>
<td>Compensation for structures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A4</td>
<td>Disturbance allowance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A5</td>
<td>Contingencies – other compensations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL COMPENSATION</strong></td>
<td></td>
<td></td>
<td>%</td>
</tr>
<tr>
<td>B</td>
<td>RESETTLEMENT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B1</td>
<td>Resettlement land purchase</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B2</td>
<td>Resettlement land development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B3</td>
<td>Housing construction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL RESETTLEMENT</strong></td>
<td></td>
<td></td>
<td>%</td>
</tr>
<tr>
<td>C</td>
<td>ADDITIONAL MITIGATIONS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C1</td>
<td>Livelihood restoration measures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C2</td>
<td>Vulnerable groups</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C3</td>
<td>Coordination of additional mitigations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C4</td>
<td>Grievance management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL ADDITIONAL MITIGATIONS</strong></td>
<td></td>
<td></td>
<td>%</td>
</tr>
<tr>
<td>D</td>
<td>IMPLEMENTATION COSTS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D1</td>
<td>Surveying and asset pre-identification</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D2</td>
<td>Valuation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D3</td>
<td>Coordination and works supervision</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D4</td>
<td>Legal advice</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D6</td>
<td>Monitoring</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D7</td>
<td>Evaluation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL IMPLEMENTATION</strong></td>
<td></td>
<td></td>
<td>%</td>
</tr>
<tr>
<td>E</td>
<td>CONTIGENCIES %</td>
<td></td>
<td></td>
<td>%</td>
</tr>
<tr>
<td></td>
<td><strong>GRAND TOTAL</strong></td>
<td></td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>
Annex 9

Assumptions used for the budget estimate
<table>
<thead>
<tr>
<th>Item (refer to the proposed budget in chapter 12)</th>
<th>Assumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 – Compensation for permanent acquisition of land</td>
<td></td>
</tr>
<tr>
<td>12 – Compensation for acquisition of easement rights</td>
<td></td>
</tr>
<tr>
<td>13 – Compensation for temporary occupation of land</td>
<td></td>
</tr>
<tr>
<td>31 – Compensation for destruction of permanent immoveable structures</td>
<td></td>
</tr>
<tr>
<td>32 – Compensation for temporary displacement of moveable structures</td>
<td></td>
</tr>
<tr>
<td>421 – Compensation for businesspersons’ loss of income</td>
<td></td>
</tr>
<tr>
<td>422 – Vulnerable people amongst businesspersons</td>
<td></td>
</tr>
<tr>
<td>43 – Communal resources</td>
<td></td>
</tr>
<tr>
<td>61 – Development of RAPs and ARPs</td>
<td></td>
</tr>
<tr>
<td>62 – Legal fees</td>
<td></td>
</tr>
<tr>
<td>63 – Capacity building</td>
<td></td>
</tr>
</tbody>
</table>
Annex 10

Egyptian Experiences in Resettlements and Gaps and Suggested Areas for Improvement for ADP
## Egyptian Experiences in Resettlements and Gaps and Suggested Areas for Improvement for ADP

<table>
<thead>
<tr>
<th>Preparatory Steps</th>
<th>Mit Okba</th>
<th>Hekr Abou Doma</th>
<th>Gaps and Suggested areas for Improvement for ADP based on WB OP 4.12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before the decree of expropriation, the Minister of housing circulated a report specifying the route of the corridor to be constructed. The decree submitted to the Cabinet, Ministries of Interior, Agriculture, Culture, Giza Governorate, Egyptian Area force and Civil Aviation Authority. After acquiring their approvals, the Prime Minister issued the Decree of Expropriation. The decree has been published in the official newspaper together with three wide-spread daily newspapers.</td>
<td>The Cairo governorate has prepared a study on the existing status of the area and the need to expropriate it for public interest. In 1994 a decree has been issued considering re-planning and redevelopment of Hekr Abou Doma as public interest and delegated the power to the Governorate to directly undertake the required land for the project. In 2000, the Local Elected Council of the governorate approved to reuse the land for tourism, administrative, commercial and recreational uses.</td>
<td>The affected group should be informed with the displacement plan and participate in defining resettlement options from the earliest stage of the process even before issuing the decree for public interest. Cut-off date should clearly spell out in order to maintain the rights of affected groups and avoid further problems in that respect. A detailed economic study for valuating expected properties to be expropriated should be carried out by professional body (private or public) to define the real-market value.</td>
<td></td>
</tr>
</tbody>
</table>

## Operational Procedures

<p>| The Organization of Greater Cairo Projects, the executive body for the project, submitted the decree along with the maps outlining the boundaries of the properties to be expropriated, to the Egyptian Survey Authority (ESA). The Social Affairs Directorate in Giza Governorate has conducted a social survey to know the number of affected families, their characteristics, preferences for resettlement and compensation. As a result of mistrust among residents towards government intention, the majority of affected families requested financial compensation and few accepted get alternative resettlement options. With the implementation, the majority of families changed their preference towards acquiring alternative shelter. | A decree has been issued to formulate a higher committee for monitoring the implementation of Hekr Abou Doma development project headed by the Deputy Governor for Northern Area. The Governorate has assigned the National Egyptian Bank to market the land for investment purposes. Given the high mobility of population in the area as it mainly consists of shacks, which are occupied by temporary migrants, the governorate decided not to consider any previous survey. A new planning has been carried out by the governorate. A social survey has been carried out in 2000 to define the affected people and activities from expropriation at that time. The work has been carried out through 6 secondary working groups including Engineers from local government. | There is a need to establish a specialized unit for managing the project from the beginning. The unit should include local governmental executive bodies in addition to representatives from the local affected community. A detailed socio-economic survey should be carried out with emphasis on affordability issue and expected impacts on assets and livelihood of affected people. All steps concerning resettlement should be carried out in full transparency and consultation with affected group through established project unit. The higher official support (the Governor or Secretary General) for the process during the implementation and solving any urgent issue is crucial for building the trust with the local affected community and the project’s success. Active involvement of natural leaders within the |</p>
<table>
<thead>
<tr>
<th><strong>Mit Okba</strong></th>
<th><strong>Hekr Abou Doma</strong></th>
<th><strong>Gaps and Suggested areas for Improvement for ADP based on WB OP 4.12</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Researchers from Social Affairs, representatives of Expropriation department in the governorate. The higher committee authenticate the survey as the official document to deal with the project. The compensation and alternative housing has been set according to specific criteria for housing units, shops and other economic activities. The project has been divided into phases. Negotiation was conducted within each phase with the affected people to evacuate the area.</td>
<td>local community is also a cornerstone for the success of the project</td>
<td></td>
</tr>
<tr>
<td>The Expropriation Law 10/1990 was referred to throughout the process whether in terms of operational procedures or compensation methodology. However, given the fact that the area includes high number of illegal occupiers who may dispute over one housing unit or economic activity, the governorate has decided to suspend the compensation to be paid for this unit until those conflicting parties present their evidence. This has taken place without postponing the expropriation.</td>
<td>Several gaps exist and require administrative decisions by the Governor or Secretary General to bridge them: Rights of squatters to be compensated Rights of customary owners to be compensated Complain of resettlement options Valuation of compensation should be based on the date of implementing the resettlement not the date of issuing the decree of public interest.</td>
<td></td>
</tr>
<tr>
<td>The ESA did not publish the list of properties and names of rights’ holders in the Official Gazette and two widely read daily newspapers as required by Article 7 of Law 10/1990 until the present date. Non-publication has no effect on the legality of the expropriation decree. However, the right of the owners and rights’ holders to object to the information included in the said lists would not commence unless it is established that the owners and right holders had actual knowledge of the list. Specification of the relevant properties was</td>
<td>Publication of list of properties should be done in compliance with the law. Dispute over land or structures ownership or tenure should be solved through specialized committee to expedite the payment of compensation of the affected groups</td>
<td></td>
</tr>
<tr>
<td>The expropriation process has not followed the stated administrative process according to law 10/1990. The publication of expropriation terms and conditions has been replaced by several committees to set the criteria and negotiate with affected people The project has been built on the idea of cost recovery and achieving considerable profit for the governorate through selling the land of El-Hekr after evacuating the people through public auction.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Legal Context**

- The Expropriation Law 10/1990 was referred to throughout the process whether in terms of operational procedures or compensation methodology. However, given the fact that the area includes high number of illegal occupiers who may dispute over one housing unit or economic activity, the governorate has decided to suspend the compensation to be paid for this unit until those conflicting parties present their evidence. This has taken place without postponing the expropriation.

**Administrative Context**

- The ESA did not publish the list of properties and names of rights’ holders in the Official Gazette and two widely read daily newspapers as required by Article 7 of Law 10/1990 until the present date. Non-publication has no effect on the legality of the expropriation decree. However, the right of the owners and rights’ holders to object to the information included in the said lists would not commence unless it is established that the owners and right holders had actual knowledge of the list. Specification of the relevant properties was
<table>
<thead>
<tr>
<th>Mit Okba</th>
<th>Hekr Abou Doma</th>
<th>Gaps and Suggested areas for Improvement for ADP based on WB OP 4.12</th>
</tr>
</thead>
</table>
| determined by the data provided by the Enumeration and Evaluation Committees regarding the identity and situation of the respective tenants. In addition, the following documents had to be examined in order to verify ownership rights:  
- Registered contracts  
- Cadastre registers, to determine source of ownership (or the history of the properties)  
- Real estate tax registers (the compilation of these registers depended on the cadastre registers)  
- “Forms of Change,” which enabled the authorities to determine the changes in ownership of each of the lots subsequent to 1934, when the cadastre had been completed. | The compensation cost estimated and paid by the governorate for 42,000 m2 (including 433 units and 169 shops) has been LE 10 million. Yet the return from selling 11,500 m2 has reached LE 110 million! | |
| Financial Context (Compensation Mechanism) | The Evaluation Committees *(Ligan Al-Tassmin)* were to begin their work once the Enumeration Committees were finished. The State’s desire to complete this project as quickly as possible, however, prompted the Evaluation Committees to begin work while the Enumeration Committees | The Compensation and Alternative Housing Committee has set the criteria for compensation for all land and structures within the area. The compensation criteria included:  
*For shops and economic activities*: location, area, license, the operation of the activity and finishing. |
|  |  | Compensation should be defined based on transparent criteria that cover both real market value and transfer cost. This is to be applied to residential and economic activities for different tenure status (e.g., owners, tenants, squatters, customary owners). |
were still doing the survey. Thus, both committees completed their tasks in only 4 months, which involved counting the number and assessing the value of houses to be expropriated in Mit Okba. The Expropriation Law stipulated that Primary Evaluation Committees were required to undertake a preliminary appraisal of the site, which was to be completed before issuance of the Public Interest Decree. This work determined the amount for compensation to be deposited with the Egyptian Survey Authority. The Higher Evaluation Committee reviewed the work of the Primary Evaluation Committees to verify the data presented. An official from the Egyptian Survey Authority—referred to as the Evaluation Director—steered this committee. Other members were officials from the ministries of Housing and Agriculture, and from the Real Estate Taxation Authority. When estimating the level of compensation, these committees based their work on the prices prevailing in the area, while determining price levels by examining registered contracts at the registry offices of nearby areas; and interviewing the residents of these areas. Although the total compensation payment was estimated to be about LE 72 million for all lands and structures to be expropriated, ESA received only LE 20 million from the Ministry of Housing in the account for compensation payments. The remaining amount has been postponed to other fiscal years because of the lack of enough liquidity. Owners, “right holders” were the main beneficiary.

### Mit Okba

<table>
<thead>
<tr>
<th>Area</th>
<th>Compensation Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 1-50 m²:</td>
<td>400LE/m²</td>
</tr>
<tr>
<td>From 51-150m²:</td>
<td>350LE/m²</td>
</tr>
<tr>
<td>From 151 and more:</td>
<td>300LE/m²</td>
</tr>
<tr>
<td>For location:</td>
<td></td>
</tr>
<tr>
<td>On the Nile Cornish:</td>
<td>5000LE (paid once)</td>
</tr>
<tr>
<td>On Geziret Badran and Ebid streets:</td>
<td>4000LE (paid once)</td>
</tr>
<tr>
<td>On Manfaz street:</td>
<td>3000LE (paid once)</td>
</tr>
<tr>
<td>On internal roads:</td>
<td>2000LE (paid once)</td>
</tr>
<tr>
<td>For licenses:</td>
<td>5000 LE (paid once)</td>
</tr>
<tr>
<td>For Operation of the shop or activity:</td>
<td>5000 LE (paid once)</td>
</tr>
<tr>
<td>For good Internal finishing:</td>
<td>5000 LE (paid once)</td>
</tr>
<tr>
<td>The minimum compensation for a shop without license is 15,000LE.</td>
<td>The minimum compensation for a shop with license is 20,000LE.</td>
</tr>
<tr>
<td>For Housing:</td>
<td>number of rooms</td>
</tr>
<tr>
<td>15,000LE for each room (the majority of housing units were already one room)</td>
<td></td>
</tr>
<tr>
<td>For Special Cases:</td>
<td></td>
</tr>
<tr>
<td>62 Stables:</td>
<td>5000LE/unit</td>
</tr>
<tr>
<td>Sugarcane Storage:</td>
<td>25,000LE</td>
</tr>
<tr>
<td>3 kiosks:</td>
<td>5000LE/unit</td>
</tr>
</tbody>
</table>

### Hekr Abou Doma

Based on that, the compensation has been calculated as follows:

- **For areas:**
  - From 1-50 m²: 400LE/m²
  - From 51-150m²: 350LE/m²
  - From 151 and more: 300LE/m²
- **For location:**
  - On the Nile Cornish: 5000LE (paid once)
  - On Geziret Badran and Ebid streets: 4000LE (paid once)
  - On Manfaz street: 3000LE (paid once)
  - On internal roads: 2000LE (paid once)
  - For licenses: 5000 LE (paid once)
  - For Operation of the shop or activity: 5000 LE (paid once)
  - For good Internal finishing: 5000 LE (paid once)
- **For Housing:** number of rooms
  - 15,000LE for each room (the majority of housing units were already one room)
- **For Special Cases:**
  - 62 Stables: 5000LE/unit
  - Sugarcane Storage: 25,000LE
  - 3 kiosks: 5000LE/unit

### Gaps and Suggested areas for Improvement for ADP based on WB OP 4.12

Compensation is to be paid prior to displacement/settlement
Compensation is valued based on date of implementation rather than date of issuing decree.
For those poor households and vulnerable groups, compensation should be linked with soft loans for paying the price of the alternative housing or job opportunities.
Mit Okba

- Residents with leases were also compensated despite having being originally overlooked by the law.
- The ESA was responsible for distributing compensation to the beneficiaries. The Organisation of Greater Cairo Projects along with the Giza Governorate, distributed compensation to tenants of houses and shops.
- The parties concerned may be divided into three groups:
  - **Group A—Owners and “right holders.”**
    - Compensated by the ESA with sums determined by the Evaluation Committee, which specified approximately LE 14,000 for one *girat* (175m²) of land. The value of real estate property in Mit Okba was estimated to range between LE 1,200–1,600 per m².
  - **Group B—Tenants renting houses situated on the corridor route.** This group was compensated immediately at a rate of LE 5,000 per room, with hallways considered as rooms. A tenant renting a unit composed of a hallway and one room received LE 10,000, while those renting a unit composed of a hallway and two rooms were paid LE 15,000.
  - The Ministry of Housing paid this “immediate compensation,” as it wished to address people’s objections and protests, as well as to complete the project as soon as possible.
  - The beneficiaries of this compensation were occupants of the housing unit, regardless of whether they were owners or tenants. A form was issued by the Organisation of Greater Cairo

He kr Ab ou Do ma

Gaps and Suggested areas for Improvement for ADP based on WB OP 4.12
<table>
<thead>
<tr>
<th>Mit Okba</th>
<th>Hekr Abou Doma</th>
<th>Gaps and Suggested areas for Improvement for ADP based on WB OP 4.12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects to streamline the agreement on amounts due to tenants, while Giza Governorate was delegated to process it.</td>
<td></td>
<td>Resettlement option is to be avoided and to be ranked as the least preferred option.</td>
</tr>
<tr>
<td><strong>Group C—Owners of real estate utilised for commercial purposes.</strong> These landlords were paid approximately LE 15,000 per shop.</td>
<td></td>
<td>In case, the resettlement is inevitable, the option with minimum number of displaced people should be selected.</td>
</tr>
<tr>
<td><strong>Technical Framework</strong></td>
<td>**The ESA required the Giza Survey Directorate (in particular, the Survey Projects Office) to specify the procedures of expropriation—the route of the corridor—by placing iron markings on the boundaries of the concerned properties. This permitted the enumeration committees to execute their tasks. The Enumeration Committees (Ligan Al-Hasr) were made up of the Head of the Survey Projects Office (located at the Directorate Offices); a representative from the Organisation of Greater Cairo Projects (the body responsible for the execution of the corridor project); and a representative from Giza Governorate (specifically, from the City Administration, Department of Physical Planning). Subsequently, these documents (lists and maps) were submitted to the expropriation office at Giza Survey Directorate. This office, in turn, formed a committee consisting of the head of the expropriation office and two technicians. Their task was to verify the preliminary tabulations, as well as to carry out the expropriation of the designated properties. The section of the corridor that ran through Mit</td>
<td><strong>The planning process has taken place earlier to deciding upon the resettlement options for those affected people given the fact that all land and structures will be expropriated. The Amlak and expropriation departments within Cairo Governorate have provided all required plans, maps and documents for the area. The negotiation committee has dealt with each phase of the project as case by case through examining all available documents proofing tenure or ownership through a designed questionnaire In addition to the questionnaires, direct interview or meeting with each affected household has taken place and organized also by the negotiation committee. Afterward, each case was presented to the Higher committee for final decision concerning the dispute over land or occupation. The majority of dispute has been on shops (mainly those closed ones not in operation) while for housing units, no dispute has existed due to the presence of all families within the units.</strong></td>
</tr>
</tbody>
</table>

Resettlement option is to be avoided and to be ranked as the least preferred option. 
In case, the resettlement is inevitable, the option with minimum number of displaced people should be selected. 
The resettlement decision should be supported with detailed technical documents (maps, drawings, reports) showing the scope of resettlement. 
All technical steps and procedures should be explained to affected people prior to resettlement in order that they would be prepared for displacement.
<table>
<thead>
<tr>
<th>Mit Okba</th>
<th>Hekr Abou Doma</th>
<th>Gaps and Suggested areas for Improvement for ADP based on WB OP 4.12</th>
</tr>
</thead>
</table>
| Okba was reduced in width from 65 to 60 metres in order to reduce the number of expropriations. The remaining 5 metres were to constitute boundaries, which meant that the buildings situated within this parameter were not expropriated. If these buildings, however, were to collapse within the next 20–30 years, the land could be appropriated within the terms of the original decree. | The Higher Committee headed by the Deputy Governor for Northern Area for monitoring the implementation of the project. It includes the following members:  
- Head of Rod EL-Farag district  
- Head of Housing and Infrastructure Directorate in Cairo Governorate  
- Legal Advisor of the Governorate  
- Director of Amlak department- Cairo Governorate  
- Director of Expropriation and Improvement Department  
- Directors of Housing and Social Affairs departments in Rod EL-Farag  
- Director of Investment Sector in National Egyptian Bank  
- Director of Real Estate Department in National Egyptian Bank  
The Physical Planning Committee headed by Head of Housing and Infrastructure Directorate in Cairo Governorate and includes engineers and urban planners from the governorate and district in addition to the private consultant | Several committees should be established for preparation, implementation, management, assessment of compensation and monitoring of project operations. Those committees should include representatives from different central and local executive bodies to ensure the coordination of different tasks within the process. The role of NGOs and CBOs in mediating, informing and supporting socio-economic aspects related to resettlement, has to be explored and practices in ADP. NGOs and CBOs could play important role in bridging the gap between the government and local communities, especially during the displacement process. |

Institutional Settings

<p>| Mit Okba | ESA: the Main Responsible body for expropriation process. ESA has formulated the different committees for assessment and compensation and received the compensation money from Ministry of housing and transferred it to the affected people. Ministry of Housing: Executing body and main providers for compensation money and offering resettlements options for affected people. Giza Governorate through its different departments (Surveying, Physical Planning, Social Affaires): participating in all committees, conducting local surveys, informing affected persons with procedures and providing available information about the area. NGOs/CBOs: no clear role especially in bridging the mistrust between the government and local communities | | |</p>
<table>
<thead>
<tr>
<th>Mit Okba</th>
<th>Hekr Abou Doma</th>
<th>Gaps and Suggested areas for Improvement for ADP based on WB OP 4.12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resettlements Options for Displaced Persons</td>
<td>The Expropriation Law 10/1990 did not refer to tenants. Thus, the Ministry’s decision to compensate this group constitutes an important precedent—not only were tenants awarded compensation, but the amounts paid were large. This may be attributed to the importance of the corridor project and the government’s desire to complete it as quickly as possible. The Ministry of Housing provided injured parties with the opportunity to obtain adequate housing. It provided substitute housing in Al-Baragil and 6th of October City, stipulating prices at below market rates since compensation sums had been the modest sum of LE 5,000 per room. The ministry</td>
<td>The Enumeration Committee for surveying and documenting all existing land tenure and occupations headed by the Head of the district of Rod EL-Farag and includes representatives from the district, departments of social affairs, expropriation, Amlak and Investment sector in the Nationa Egyptian Bank. The Compensation and Alternative Housing Committee headed by the Director of Investment sector in the governorate and includes representatives of investment sector of the bank, Amlak, physical planning, legal affairs and housing departments. The Negotiation Committee headed by the Head of the district and includes representatives from departments of Amlak, physical planning, legal affairs, social affairs and housing, local elected council, and National Egyptian Bank.</td>
</tr>
<tr>
<td></td>
<td>For housing units: the affected families have been offered whether to get financial compensation estimated based on the number of rooms (15,000LE/room) or another housing unit in remote areas within the governorate’s housing projects (e.g., Dar Essalam, Helwan) All these resettlement locations were already far from the original area. In case of choosing the resettled housing unit, the compensation has been used as down-payment for the new unit and the affected person has to pay the rest in form of monthly instalments.</td>
<td></td>
</tr>
</tbody>
</table>
also offered loans of LE 15,000 to all who had lost their houses, even those that did not satisfy the relevant legal stipulations from a technical point of view. Thus, those who requested a loan for units of 85–110 m² in Al-Baragil were not denied. In addition, the government decided to underwrite the costs of services and utilities for these housing units rather than burden prospective buyers with them, in order to reduce unit prices. This meant that unit prices were reduced by another LE 5,000, while the buyer effectively received LE 15,000 at 6 percent interest. The Nasser Social Bank also offered loans amounting to LE 15,000. Three hundred housing units were provided in 6th of October City. Each unit had an area of 56 m², consisting of two rooms and a hallway. In Al-Baragil, 480 housing units were provided. In the case of a unit priced at LE 20,000, the buyer was required to make an advance payment of LE 5,000. As an injured party, the former resident of Mit Okba obtained compensation ranging between LE 10,000–15,000 and could have a low-cost loan of LE 15,000. This meant that former tenants who made an advance payment of LE 5,000 could become apartment owners.

Approximately 528 families were affected by the corridor project. Of these, 280 requested substitute housing, while 248 simply requested compensation payments. Regarding the 280 families who needed new housing, 190 of these lived in a unit composed of two rooms and a hallway, while the units of the other 90 were

<table>
<thead>
<tr>
<th>Mit Okba</th>
<th>Hekr Abou Doma</th>
<th>Gaps and Suggested areas for Improvement for ADP based on WB OP 4.12</th>
</tr>
</thead>
<tbody>
<tr>
<td>also...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>offered...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LE 15,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>to all...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>who had...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>lost...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>their...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>houses,...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>even...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>those...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>that did...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>not satisfy...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>the relevant...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>legal...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>stipulations...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>from...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>technical...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>point...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>view.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thus,.....</td>
<td></td>
<td></td>
</tr>
<tr>
<td>those...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>who...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>requested...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a loan...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>for units...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of 85–110...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>m² in...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Al-Baragil</td>
<td></td>
<td></td>
</tr>
<tr>
<td>were...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>not denied.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In addition,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>the government</td>
<td></td>
<td></td>
</tr>
<tr>
<td>decided...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>to underwrite</td>
<td></td>
<td></td>
</tr>
<tr>
<td>the costs...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of services...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and utilities...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>for these...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>housing...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>units...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>rather than</td>
<td></td>
<td></td>
</tr>
<tr>
<td>burden...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>prospective...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>buyers...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>with them,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>in order...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>to reduce...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>unit prices.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>This meant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>that unit prices...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>were reduced...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>by another LE 5,000,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>while the buyer...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>effectively...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>received LE 15,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>at 6 percent...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>interest.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Nasser...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Bank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>also offered...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>loans amounting...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>to LE 15,000.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Three hundred...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>housing units...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>were provided...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>in 6th of October City.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Each unit...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>had an area...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of 56 m²,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>consisting...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of two rooms...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and a hallway.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In Al-Baragil...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>480 housing units...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>were provided.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In the case...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of a unit...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>priced at LE 20,000,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>the buyer...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>was required...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>to make an...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>advance payment...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of LE 5,000.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>As an injured...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>party, the former resident of Mit Okba</td>
<td></td>
<td></td>
</tr>
<tr>
<td>obtained compensation ranging between LE 10,000–15,000 and could have a low-cost loan of LE 15,000. This meant that former tenants who made an advance payment of LE 5,000 could become apartment owners.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approximately 528 families were affected by the corridor project. Of these, 280 requested substitute housing, while 248 simply requested compensation payments. Regarding the 280 families who needed new housing, 190 of these lived in a unit composed of two rooms and a hallway, while the units of the other 90 were</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Mit Okba | Hekr Abou Doma | Gaps and Suggested areas for
<p>| Impacts of Resettlement on the affected group | Improvement for ADP based on WB OP 4.12 |
|---|---|---|
| three rooms and a hallway. | No Available Studies have been conducted to define the impact of the affected people from displacement. | An effective monitoring mechanism should be established to follow up impact of the resettlement process on the livelihood of affected persons. Rehabilitation programs should be designated for affected group to overcome the negative impact of resettlement. Socio-economic support from local government and NGOs should be provided for displaced persons during and after the resettlements (e.g., small and short-term credit for transfer and start new business, soft-loans for housing improvement). |
| The resettlement process in the new locations has been carried out on ad-hoc basis without considering the previous neighbouring relationship in the original place. Social relationship has been negatively affected due to the resettlements. The housing tenure has changed from tenement into ownership which implies the need to establish owners union which was not a familiar mechanism for the people. Improvement of the housing spaces in the new resettlement location (the new housing units were at least two rooms instead of one room for several families. However, complains were from the poor quality of finishing. The new sites lacked enough services compared with the old one. The cost and time of transportation or commuting has substantially increased (1-2 LE compared with 0.5LE daily). Delay in paying the compensation from the government side and the inability to pay the instalments of the new units has resulted in financial problems for several families. No compensation for transfer has been paid to the affected people. The value of compensation was much lower than the real value of the properties for landlords of shops they have received only LE 10,000 while some shops were estimated on free market basis by |</p>
<table>
<thead>
<tr>
<th>Mit Okba</th>
<th>Hekr Abou Doma</th>
<th>Gaps and Suggested areas for Improvement for ADP based on WB OP 4.12</th>
</tr>
</thead>
<tbody>
<tr>
<td>LE 50,000. the price of similar shop in the new location was LE.30,000. Housing units instalments were far higher than the affordability of affected families (almost LE. 250 monthly for 25 years)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ANNEX 11: LIST OF REFERENCES


Cairo Governorate, "Report on Hekr Abou Doma Resettlement Project, Cairo Governorate, Cairo 2002


Egyptian Civil Code No. 131/148

Egyptian Constitution 1971 amended in 1980


General Authority for Investment and Free Zones, Investment Guide, Volume I & II.


Hesham Seoudy, Comments on PRA study, October 2005.


Information office of Alexandria Governorate, administrative jurisdictions of Alexandria Governorate.


Law 10/1990 for Property Expropriation for Public Interest

Law 3/1982 for Physical Planning

Shaker Helmy, Poll Lake Marriout Pollution Assessment Report.

Sirry, Azza, "Planning and Managing Resettlement Projects- Case Study Mit Okba", Urban Training Institute, Ministry of Housing, Cairo 2000

Social Fund for Development and SPAAC, Baseline study for three selected squatter settlements, April 2006.


UNDP, Egypt HDR, 2005.


World Bank, Operational Policy No. 17.50 Public Consultation and Information Disclosure.

World Bank, Operational Policy No. 4.01 Environmental Assessment.

World Bank, Operational Policy No. 4.11 Cultural Property.

World Bank, Operational Policy No. 4.12 Involuntary Resettlement.

World Bank, Sourcebook for Social assessment.

World Commission on Dams, Displacement, Resettlement, Rehabilitation, Reparation, and Development, Social Issue, November 2000