

Resettlement Framework

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Proposed Loan and Grant Cambodia: Second Urban Environmental Management in the Tonle Sap Basin Project

Prepared by the Ministry of Public Works and Transport for the Asian Development Bank.

CURRENCY EQUIVALENTS

(as of 1 May 2018)

Currency unit	—	riel (KR)
KR1.00	=	\$0.000250
\$1.00	=	KR4,032.00

ABBREVIATION

ADB	—	Asian Development Bank
DED	—	Detailed Engineering Design
DHs	—	Displaced Households
DMS	—	Detailed Measurement Survey
DPs	—	Displaced People
EA	—	Executing Agency
GDR	—	General Department of Resettlement
GRM	—	Grievance Redress Mechanism
IA	—	Implementing Agency
IOL	—	Inventory of Losses
IRC	—	Inter-ministerial Resettlement Committee
IRC-WG	—	Inter-ministerial Resettlement Committee-Working Group
LAR	—	Land Acquisition and Involuntary Resettlement
MEF	—	Ministry of Economy and Finance
MPWT	—	Ministry of Public Works and Transport
PGRC	—	Provincial Grievance Redress Committee
PIB	—	project information booklet
PMC	—	Project Management Consultant
PMU	—	project management unit
PPCs	—	project preparatory consultants
PRSC	—	Provincial Resettlement Sub-Committee
PRSC-WG	—	Provincial Resettlement Sub-Committee Working Group
RCS	—	replacement cost study
RF	—	Resettlement Framework
RP	—	Resettlement Plan
SES	—	Socio-Economic Survey
SPS	—	Safeguard Policy Statement
SOP	—	Standard Operating Procedures

NOTE

In this report, "\$" refers to United States dollars.

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MAP



DEFINITION OF TERMS

Compensation	– Refers to payment in cash or in kind for an asset or resource that is acquired or affected by a Project at the time the asset needs to be replaced. All compensation is based on the principle of replacement cost, which is the method of valuing assets to replace the loss at current market rates, plus any transaction costs such as administrative charges, taxes, registration and titling costs.
Consultation	– A process that (i) begins early in the project preparation stage and is carried out at different stages of the project and land acquisition and involuntary resettlement cycle; (ii) provides timely disclosure of relevant and adequate information in Khmer Language that is understandable and readily accessible to Displaced Person (DP); (iii) is undertaken in an atmosphere free of intimidation or coercion with due regard to cultural norms; and (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; enables to consider the incorporation of all relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures and implementation issues.
Cut-off date	– For this project (i) if the subproject is prepared based on a feasibility study, the cut-off date is the start date of the first consultation meeting with the DPs during the census, and (ii) if the subproject is prepared based on detailed engineering design, the cut-off date is the date of the commencement of the detailed measurement survey. It is also the date that establishes the eligibility of receiving compensation and resettlement assistance by the project DPs. Only those DPs who own, occupy or reside on the land to be acquired for the subproject under the Project as of this date will be eligible for receiving compensation and resettlement assistance in accordance with the Entitlement Matrix specified in the RF or RP.
Detailed Measurement Survey	– With the aid of detailed engineering design, this activity involves the finalization of the inventory of losses, measurement of losses, 100% Socio-economic Survey, and 100% census of DPs.
Displaced Household (DH)	– Any household, physically and/or economically directly affected because of land acquisition and involuntary resettlement. Household means all persons living and eating together as a single social unit.
Displaced Persons (DPs)	– In the context of involuntary resettlement, DPs are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Economic Displacement	– Refers to loss of land, assets, access to assets, income sources, or means of livelihood because of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.

Eligibility	– Refers to any person or persons, household, firm, private or public institution who has settled in the Project area before the cut-off date, that (i) loss of shelter, (ii) loss of assets or ability to access such assets, permanently or temporary, or (iii) loss of income sources or mean of livelihood, regardless of relocation will be entitled to be compensation and/or assistance.
Entitlement	– Refers to a range of measures comprising compensation, income restoration support, transfer assistance, relocation support, etc. which are due to the DPs, depending on the type and severity of their losses, to restore their economic and social base.
Income Restoration	– Refers to re-establishing productive livelihood of the DPs to enable income generation equal to or, if possible, better than that earned by the DPs before the resettlement or of pre-project levels.
Inventory of Losses	– This is the process where all fixed assets (i.e. lands used for residence, commerce, agriculture, including ponds; dwelling units; stalls and shops; secondary structures, such as fences, tombs, wells; trees with commercial value; etc.) and sources of income and livelihood inside the Project right-of-way are identified, measured, their owners identified, their exact location pinpointed, and their replacement costs calculated. Additionally, the severity of impact to the affected assets and the severity of impact to the livelihood and productive capacity of DPs will be determined.
Involuntary Resettlement	– Refers to when displaced persons have no right to refuse land acquisition by the state that result in their displacement which occurs when land is acquired through (i) expropriation by invoking the eminent domain power of the state, or (ii) land is acquired through negotiated settlement when the pricing is negotiated, and the failure will result in expropriation through invoking the eminent domain of power of the state.
Land Acquisition	– Refers to the process whereby individual, household, firm or private institution is compelled by a public agency to alienate all or part of the land it owns or possesses to the ownership and possession of that agency for public purposes in return for compensation at replacement costs.
Physical Displacement	– Refers to relocation, loss of residential land, or loss of shelter because of (i) involuntary acquisition of land; or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Relocation	– This is the physical relocation of a displaced people from her/his pre-project place of residence and/or business.
Replacement Cost	– Replacement cost involves replacing an asset, including land, at a cost prevailing at the time of its acquisition. This includes fair market value, transaction costs, interest accrued, transitional and restoration costs, and any other applicable payments, if any.

Depreciation of assets and structures should not be considered for replacement cost. Where there are no active market conditions, replacement cost is equivalent to delivered cost of all building

materials, labor cost for construction, and any transaction or relocation costs.

Where land market conditions are absent or in a formative stage, the DPs and host populations will be consulted with to obtain adequate information about recent land transactions, land value by types, land titles, land use, cropping patterns and crop production, availability of land in the project area and region, and other related information.

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|------------------------|---|---|
| Replacement Cost Study | – | This refers to the process involved in determining replacement costs of affected assets and land and performed by an independent qualified national consultant (firm or individual) with necessary expertise to carry out asset valuation. |
| Resettlement Plan | – | This is a time-bound action plan, with budget, setting out the resettlement objectives and strategies, entitlements the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and implementation schedule. The outline Resettlement Plan is in Annex to Appendix 2 of the ADB Safeguard Policy Statement (2009). |
| Major Impacts | – | Refers to DHs who will (i) lose 10% or more of their total productive land and/or assets; (ii) have to relocate; and/or (iii) lose 10% or more of their total income sources due to the Project. |
| Vulnerable Groups | – | These are distinct groups of DPs who are likely to be more adversely affected than others and who are likely to have limited ability to re-establish their livelihoods or improve their status and comprise : (i) all the households living below the national poverty rate established by the Government, ¹ (ii) female headed households with dependents living below the national poverty rate, (iii) disabled headed households with no other means of support, (iv) elderly headed households who are landless and with no other means of support, (v) landless poor living below the national poverty rate, and (vi) indigenous people or ethnic minorities (who often have traditional land rights but no formal titles). |

¹ This includes squatters and those without land titles.

I. INTRODUCTION

A. Project Description

1. The Second Urban Environmental Management in the Tonle Sap Basin Project (the Project) outcome is urban services improved in participating cities. The participating cities are Battambang (Battambang Province), Serei Saophoan (Banteay Meanchey Province) and Stueng Saen (Kampong Thom Province).²

B. Project Components and Proposed infrastructure

2. The Project shall comprise three outputs:

- (i) Improved Urban Services:
Construction of wastewater treatment plants and separate sewerage networks, drainage networks, controlled landfills, public toilets, and free latrines for poor households.
- (ii) Improved Institutional Effectiveness:
Capacity development for staff, and support to establishment of urban service units.
- (iii) Improved Policy and Planning Environment:
Preparation of urban development strategy and master plans, and road map for financial sustainability of project investments.

C. Rationale for a Resettlement Framework

3. This Resettlement Framework (RF) sets out the criteria for screening subprojects on their resettlement impacts and provides guidance in preparing Resettlement Plans (RPs) for eligible subprojects with insignificant resettlement impacts. It defines the objectives, principles, eligibility criteria and entitlements for displaced persons (DPs) based on (i) Asian Development Bank's (ADB) Safeguards Policy Statement (SPS), 2009; and (ii) the Royal Government of Cambodia (the Government) laws, rules and regulations.

4. It describes entitlements and compensation and assistance to be provided to the DPs; information disclosure, participation and consultation procedures; and grievance redress mechanisms that will be employed to prepare the RPs for the subprojects that involves land acquisition and involuntary resettlement (LAR).

5. The Government's relevant laws, rules and regulations governing expropriation of land and the ADB's SPS (2009) and related Operations Manuals govern the Project's context for the planning and implementation of LAR activities.

² ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Grant Kingdom of Cambodia: Second Urban Environmental Management in the Tonle Sap Basin Project*. Manila

II. INSTITUTIONAL ARRANGEMENT

A. Institutional Arrangement

6. **Ministry of Public Works and Transport (MPWT).** The Project will be implemented by MPWT as the executing agency (EA) through the Project Management Unit (PMU), which will support MPWT in undertaking overall oversight and management of the Project. It will be supported by consultants to ensure that procedures are followed and that the implementation schedules are kept on track. However, it will not be responsible for carrying out the LAR activities which is mandated to the General Department of Resettlement (GDR), except for the preparation of the RF and the feasibility stage RPs.

7. **Inter-Ministerial Resettlement Committee (IRC).** The IRC has the mandate to review and evaluate the resettlement impact and land acquisition for public physical infrastructure development projects in the Kingdom of Cambodia. The IRC is a collective entity, permanently chaired and led by the Ministry of Economy and Finance (MEF), with members from different line ministries. The IRC carries out its roles through a Working Group (IRC-WG) which is established by MEF for each public investment project. The IRC is the approving authority for all RFs, draft RPs, and detailed RPs prior to submission to the ADB for its approval.

8. **General Department of Resettlement (GDR).** The GDR is the permanent Secretariat of the IRC and the General Department of the MEF and is the lead agency for the preparation, implementation, and monitoring and reporting of LAR activities. The GDR carries these activities through its Resettlement Departments. However, the preparation of the RFs and feasibility study level RPs will be carried out by MPWT with the assistance of Project Preparatory Consultants (PPCs), under the guidance of GDR and will be reviewed and endorsed by the GDR before submission to the IRC for approval. The GDR is responsible for all other LAR activities, including preparation of Detailed Resettlement Plans (DRPs), its implementation, establishment and function of Grievance Redress Mechanism (GRM) (maintenance of the Grievance Database, update and reporting) and preparing RP Compliance report upon completing compensation payment and during RP implementation.

9. **Cadastral Administration Office.** The Cadastral Administration Offices under the Ministry of Land Management, Urban Planning and Construction is responsible for issuing titling documents, including the certificate of land use rights, hard titles and social land concession as part of securing tenure for landless and issuing title documents for the land plots acquired in favor of MPWT.

10. **Project Management Unit (PMU) under MPWT.** A dedicated PMU has been established in MPWT to carry out the day-to-day tasks in the overall implementation of the Project. With respect to LAR, the PMU will be responsible for the preparation of the RF and the draft RPs with the assistance of the PPCs and/or the design and implementation support consultants. The GDR will provide overall directions and guidance and participate in the public consultation, as it deems necessary.

11. The specific tasks of the PMU related to LAR are as follows:

- (i) submit the Mission Aide Memoire or Memorandum of Understanding to GDR and seek endorsement of provisions relating to LAR;
- (ii) submit the RF and feasibility stage RPs to GDR for review and endorsement prior to the approval of the IRC;

- (iii) participate as a member of the IRC-WG and assist the Provincial Resettlement Sub-Committee Working Group (PRSC-WG) in carrying out the LAR tasks at the provincial level;
- (iv) ensure that GDR participates and carries out all safeguard reviews during project review missions;
- (v) participate in the Detailed Measurement Survey (DMS) and public consultations; and
- (vi) advise GDR in case of any resettlement bottleneck hampering or having the potential to delay the construction activities.

12. **Inter-Ministerial Resettlement Committee Working Group (IRC-WG).** The IRC-WG will carry out the day-to-day LAR activities under the project which is led by the Deputy Director/Chief of the Department of Resettlement of the GDR and comprise technical PMU staff of the EA/implementing agency (IA), staff of the Resettlement Department and staff of the Ministry of Land Management, Urban Planning and Construction. The IRC-WG will be responsible for all the field work under the supervision of the Director of the Resettlement Department and overall guidance and direction of the Director General of the GDR.

13. **Provincial Resettlement Sub-Committee (PRSC).** The PRSC is established by the Provincial Governor at the request of the IRC for each project and comprises (i) the Provincial Governor or the Deputy Provincial Governor as the Head, (ii) Provincial Department Directors of the Line Ministries represented in the IRC, and (iii) the respective chiefs of the Districts and Communes of the locations affected by the project as Members.

14. The role of the PRSC is as follows:

- (i) provide the coordination and supporting role to the GDR, IRC and IRC-WG for LAR activities at the local level;
- (ii) ensure all relevant provincial and local government authorities provide the necessary support for LAR;
- (iii) manage the public consultation meetings at Provincial Level; and
- (iv) responsible and accountable for the disbursements of the compensation payments at the provincial level.

15. **Provincial Resettlement Sub-Committee Working Group (PRSC-WG).** The PRSC-WG is established by the Provincial Governor and is mainly responsible for technical functions of the PRSC and works with the IRC-WG in carrying out the LAR activities at the provincial level.

16. In addition to supporting the PRSC, the PRSC-WG has the following specific functions:

- (i) facilitate all public consultation and information disclosure meetings and maintain records;
- (ii) cooperate with IRC-WG in carrying out DMS and Inventory of Losses (IOL) and in the implementation of the approved detailed RP;
- (iii) lead the payments of compensation to DPs; and
- (iv) prepare monthly progress reports on all LAR activities at the provincial level and submit to PRSC and GDR.

17. **Project Management Consultant (PMC).** The PMC reports to the PMU and will carry out the detailed engineering design (DED) of the subprojects. With respect to LAR, the PMC's role is limited to identifying any LAR issue that is causing or has the potential to cause delays in

the construction activities. The PMC, through the PMU, will promptly inform relevant Resettlement Department of the GDR about the issue and assist the GDR and MPWT, as needed, to seek a resolution of the problem.

B. Capacity Assessment of Implementation Agencies

18. The capacity of the relevant agencies is sound. The GDR has acquired extensive experience over the last decade in carrying out LAR activities in donor financed projects, including those financed by ADB. The IRC-WG and the PRSC have gained a lot of field experiences. The capacity of agencies is supported by a clear set of operational and administrative guidelines (or instructions) that are elaborated in the Standard Operating Procedures (SOP) for Land Acquisition and Involuntary Resettlement for Externally-Financed Projects (promulgated under Sub Decree No. 22 ANK/BK on 22 February 2018) to ensure consistency in carrying out various LAR tasks. GDR's capacity is augmented by in-house consultants.

III. OBJECTIVES, POLICY FRAMEWORK AND ENTITLEMENTS

A. Objective of Resettlement Framework (RF)

19. This RF provides the procedures and key principles of involuntary resettlement safeguards that will govern the preparation and implementation of RP consistent with the ADB policy requirements and legal framework of the Government for all the subprojects of the Project. The RF has been prepared based on various consultations held with affected communities and government officials.

20. In accordance with the ADB SPS Safeguard Requirements 2: Involuntary Resettlement, the RF will also apply for identifying past impacts where the land is acquired in anticipation of the Project.³ It will guide the due diligence and corrective action planning in case land is acquired or LAR is ongoing prior to ADB involvement or in case of negotiated land acquisition if expropriation results upon the failure of negotiation.

21. In case any land⁴ for the subproject is acquired in anticipation of ADB financing, the resettlement plan will identify the requirement of a Due Diligence Report (DDR) and include corrective measures as relevant. The resettlement plan will be submitted for ADB review and concurrence and in accordance with this RF.

22. The EA, with the assistance of the PPCs, has prepared this RF and submitted it to GDR for endorsement and subsequent approval by IRC. It will be submitted to ADB for review and endorsement prior to its Management consideration of the Project.

23. The approved RF will then be disclosed on the ADB website, and after project approval disclosed by the EA and GDR in the Khmer language.

B. Relevant Laws and Regulations of Royal Government of Cambodia

24. **The 1993 Constitution of Cambodia** sets the key principle for land acquisition in the public interest. The first is Article 44 which stipulate that expropriation of ownership shall be

³ The scope of application of the ADB SPS SR2 as detailed in para 4, page 44 and para 16, page 46.

⁴ This may include any type of land, including private and state-owned lands.

exercised only in the public interest as provided by law and shall require fair and just compensation in advance.

25. **The 2001 Land Law** governs land and property rights in Cambodia. Based on the provisions of the 1993 Constitution, it defines the regime of ownership of immovable properties, such as land, trees and fixed structures.

26. The rights and responsibilities of the government with respect to eminent domain are specified in the Land Law. The government can acquire private land for public purposes but must pay a fair and just compensation in advance of the land acquisition. The Land Law, Article 5, states that “No person may be deprived of his ownership, unless it is in the public interest. Ownership deprivation shall be carried out in accordance with the forms and procedures provided by law and regulations and after the payment of fair and just compensation in advance.”

27. Other provisions of the Land Law that are relevant to land acquisition, compensation and resettlement include:

- (i) Legal possession as defined by the Law is the sole basis for ownership, and all transfers or changes of rights of ownership shall be carried out in accordance with the required general rules for sale, succession, exchange and gift or by court decision. (Article 6).
- (ii) Any regime of ownership of immovable property prior to 1979 shall not be recognized. (Article 7).
- (iii) State public land includes, among other categories, any property (a) that has a natural origin, such as forests, courses and banks of navigable and floatable rivers or natural lakes; (b) that is made available for public use such as roads, tracks, oxcart ways, pathways, gardens, public parks and reserved land; or, (c) that is allocated to render public service, such as public schools, public hospitals or administrative buildings. (Article 15).
- (iv) Persons that illegally occupy, possess or claim title to State public land cannot claim any compensation. This includes land established by the government as public rights-of-way for roads and railways. Moreover, failure to vacate illegally occupied land in a timely manner is subject to fines and/or imprisonment. (Article 19).
- (v) Ownership of the lands is granted by the State to indigenous communities’ as collective ownership, including all the rights and protections enjoyed by private owners. The exercise of collective ownership rights are the responsibility of the traditional authorities and decision-making mechanisms of the indigenous community, according to their customs and subject to laws such as the law on environmental protection. (Article 26).
- (vi) Persons with legally valid possession of land for five years (**at the time the law came into effect-2001**) can be registered as the owner of the land (Article 30).

28. **The Expropriation Law**, passed by the National Assembly on 29 December 2009 and promulgated by the King on 4 February 2010, contains 8 Chapters with 39 Articles. It provides clear procedures on acquiring private properties for national and public interests. Some of the Key Articles of the Law are listed below:

- (i) Article 2: the law has the following purposes: (i) ensure just and fair deprivation of a legal rights to private property; (ii) ensure prior fair and just compensation; (iii)

- serve the national and public interests; and (iv) development of public physical infrastructure.
- (ii) Article 7: Only the State may carry out an expropriation for use in the public and national interests.
- (iii) Article 8: The State shall accept the purchase of part of the real property left over from an expropriation at a reasonable and just price at the request of the owner of and/or the holder of right in the expropriated real property who is unable to live near the expropriated scheme or to build a residence or conduct any business.
- (iv) Article 11: Before exercising any expropriation, the government shall prepare enough annual budgets, and grant adequate and timely fund to the Expropriation Committee at the request the MEF for compensating the owner of and/or holder of real right to the immovable property by the expropriation.
- (v) Article 12: An Expropriation Committee shall be established and headed by a representative from the MEF and composed of representatives from relevant ministries and institutions. The organization and functioning of the Expropriation Committee shall be determined by a sub-decree [Sub Decree No 22 ANK/BK promulgated on 22 February 2018].
- (vi) Article 16: Before proposing an expropriation project, the Expropriation Committee shall publicly conduct a survey with detailed description about the owner and/or rightful owner of the immovable property and other properties which might need compensation; and all other problems shall be recorded as well. In conducting this survey, the Expropriation Committee shall arrange a public consultation with the authorities at provincial, district and commune level, the commune councils and village representatives or the communities affected by the expropriation in order to give them clear and specific information and to have all opinions from all concerned parties about the proposed public infrastructure project.

29. Sub Decree No. 22 ANK/BK promulgated on 22 February 2018 on the SOP for Land Acquisition and Involuntary Resettlement for Externally-Financed Projects sets out the policies, regulations and procedures for carrying out LAR that will apply to this Project.

30. The SOP provides for the use of Development Partners Safeguard Policy and for gap filling measures where the provisions of the SOP conflict with the Development Partners mandatory safeguard requirements.

C. Other Relevant Laws and Regulations

31. MEF Sub-Decree No. 115 dated 26 May 2016 on promoting Resettlement Department to GDR provides mandate to the GDR to lead all resettlement activities including preparation of RP, implementing, and internal monitoring of the RP.

D. ADB Safeguards Policy Statement (SPS)

1. ADB Policy on Involuntary Resettlement

32. The objectives of the ADB SPS (2009) are to: (i) avoid involuntary resettlement, wherever possible; (ii) minimize involuntary resettlement by exploring project and design alternatives; (iii) enhance or at least restore the livelihoods of all DPs in real terms relative to pre-project levels; and (iv) improve the standards of living of the displaced poor and other vulnerable groups.

33. The involuntary resettlement safeguard covers physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of: (i) involuntary acquisition of land or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas. It also covers whether such losses and involuntary restrictions are full or partial, permanent or temporary

34. ADB's Involuntary Resettlement Policy principles include:

- (i) Screen early to identify involuntary resettlement impacts and risks and determine the scope of resettlement planning through a survey and/or census of DPs, including a gender analysis, specifically related to resettlement impacts and risks.
- (ii) Carry out meaningful consultations with DPs and affected local communities. Inform all DPs of their entitlements and resettlement options and ensure their participation in planning, implementation, monitoring and evaluation of resettlement and pay attention to the needs of vulnerable groups especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the DPs' concerns. Support the social and cultural institutions of DPs and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be prepared by a social preparation phase.
- (iii) Improve, or at least restore, the livelihoods of all DPs through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
- (iv) Provide physically and economically DPs with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.
- (v) Improve the standards of living of the displaced poor and vulnerable group to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- (vi) Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
- (vii) Ensure that DPs without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.
- (viii) Prepare a RP elaborating on DPs' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.

- (ix) Disclose a draft resettlement plan, including documentation on the consultation process in a timely manner before project appraisal, in an accessible place and a form and language(s) understandable to DPs and other stakeholders. Disclose the detailed resettlement plan and its updates to all DPs and other stakeholders.
- (x) Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
- (xi) Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the RP under close supervision throughout project implementation.
- (xii) Monitor and assess resettlement outcomes, their impacts on the standards of living of DPs, and whether the objectives of the RP have been achieved by considering the baseline conditions and the results of resettlement monitoring and disclose monitoring reports.

2. Other Considerations

35. **Indigenous peoples.** Subprojects involving involuntary resettlement of Indigenous People will not be considered under this Project.⁵

36. **Gender.** Gender concerns and issues will be considered in resettlement planning. Gender differentiated benefit-sharing measures are included in the resettlement plans to ensure that the women and men of the households are treated equally.

37. In general, the main principles of the government policies on land acquisition, compensation, assistance and resettlement reflect those provided in ADB's SPS 2009. Comparison of ADB's SPS and Government's laws and regulations are provided in the Annex 1 of this RF and solutions to fill the key gaps have been incorporated into the RF.

E. Subproject Screening and Involuntary Resettlement Categorization

38. The ADB's SPS (2009) requires that all subprojects will be screened to determine whether they involve involuntary resettlement. All potential subprojects will be screened and categorized, using the IR categorization screening form provided in Annex 2 of this RF.

39. The subproject's involuntary resettlement category is to be determined by the category of its most sensitive component in terms of involuntary resettlement impacts and guided by the criteria set out in page 3 of the ADB Operations Manual Section F1/OP.⁶

40. Subprojects with significant resettlement impacts (Category A) and those requiring physical displacement of Indigenous People will not be eligible for support under the Project. Only subprojects with insignificant resettlement impacts (Category B) or no resettlement impacts (Category C) will be eligible for support under the Project.

- For a subproject involving involuntary resettlement (Category B), a RP will be prepared commensurate with the extent and degree of the impacts as described

⁵ Indigenous people will be identified in accordance with ADB SPS Safeguards Requirement 3.

⁶ ADB OM Section F1/OP updated in October 2013.

in this RF, but not compromising the content and the prescribed issues to be addressed in RP as per ADB SPS (2009).

- Category C subprojects will be subject to due diligence before eventually being confirmed under the subject category.

41. Measures will be taken to avoid or at least minimize the resettlement impact by considering potential alternatives and/or adjustment to the design, etc.

F. Eligibility and Entitlements

1. Eligibility

42. Eligibility will be determined with regards to the “Cut-off Date”. The participants will be informed about the Cut-off Date and eligibility and the date will be announced through posting on commune/Sangkat/public boards and through pagodas. Those who encroach into/or occupy the subproject area after the Cut-off Date will not be eligible for any compensation or any other assistance.

43. DPs in a subproject area are categorized into three types; (i) persons with formal legal rights to land(land title) lost in its entirety or in part; (ii) person who lost the land they occupy in its entirety or in part who have no formal legal rights to such land (land title) , but have claims to such lands that are recognized or recognizable under Cambodian Laws; and (iii) person who lost the land they occupy in its entirety or in part who have neither formal legal rights (land title) nor recognized or recognizable claims to such land.

44. Those DPs covered under (i) and (ii) are either provided with replacement land or cash compensation at full replacement cost for the land they lose, payment for partially or fully affected non-land assets they own and resettlement assistance in cash or in-kind. DPs covered under (iii) are provided compensation at full replacement cost for **non-land assets** they own and for improvements they made on land, and resettlement assistance if they occupy the subproject area prior to the cut-off date of the subproject. DPs who occupy the subproject area after the cut-off date will not be eligible to any compensation or assistance.

2. Entitlements

45. An Entitlement Matrix has been developed for the Project considering all possible potential impacts of the Project and is included as Annex 3 to this RF. This will guide the preparation of a RP for each subproject that involves LAR impacts.

46. The subproject level matrix in the RPs will show the exact types of losses, entitled persons and units of entitlements. The RPs will not repeat the sections from the RF but where applicable, they will make relevant reference to the RF.

47. The entitlements in Annex 3 may not cover all types of impacts and will be enhanced or improved in the detailed RP based on the findings of the social assessment and subproject LAR impacts during the detailed design stage, but not downgraded in case there will be LAR related impacts identified and/or arose during the project implementation stage.

IV. SOCIOECONOMIC INFORMATION

A. Social Impact Assessment

48. The Social Impact Assessment (SIA) requires assessing the past, present and future potential social impacts and gender analysis. For any subproject that involves LAR impacts, a socioeconomic survey(s) and a census will be carried out, with the appropriate socioeconomic baseline data collected to identify all persons who will be displaced by the subproject and to assess the project's socioeconomic impacts on them at the feasibility and detailed engineering design stage (DED).

49. The Government has developed a standard Questionnaire (called DMS Questionnaire) based on the socioeconomic survey (SES) questionnaire used in past ADB financed projects, which will be utilized to collect the socio-economic data. An inventory of DPs and their assets, an assessment of their income and livelihoods, and gender-disaggregated information pertaining to the economic and sociocultural conditions of DPs will be assessed and prepared. Relevant local statistics will be collected from communes and villages in the project area.

50. As part of the social impact assessment, the subproject will identify the poor and vulnerable groups of DPs who may be differentially or disproportionately affected by the subproject because of their disadvantaged or vulnerable status in accordance with the criteria established by the GDR (and defined in the definitions). Where such individuals and groups are identified, the subproject will propose and implement targeted measures so that adverse impacts do not fall disproportionately on them and they are not disadvantaged in relation to sharing the benefits and opportunities resulting from development.

B. Methodology for Detailed Measurement Survey⁷

51. The Project will carry out a 100% census and assets inventory of the DPs to determine (i) who they are, (ii) what they do for a livelihood, and (iii) what they possess and are likely to lose due to the project. An indicative list of data to be collected is in Annex 4.

52. After the Board approval of the Project and the completion of the subproject appraisal studies and the DED (to the stage where the demarcation of the actual boundaries of the required land are identified) by the PMC, which will be recruited under the Project, the GDR will carry out a DMS using the DMS Questionnaire. DPs will be provided the ID cards detailing their affected assets, income and land after the DMS.

53. The IRC-WG together with the PRSC-WG, established for the subproject by the IRC, will carry out the DMS which will determine 100% of the census of DPs; 100% of the SES; identification and measurement of 100% of the land and non-land asset losses (100% IOL). The DMS survey will be carried through household interviews and consultation.

54. The DMS Questionnaire captures relevant and key socio-economic data for 100% of the DPs. This will include household data like size and ethnicity; gender, age, marital status, education of the household head; type and sources of income; employment status and total household income; gender disaggregated data; household headed by women, elderly, disabled or indigenous people; and other livelihood sources, if any.

⁷ Refer to the SOP for survey tools.

55. Data on affected land (area and type), houses and structures (area and type), and other assets; ownership status (title or right); and affected trees and crops; and other productive assets will be enumerated, and detailed measurements carried out. Preference for resettlement options, where physical relocation is required, will also be sought and detailed.

C. Determination of Replacement Cost

56. **Principle.** All compensation will be based on the principle of full replacement cost as required by the ADB SPS (2009)⁸. To conduct a replacement cost study (RCS), the GDR will recruit one professional independent appraiser/firm (RCS Consultant) in all the subproject areas during the DMS in order to determine compensation rates reflecting current market prices for (i) agricultural, residential and commercial land; (ii) different types of affected structures; and (iii) crops and trees; business losses; transportation cost; allowance for essential basic infrastructure services; timber/fence trees include under the crops and trees.

57. The RCS in the subproject areas will be valid for one year after the completion of DMS and if the offer of the compensation and/or assistance is not made to the DP within this period, the replacement cost will be updated to reflect the then prevailing market valuation by the RCS Consultant. The RCS results will be the basis for estimating the budget for financing the resettlement costs.

58. **For replacement costs of land**, the RCS Consultant will directly interview households that have recently bought or sold land to collect the evidence of the rate of land transaction; and, interview households who are looking for properties to sell or buy within and around the subproject area. The RCS Consultant will also find out from local residents, subject to confirmation/validation through official records of local authorities, the price of various types of land that have been the subject of transactions in the past six (6) months to one (1) year in the community or nearby areas and the prices of various types of land local residents are willing to buy or sell as well as collects data from government offices on recent land transactions and land market assessment.

59. **For structures**, the RCS Consultant will interview owners of structures to determine the construction materials usually used in the locality for each type of building following existing government categories or standards; sources of construction materials used and the unit costs of said materials, including the costs of transporting the same to the locality; and the cost of labor for constructing each type of building found in the locality. In the survey, interviews will also be conducted with building contractors to determine the cost of construction materials for each type of structures in the subproject area following existing government categories; the cost of transporting construction materials to the subproject area (community); the cost of labor for constructing each type of building; and the unit cost per meter square of each type of building in the subproject area following existing government categories. The replacement cost will be based on the latest item rates for construction within the subproject area.

60. **For the crops and trees**, interviews will be conducted with owners, market vendors and seedling suppliers to determine the current selling farm gate price of fruits or crops in the area and compensated accordingly to the formula as shown in the Entitlement Matrix. RCS will collect data from statistics offices on average yields per type of crop and/or tree identified during the DMS.

⁸ Appendix 2, Subsection D. para 10, page 45, ADB SPS (2009).

D. Preparation and Submission of Draft and Detailed RPs

61. The information and the data collected through the DMS will be used to prepare the detailed RP in accordance with the ADB SPS (2009)⁹ for each subproject or for all subprojects in one town based on the situation. The socio-economic data collected at the DMS stage will establish the base line key indicators for monitoring and evaluation purposes, as necessary. The Entitlement Matrix will be updated for each subproject/group of subprojects in each town based on the actual type of losses and included in the detailed RP as an annex.

62. The unit cost determined by the RCS will be used to calculate the compensation for each DP based on their measured loss of assets. In addition, cost of resettlement assistance for transitional income loss, other applicable allowances and livelihood restoration programs, if any, will be calculated. The firm budget for the cost of LAR will be included in the detailed RP.

63. The expected number of DPs will be minimal as the selection criteria excludes the financing of subprojects with significant resettlement impacts and hence the detailed RP, where this is required, will be very short and focus only on the compensation and livelihood restoration, where applicable, package to the DPs.

64. The detailed RPs will be prepared by the GDR and submitted to the IRC for formal endorsement prior to submitting for ADB's review and approval.

V. CONSULTATION, PARTICIPATION, AND DISCLOSURE

A. Consultation and Participation

65. The MPWT together with GDR will conduct meaningful consultation with DPs, their host communities, and available local civil society organizations for each subproject where involuntary resettlement impact is identified. Consultations will also include Focus Group Discussions (FGDs) with all the affected persons, including the poor and vulnerable groups and one-on-one individual consultations conducted during the census and SES. The consultation process will begin early during the project preparation stage and will continue throughout the project cycle.

66. MPWT and GDR will ensure the consultation is gender inclusive and special attention is made to ensure the participation of women and the vulnerable group of DPs, as much as possible. All efforts will be made to incorporate mitigation measures to address their concerns, where relevant and possible.

67. The Government has developed a four-step comprehensive and inclusive public consultation and participation process to carry out meaningful dialogue with the DPs, affected communities and civil society. The role of MPWT and the GDR differ at the different steps of the consultation process which is described in detail in Annex 5.

B. Information Disclosure

68. Summaries of the approved RF, draft RP and the detailed RP will be translated in the Khmer language and posted at the **Town and Commune** offices for easy and free access to the DPs and the affected communities. For illiterate people, suitable other communication methods will be used based on the discussion and in consultation with the DP. They will also be uploaded

⁹ Each RP should follow the Outline of a Resettlement Plan as in the ADB SPS, Annex to Appendix 2, page 51.

in websites of the EA both in Khmer and English. Three sets of PIBs will also be prepared for the different phases of the consultative and participatory meetings (see section on Consultation and Participation) and disseminated **directly** to the DPs as well as posted at the Commune or Town Offices.

69. The GDR will submit the following documents to the ADB for disclosure on ADB's website after their approval by IRC and the ADB where required:

- (i) RF and the draft RPs prepared for the subprojects during project preparation prior to completion of project appraisal (at ADB Management or Staff Review Meeting); and this RF approved by the IRC and endorsed by ADB before project appraisal;
- (ii) draft RPs prepared for subprojects after approval of the Project by the ADB; the detailed RP approved by the IRC and endorsed by ADB;
- (iii) detailed RPs of the subprojects and updates, if any; and a new RP, an updated RP, and corrective action plans prepared during project implementation, if any; and
- (iv) the Semi-Annual Monitoring Reports of LAR or the resettlement monitoring report.

VI. COMPENSATION, INCOME RESTORATION AND RELOCATION

A. Compensation Measures

70. The overall objective of the resettlement policy of the Project is to ensure that all people affected by the Project can maintain and, preferably, improve their pre-project living standards and income-earning capacity by providing compensation for the loss of physical and non-physical assets and, as required, other assistance and rehabilitation measures to re-establish their affected livelihood.

71. The Entitlement Matrix includes the complete package for compensation for loss of land and non-land assets, the resettlement assistance (loss of income, disturbance and transportation allowances) and the livelihood restoration/support program together with the additional support/measures for the poor and vulnerable group. Consistent with Project-specific resettlement principles and policies, compensation to be paid for affected assets based on replacement cost without deduction for taxes and/or costs of transaction.

72. Only those DPs confirmed to be residing in, doing business, or cultivating land, or having rights over resources within the subproject sites or land to be acquired or used for the subproject before the cut-of-date will be eligible for compensation for lost assets and resettlement assistance. The validity of the eligibility of DPs will be determined during the DMS stage. The budget for compensation and other resettlement assistances will be included in the detailed RP and approval of the MEF sought after the formal approval of the detailed RP by the ADB.

B. Income Restoration Program

73. The DPs who permanently lose their source of livelihood will be provided with support to re-establish means of their livelihood. This may be either in the form of cash grants for them to seek new or upgrade their skills or through an income support program (land-based, employment-based or business-based) depending on the choice of the DPs and as listed below.

74. Those DPs who are classified as poor and vulnerable as per the category stipulated in the definition of Vulnerable Groups, will be provided additional assistance to improve their living status.

75. **Land-based Livelihood Restoration Program.** This program includes:

- (i) Access to other land-based sources of income, like vegetable gardening, fruit trees, and livestock if alternative affordable agricultural land is available. The Project will not provide the land except in the case of land for land swap. DPs will need to acquire the land at their own costs. Specifically, designed skills training in farming and livestock will be provided to the DPs; and
- (ii) Financial support in the form of a lump sum cash grant of US\$ 200 to assist in re-establishing the livelihood.

76. In case no alternative agricultural land is available, these DPs will be offered the option to participate either in the employment or business-based livelihood restoration program.

77. **Employment-based Livelihood Restoration Program.** This program is offered to DPs who have permanently lost employment. The program includes:

- (i) Provision of employment skills training. A survey of the employment opportunities in the proximity of the relocation sites will be carried out as part of the preparation of the detailed RP which will be analyzed to determine the types of jobs available and the skills set requirements. The training program will be developed to help build these skills set for the DPs;
- (ii) Financial support in the form of cash grant equivalent to 3 months of income based on the official poverty rate prescribed by the government to support the displaced person during the training period. The amount will be the monthly poverty rate x number of members in the DH x 3; and
- (iii) Access to temporary job opportunities at the construction site, at the office, or other places that may be available under the Project.

78. **Business-based Livelihood Restoration Program.** This program includes:

- (i) Provision of business skills training focusing on micro or home-based businesses; and
- (ii) Financial support in the form of a lump sum cash grant of US\$ 200 to assist in starting or re-establishing micro or home-based businesses.

79. **Special Package for Poor and Vulnerable Groups.** The DPs who are classified as poor and vulnerable as per the category stipulated in the definition of Vulnerable Group will participate in any of the three programs and the corresponding skills training program depending on their choice. In addition, this category of DPs will be entitled to the following:

- (i) Double the financial support rate offered in the three different livelihood programs; and
- (ii) Priority access to employment opportunities under the Project

C. Relocation

80. Physical relocation is not anticipated under any of the subprojects and hence there is no provision for new resettlement sites.

VII. GRIEVANCE REDRESS MECHANISM

81. A well-structured and functioning Grievance Redress Mechanism (GRM) will be established at the local level following standard government procedures to resolve grievances and complaints in a timely and satisfactory manner as required under the ADB SPS 2009. The Expropriation Law of the RGC provides for a Grievance Redress Committee (GRC) to handle complaints with the additional provision for DPs to seek judicial redress in case they dispute the decision of the GRC.

82. A Provincial Grievance Redress Committee (PGRC) will be established in each of the three provinces where the subprojects are located. The PGRC is empowered, at the administrative level, to make binding decisions on the resolution of eligible complaints. Details of the GRC will be included in the Project Information Booklets (PIBs) and distributed to DPs during the consultations with DPs. The GRM guidelines, including procedures and forms in Khmer language will be distributed as an attachment to the PIB. The PGRC will comprise representatives from the relevant provincial authorities and MEF as follows:

- Provincial Governor – Chair
- Director of Provincial Department of Land Management, Urban Planning and Construction - Vice Chair
- Director of Provincial Department of MEF - Member
- Chief of Provincial Office of Law and Public Security - Member
- District Governor - Member
- One Representative of Local Based CSO - Member

83. The grievances will be handled thorough a 3 Step formal approach detailed in Annex 6. However, prior to the First Step, the DP may informally seek the assistance of the commune chief or a community elder to discuss and find an amicable solution to the grievance with the leader of the PRSC-WG. This is done verbally and informally and no recording is required, and moreover its aim is to resolve the matter to avoid lodging formal written complaints. If this problem solving does not resolve the complaint to the satisfaction of the DP, s/he can seek the formal route for lodging the grievance as explained as below:

- (i) **First Step:** The aggrieved DP can lodge a written complaint to the Head of the District Office where the subproject is located. The DP can bring a **community elder** or **representative** to mediate in the matter at the District level. The IRC-WG will appraise the Head of the District Office about the matter. The conciliation meeting must be held and a decision taken within **15 working days** after the date of registration of the complaint by the District Office. If the complaint is resolved at the District Level to the satisfaction of the DP, the IRC-WG will inform GDR's Department of Internal Monitoring and Data Management (DIMDM), which will review and seek the approval of the Director General, GDR for appropriate remedial action. The DP will be informed in writing by the GDR of the decision and the remedial action that will be taken within **15 working days** from the receipt of the letter from the District Office. If the complaint is rejected at this stage, the District Office will inform the DP in writing and if the DP is not satisfied with the result, s/he can proceed to the next step and **lodge a written complaint to the GDR for resolution.**
- (ii) **Second Step:** The GDR through its DIMDM will carry out a holistic review of the complaint and submit a report on its findings with the relevant recommendations, if any, to the Director General, GDR for a decision. It may also conduct a field visit to

meet the aggrieved DP and the IRC-WG to gather the relevant details. The final report must be completed **within 30 working days** from the date of receipt of the complaint and submitted to the Director General, GDR for a final decision within **5 working days** of receipt of the final report. In the event that the subject matter requires a policy level intervention, it will be referred to the IRC for a decision in which case **10 more working days** will be added to the deadline for final decision.

- (iii) **Third Step:** The DP will submit a written complaint with the PGRC through the Provincial Governor's Office. The DP or a representative will be given an opportunity to present its case during the meeting and the PGRC may consider any compelling and special circumstances of the DP when reaching a decision. The GDR will send a representative, as a non-voting member, to provide explanation for the rejection of the complaint at the second step by the GDR. The decision of the PGRC must be reached on a consensus basis and will be final and binding except when the matter relates to any policy of the Government. Decisions on Government policy matters on LAR is decided by the IRC. The PGRC will have **40 working days** from the date of receipt of the complaint to reach a final decision. The decision of the PGRC will be sent to the IRC through the GDR for endorsement before taking any remedial action.

84. The handling of the complaint at the administrative ends at the Third Step. There are no fees or charges levied on the DP for lodging and processing of the complaints under the First, Second and Third Steps.

85. However, as provided for in the Expropriation Law, the aggrieved DP can file a suit at the Provincial/Municipal Courts, as applicable, to seek a resolution. Such actions will be at the cost of the DP. At this stage, there is no involvement of the GDR, PRSC or IRC-WG unless there is a judicial order from the competent court. Figure 1 below illustrates the different stages of the GRM.

86. If a DP is still not satisfied and believes s/he has been harmed due to non-compliance with ADB policy and s/he has made good faith efforts to solve the problems by working with the ADB Project Team, s/he may submit a complaint to ADB's Office of Special Project Facilitator or Office of Compliance Review in accordance with ADB's Accountability Mechanism. The information can be found at www.adb.org/site/accountability-mechanism/main.

VIII. BUDGET, FINANCING AND IMPLEMENTATION SCHEDULE

A. Budget and Financing

87. The cost for all land acquisition, compensation, resettlement assistances, including the cost of any income restoration or support program, if required, for the Project will be financed from the national budget by RGC as counterpart funds for the Project. The cost of the preparation of the detailed RP will be met from the overall administrative and operation budget of the GDR. No financing will be required from the loan proceeds of the Project provided by the ADB. Estimated budget will be prepared on the basis of the latest item rates within the subproject area, following the preliminary census and inventory of subproject affected assets and reflected in the draft RP. The final budget for LAR will be prepared after the completion of the DMS, updated IOL, and RCS and will be included in the detailed RP.

88. The GDR will be responsible and accountable for all financial management functions relating to the use of the budgeted funds. The Government will set up a designated account,

called the Counterpart Funds Account for the Project in the National Bank of Cambodia which is used for expenditures for the implementation of the detailed RP.

89. The funds for LAR are provided to the GDR from the Counterpart Funds Account. The budget is prepared by the GDR and submitted to MEF approval once the Project is approved by the ADB. The GDR will submit a request for the release of the allocated budget to the General Department of International Cooperation and Debt Management (GDICDM) which will process the request and submit to the General Department of National Treasury. The funds are released and deposited into a project designated account established by the GDR for the Project in the National Bank of Cambodia. The funds are released from the project designated account, as and when necessary, and provided to the PRSC which is responsible for making payments to the DP.

90. Past donor financed projects, including ADB, have not experienced any difficulties in the availability and timely release of the budget for LAR. The Project is not likely to encounter any difficulties in the timely availability and release of the budget for the implementation of LAR activities.

B. Implementation Schedule

91. The Project is expected to be implemented over a period of 5 years, from 2018 to 2023.

92. The procurement of civil works can commence after the DED has been completed and while the detailed RP is under preparation by the GDR. It is expected that the DMS will be completed within 2 months after the demarcation of the land required for the subproject or component. The preparation of the detailed RP and its approval by the IRC and the ADB is expected within 3 months thereafter. The implementation of the detailed RP will range from 3 to 6 months depending on the number of DPs and the scope of the LAR impacts.

93. However, the detailed RP of the subproject must be approved by the IRC and the ADB prior to the award of any contract for construction under the subproject. Hence no contracts can be signed for a subproject unless the detailed RP for that subproject is approved.

94. Civil works for any contract can commence only after the payment of compensation at full replacement cost and other entitlements listed in the detailed RP and a comprehensive income program supported by an adequate budget is in place for any LAR impacts. In case any DP refuses the compensation payment or where complaints have been lodged for resolution under the GRM for the subproject, these cannot prevent the commencement of civil works. Civil works may also commence in subprojects or sections where there are no such impacts.

IX. MONITORING AND REPORTING

95. While the MPWT will be responsible for monitoring of the overall implementation of the Project, the GDR will be responsible for the monitoring and reporting of the implementation of the LAR.

96. **Internal Monitoring.** The objective of internal monitoring will be to (i) measure and report on the progress in the preparation and implementation of the detailed RP; (ii) identify problems and risks, if any, and the measures to mitigate them; and (iii) assess if the compensation and rehabilitation assistance are in accordance with the provisions under the detailed RPs.

97. GDR's DIMDM will be responsible for carrying out the internal monitoring which will review the **quarterly progress reports** provided by the relevant Resettlement Department, including fielding its own missions to **verify the progress and the validity** of the data and information, where necessary. The DIMDM will validate that the (i) entitlements and the corresponding compensation are paid in accordance with the Entitlement Matrix in the detailed RP; and (ii) GRM is functioning as per the guidelines. The GDR will provide MPWT a quarterly progress report and submit semi-annual progress report to the ADB. There will be one monitoring report covering all subprojects. An indicative list of internal monitoring indicators is in Annex 7.

98. **External Monitoring.** While external monitoring is only necessary for subprojects with significant involuntary resettlement impacts, the need for an external monitoring agency will be determined by the GDR at the time of the approval of the draft or detailed RP in consultation with ADB. Since subprojects with significant involuntary resettlement impacts will not be eligible for financing under the Project, no external monitoring will be required for this Project.

Comparison of ADB's SPS (2009) and RGC's Legislation

No.	ADB's Safeguards Policy Statement (SPS) Requirement	RGC's laws and regulations	Comparison between ADB's SPS and RGC's laws and regulations	Clarifications and inclusions in the Project specific Resettlement Framework
1	SPS on Involuntary Resettlement Safeguards, Policy Principle 2: - Screen the project early on to identify <u>past</u>, present, and future involuntary resettlement impacts and risks. - Determine the scope of resettlement planning through a <u>survey and/or census</u> of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.	Expropriation Law: Article 16 of the Expropriation Law requires that "before proposing an expropriation project, the Expropriation Committee shall publicly conduct a <u>survey</u> by recording a detailed description of all rights of the owners and/or rightful owners to the immovable property and other properties which might be needed for compensation; all other related problems shall be recorded as well." Standard Operating Procedure: Section IV, Part C of the Standard Operating Procedure (SOP) under Sub Decree 22 ANK/BK provides details on the baseline information and a <u>socioeconomic survey for a sample size of about 20% of the displaced persons</u> to determine the scope of resettlement planning for a basic resettlement plan at the feasibility stage. Section V, Part A & B under the same SOP provides for conducting 100% Census and 100% IOL at the Detailed Measurement Survey Stage when the detailed designs or the land demarcation have been completed and used for the preparation of the Detailed Resettlement Plan (updated RP).	Per SPS, identification of past impacts for land acquisition in anticipation of ADB financing is needed. Per SPS, a census of displaced persons is required at the draft resettlement plan (RP) stage to determine the scope of resettlement planning. Per SPS (para 15 footnote 2), if a census is not conducted prior to project appraisal and the resettlement plan is based on a sample survey, an updated resettlement plan will be prepared based on a census of DPs after the detailed measurement survey has been completed but before any land acquisition for the project. Per SPS (para 22), the information contained in a resettlement plan may be tentative until a census of the affected persons has been completed. Soon after the completion of engineering designs, the borrower/client will finalize the resettlement plan by completing the census and inventories of loss of assets.	Para 20 of the resettlement framework (RF) notes that to determine the scope of the RP, "<u>past impacts</u> will be identified where the land is acquired in anticipation of the Project". In case any land for the subproject is acquired in anticipation of ADB financing, the resettlement planning process will identify the requirement of a Due Diligence Report and corrective measures will be included in the resettlement plan. Para 48 of RF includes a provision for conducting the socioeconomic survey(s) and a <u>census of displaced persons to determine the scope of the draft RP at feasibility study (FS) or detailed engineering design (DED) stage</u> for any sub-projects with identified sites.
2.	SPS on Involuntary Resettlement Safeguards, Policy Principle 2:	Expropriation Law:	Per SPS, consultations must take place across the project cycle (planning, implementation, and	Para 65 of RF notes that "Consultations will also include <u>Focus Group Discussions</u>

No.	ADB's Safeguards Policy Statement (SPS) Requirement	RGC's laws and regulations	Comparison between ADB's SPS and RGC's laws and regulations	Clarifications and inclusions in the Project specific Resettlement Framework
	- Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations. - Inform all displaced persons of their entitlements and resettlement options. - Ensure their participation in <u>planning, implementation, and monitoring and evaluation</u> of resettlement programs. - Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations.	Article 16 of the Expropriation Law requires Expropriation Committee to organize public consultations at the Capital, Municipal, Provincial, and District Khan authority levels with Commune/Sangkat councils and village or community representative to be affected by the expropriation to provide specific and concise information and collect inputs from all stakeholders regarding the proposed basic public infrastructure project." Standard Operating Procedure: Section VIII, Part B of the SOP includes provisions for conducting meaningful consultations through four rounds of formal public consultations. House-to-house consultations are done to share information about the project and the entitlements. Para 125 of the SOP refers to "involving the DPs and other stakeholders in the resettlement process from the early stage of the project will create an opportunity for the DPs and communities to express their concerns and provide inputs into the resettlement planning. This would ensure that the RP is designed taking into consideration the views and concerns of the DPs to the extent possible." Para 127 of the SOP provides for feedback from the public consultation meetings to be incorporated at the basic RP or the RF stage to the extent possible.	monitoring and evaluation). They should include focus group discussions and one-on-one individual consultations, and vulnerable groups should be consulted.	(FGDs) with all the affected persons, including the <u>poor and vulnerable groups</u> and <u>one-on-one individual consultations</u> conducted during the census and SES. Para 65 also notes that the consultation process will begin early during the project preparation stage and will <u>continue throughout the project cycle</u>." Annex 5 of the RF includes a step-by-step outline of the consultation process.

No.	ADB's Safeguards Policy Statement (SPS) Requirement	RGC's laws and regulations	Comparison between ADB's SPS and RGC's laws and regulations	Clarifications and inclusions in the Project specific Resettlement Framework
3.	SPS on Involuntary Resettlement Safeguards, Policy Principle 2: Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns.	Expropriation Law: Article 33 of the Expropriation law notes "The owner and/or the rightful owner who do not agree with a decision by the Expropriation Committee can bring their complaints to the Complaint Resolution Committee." Article 34 noted that "If there is a disagreement with the decision on the complaint by the Complaint Resolution Committee, the owner and/or the rightful owner may bring their complaint to the competent court, concerning expropriation procedures carried out improperly, the expropriation which is not for public and national interest, and the compensation which is not fair and just." Standard Operating Procedure: Section IX, Part C of the SOP provides for arrangement at the provincial and district levels and the GRC includes representative of local-based CSO (SOP para 146). The GRM is for DPs irrespective of status.	Per the Expropriation Law, the Complaint Resolution Committee covers only rightful owners, not broader project affected persons. GRM is at the provincial level and is a formal mechanism. However, it is not readily accessible and affordable to the displaced persons to lodge project-related grievances. Prior to the first step, the displaced persons may approach the Commune Chief. Complaints are done verbally and informally, and no recording is required, and moreover its aim is to resolve the matter to avoid lodging formal written complaints. This is followed 3 Steps where DPs can formally complain at District, the General Department of Resettlement or Provincial Grievance Redress Committee levels. Detailed guidelines and procedures on GRM will be distributed to DPs in Khmer language.	Paras 83, 84 and Annex 5 of the resettlement framework address requirements per SPS. However, ADB will review the GRM guidelines and assess its applicability while preparing the resettlement plan. Implementation of these guidelines will be closely monitored throughout the project cycle.
4.	SPS on Involuntary Resettlement Safeguards, Policy Principle 3: Improve, or at least restore, the livelihoods of all displaced persons through: (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash	Expropriation Law: The Expropriation Law provides for "fair and just compensation" in several Articles. Standard Operating Procedure: Section X, Part E of the SOP contains provisions for livelihood restoration or	Per SOP, the displaced persons are entitled to participate in only one of the three available income restoration programs. The use of formula may not be sufficient to restore livelihoods at the replacement cost.	Paras 73 and 79 of the RF note that selection of the <u>income restoration programs will be at choice of the displaced person</u>. Loss of income during the transition period is calculated based on the formula in the RF Annex 3: Entitlement Matrix, Category 4b and provides for

No.	ADB's Safeguards Policy Statement (SPS) Requirement	RGC's laws and regulations	Comparison between ADB's SPS and RGC's laws and regulations	Clarifications and inclusions in the Project specific Resettlement Framework
	compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.	improvement. It includes compensation and transition/disturbance allowance. Section VII, Part F of the SOP indicates a formula to determine the loss of income during the transition period assuming a 3-month income of the displaced person.		compensation <u>at actual costs if the income loss is higher during the transition period</u>.
5.	SPS Appendix 2, Safeguards Requirements 2: Involuntary Resettlement - Para 10 requires that the rate of compensation for acquired housing, land and other assets will be calculated at full replacement costs. - The calculation of full replacement cost will be based on the following elements: (i) fair market value; (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, if any. - Where market conditions are absent or in a formative stage, the borrower/client will consult with the displaced persons and host populations to obtain adequate information about recent land transactions, land value by types, land titles, land use, cropping patterns and	Expropriation Law: Articles 22 and 23-26 of the Expropriation Law provide broad guidance on the replacement cost. Standard Operating Procedure: Glossary of the SOP provides the accurate definition of the replacement costs. Section VII, Part D of the SOP provides a guide to the elements of full replacement costs.	Interest accrued, restoration costs and other applicable payments, if any, are mentioned in the Glossary but not indicated in the elements of full replacement costs.	Para 56 of RF states that "All compensation will be based on the <u>principle of full replacement cost as required by the ADB SPS (2009)</u>." A footnote reference to Appendix 2, Subsection D. para 10, page 45, ADB SPS (2009) is included.

No.	ADB's Safeguards Policy Statement (SPS) Requirement	RGC's laws and regulations	Comparison between ADB's SPS and RGC's laws and regulations	Clarifications and inclusions in the Project specific Resettlement Framework
	crop production, availability of land in the project area and region, and other related information. • The borrower/client will also collect baseline data on housing, house types, and construction materials. • Qualified and experienced experts will undertake the valuation of acquired assets. • In applying this method of valuation, depreciation of structures and assets should not be taken into account.			
6.	SPS on Involuntary Resettlement Safeguards, Policy Principle 12: • <u>Monitor and assess resettlement outcomes</u>, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by <u>taking into account the baseline conditions</u> and the results of resettlement monitoring. • Disclose monitoring reports.	Standard Operating Procedure: Section XII, Part B of the SOP provides for internal monitoring of the detailed resettlement plan (DRP) implementation and indicates "The objective of internal monitoring is to (i) measure and report on the progress in the preparation and implementation of the DRP; (ii) identify problems and risks, if any and the measures to mitigate them; and (iii) assess if the compensation and rehabilitation assistance are in accordance with the provisions under the DRP."	Both the SPS and SOP consider monitoring or measuring, assessing and reporting on the resettlement plan implementation.	The indicative list of baseline data to be collected as part of the detailed measurement survey is provided in RF Annex 4 and provides the basis for the monitoring and assessment. The internal monitoring indicators are provided in RF Annex 7. The detailed resettlement plan will identify indicators to assess progress toward desired outcomes based on subproject specific impacts. (refer para 57 of SPS). ADB will prepare a PCR that assesses whether the objective and desired outcomes of the safeguard plans have been achieved.

Involuntary Resettlement Impact Screening Checklist

Potential Involuntary Resettlement Effects	Yes	No	Unknown	Remarks
Involuntary Acquisition of Land				
1. Will there be land acquisition?				• Discuss with the design engineers on what are the subproject components • Field visit to examine if there are DHs on the affected areas.
2. Is the site for land acquisition known?				• Discuss with the design engineers and local authorities on the locations of the components.
3. Is the ownership status and current usage of land to be acquired known?				• Discuss with the design engineers • Consultations with the communities
4. Will easement be utilized within an existing Right of Way (ROW)?				• Discuss with the design engineers • Discuss with local authorities • Consultations with the communities
5. Will there be loss of shelter and residential land due to land acquisition?				• Discuss with the design engineers • Discuss with local authorities • Consultations with the communities • Field assessment.
6. Will there be loss of agricultural and other productive assets due to land acquisition?				• Discuss with the design engineers • Discuss with local authorities • Consultations with the communities • Field assessment.
7. Will there be losses of crops, trees, and fixed assets due to land acquisition?				• Discuss with the design engineers • Discuss with local authorities • Consultations with the communities • Field assessment.
8. Will there be loss of businesses or enterprises due to land acquisition?				• Discuss with local authorities • Consultations with the communities • Field assessment.
9. Will there be loss of income sources and means of livelihoods due to land acquisition?				• Discuss with local authorities • Consultations with the communities • Field assessment.

Potential Involuntary Resettlement Effects	Yes	No	Unknown	Remarks
Involuntary restrictions on land use or on access to legally designated parks and protected areas				
10. Will people lose access to natural resources, communal facilities and services?				• Discuss with the design engineers • Discuss with local authorities • Consultations with the communities • Field assessment.
11. If land use is changed, will it have an adverse impact on social and economic activities?				• Field assessment and consultations with DHs and local authorities
12. Will access to land and resources owned communally or by the state be restricted?				• Discuss with the design engineers • Field assessment and consultations with DHs and local authorities
Information on Displaced Persons:				
<i>Any estimate of the likely number of persons that will be displaced by the Project/Subproject?</i> ☐ No ☐ Yes				
If yes, approximately how many? _____ Category for IR impacts ¹⁰ : A ☐ B ☐ C ☐				
<i>Are any of them poor, female-heads of households, or vulnerable to poverty risks?</i> ☐ No ☐ Yes				
<i>Are any DPs from indigenous or ethnic minority groups?</i> ☐ No ☐ Yes				
<i>Potentially affected lands by Project's/Subproject's interventions/components</i>				

¹⁰ Likely to have significant impacts are classified as Category A when 200 or more persons experience major resettlement impacts either through being physically displaced from housing or losing 10% or more of their productive (income generating) assets. Not deemed to have significant impacts (i.e. other than Category A) will be classified as Category B. No impacts will be classified as Category C.

Entitlement Matrix for Land Acquisition and Involuntary Resettlement

Cat.	Type of Loss	Application	Category of DH	Entitlements	Clarification / Implementation
Loss of Land					
1a	Loss of Land	Agricultural, residential and commercial land	Legal owners and holders of real right of land, including those covered by customary rights	• Cash compensation for land at full replacement cost or land swap of equal productive value. • Provision of stamp duties, land registration fees and other similar taxes, if applicable, for acquiring legal rights in case of replacement land (land for land swap) • Includes option of compensation at same replacement cost for affected land that remains after partial acquisition if remaining land becomes unviable or unusable. • The remaining land if/when required for improvement, will be estimated by RCS at no cost to DPs (e.g., land filling and leveling). • For customary ownership, replacement land to sustain livelihood and way of life. Land registration, stamp duty and other fees to register land ownership or right to use will be reimbursed at cost.	If land for land is offered, replacement land equal in area, quality and category and with registered title or secure tenure title will go to both husband and wife. Applies to only partial loss of land and where the DH agrees. DHs will vacate the land after one month after compensation has been offered
1b	Loss of Land	Agricultural, residential and commercial land	Tenants, Leaseholders and sharecroppers	• No compensation for loss of land as not legal owners of land.	
1c	Loss of Land	Agricultural, residential and commercial land	Illegal occupiers / encroachers / squatters without legal titles or rights to land	• No compensation for loss of land as not legal owners of land.	
Loss of Use of Land					
2a	Loss of Crops, Fruit Trees	Agricultural land	All DHs who are engaged in farming regardless of ownership/tenure status.	• For rice/crop farming: Net annual income X 1 year	Replacement cost study (RCS) will determine the amounts. Market Price is based on

Cat.	Type of Loss	Application	Category of DH	Entitlements	Clarification / Implementation
				In addition, DHs can harvest and retain income from standing crop. - For fruit trees, replacement cost of loss based on following formula: [(Quantity Harvested per Year) X (Market Price) X (Number of years it will bear fruit)] + Cost of Seedling] Perennial trees that have a growth period of more than 5 years are classified as follows: 1. Sapling Trees under 1 year-not compensated as it can be replanted. 2. Young Tree (1 to 3 years): Valued at 1/3 of its full price as it can be replanted plus cost of seedlings 3. Young Tree (More than 3 to 5 years) bearing some fruits: valued at 2/3 of its full price plus cost of seedlings 4. Mature Tree (more than 5 years) full bearing fruits valued at full price plus cost of seedlings	Farm-Gate Price. Full Price is amount calculated from the formula as shown below: [Quantity Harvested per Year) X (Market Price) X (Number of Years it will bear fruit)] Number of Years is up to maximum of 5. Advance notice to harvest at least three months before commencement of civil work, and DPs will remove their crops and trees from the subproject areas within one month after receiving compensation
Loss of Houses and Structures					
3a	Loss of Houses and Structures	Residential, commercial structures and other assets	Owners of houses, buildings and structures	- Cash compensation equivalent to replacement value of lost portion of the house / building / structure. If the owner rents or leases, compensation for any improvements/construction carried out by the renter/leaseholder will be deducted from the compensation payment to the owners. - In case of loss of only part of the houses/buildings/structure	RCS will determine the replacement cost.

Cat.	Type of Loss	Application	Category of DH	Entitlements	Clarification / Implementation
				and the remaining portion is not livable or useable, compensation will be paid for the structure at its entirety at same replacement cost. - In case houses/buildings are rented or leased, owners will not be compensated for any improvements or construction added by the renters or leaseholders. - DH can retain the materials from demolition of their houses or buildings or structures at no cost.	
3b	Loss of Houses and Structures	Residential, commercial structures and other assets	Tenants, Leaseholders and sharecroppers	- Cash compensation at replacement cost for any improvements or construction by the tenants or leaseholders. - In case of no improvements or construction, no compensation is paid. - DH can retain the materials from demolition of their houses or buildings or structures at no cost. - Transfer/Disturbance Allowance equivalent to 1-month rental or lease amount.	RCS will determine replacement cost Documentary evidence is required.
3c	Loss of Houses and Structures	Residential, commercial structures and other assets	Illegal occupiers /encroachers/squatters	- Cash compensation equivalent to replacement value of loss of structures constructed by illegal occupier/squatter. - DPs can retain the materials from their demolished structures.	RCS will determine replacement value.
3d	Loss of Houses and Structures (Transport Allowance)	Transport allowance for salvage materials and household goods	All DHs	- Fixed Lump Sum allowance per DH based on average cost of transportation to new relocation place located at the distance of: - Less than 5 km from the affected plot; or	The lump sum amount for the 2 rates will be calculated during the RCS.

Cat.	Type of Loss	Application	Category of DH	Entitlements	Clarification / Implementation
				2. More than 5 km from the affected plot.	
Loss of Livelihood and Income Restoration					
4a	Loss of Business	Income loss	ALL DHs who are engaged in business and have to relocate.	- For businesses which need to be relocated to a new site, an amount equal to loss of projected net income for two months. - For businesses relocated on-site (move back or same area), an amount equal to projected net income for one month. - For operating of illegal nature of businesses like gambling, prostitution, drugs and similar types, no compensation is paid.	RCS will verify and determine the amounts based on supporting documents.
4b	Loss of Income during Transition Period - Subsistence Allowance	Income Loss	DHs who lose income during the transition period regardless of ownership status.	- Lump sum amount equivalent to 3 months of income based on the official monthly poverty rate established by the Government. Monthly Poverty Rate X Number of Members in DH X 3 - In case DH is classified as poor and vulnerable group, the above lump sum amount is doubled.	Poor and Vulnerable DHs will be identified during the DMS (that includes SES and IOL). If the actual income loss is higher than the amount calculated by the formula Monthly Poverty Rate X Number of Members in DH X 3, the DP will be compensated based on actual loss.

Cat.	Type of Loss	Application	Category of DH	Entitlements	Clarification / Implementation
4c	Permanent Loss of Livelihood Source due to physical relocation	Income Restoration	DHs who lose their source of livelihood permanently.	- Entitled to participate in any one of the following 3 Livelihood Restoration/Support Programs: Land Based Livelihood Restoration for DHs engaged in land-based livelihood. (i) facilitate access to other land-based sources of income, if affordable productive land is available, like vegetable gardening, fruit tree, livestock and other similar land-based income generating sources; (ii) provision of training in farming or livestock; and (iii) lump sum cash grant of US\$ 200 to re-start land based livelihood. - In case of unavailability of suitable land, the DHs can opt for either employment or business-based livelihood program. Employment Based Livelihood Restoration for DHs who lose employment permanently. (i) provision of employment skills training; and (ii) lump sum cash grant equivalent to 3 months of income based on official poverty rate to supplement income support during the training period. Business Based Livelihood Restoration for DHs who lose businesses permanently or DHs who opt for this as an alternative livelihood source. (i) provision of business skills; and (ii)	The program will be based on the choice of the DP. Land Based for DHs who lose land-based livelihood. Employment Based for DHs who lose employment - based livelihood 3 months of income based on poverty rate= (Monthly Poverty Rate X Number of Members in DH X 3). Business Based for DHs who lose business-based livelihood. This can also be available to DHs who do not want to continue with land

Cat.	Type of Loss	Application	Category of DH	Entitlements	Clarification / Implementation
				a lump sum cash grant of US\$ 200 to assist in starting micro or home-based business. For Poor and Vulnerable DHs. In addition to skills training, (i) above lump sum cash grant will be doubled; and (ii) priority in any employment opportunity under the Project.	or employment-based livelihood at their own choice. Classification will be carried out during the DMS and in accordance with the established criteria and definition of Vulnerable Group in this RF.

Public and Community Infrastructure. If any existing public infrastructure for the use of the affected community is affected and requires demolishing, this will be replaced in the same locality to provide similar or better public services.

Indicative List of Data to be Collected

A. Socioeconomic Survey (SES)

1. Indicative data to be captured by the SES will comprise:

- **Socioeconomic information on the affected villages:** Demographic information (i.e., head count of male and female population, age profile of the population, marital status of the population, ethnic affiliations of the population, religious affiliation of the population, educational profile of the population); Economic profile of the villages (i.e., major economic/livelihood activities of residents, industries, land use distribution, income and poverty situation); Availability and conditions of public infrastructure (i.e., road, drainage, irrigation, electricity); Access to social services (i.e., health, sanitation, and educational facilities); and
- **Socioeconomic information on the DHs:** Demography (i.e., age, gender, ethnic affiliation, and religion of DH head; head count by gender of all members of the DH; Age and educational profile of all members of the DHs, disaggregated by gender); Economic profile of the DH (i.e., major sources of income/livelihood of the DH; number of the DH members that are gainfully employed; ownership of various means of production, such as production land, farm animals, farm machineries; ownership of other tangible assets, such as residential land and house; monthly household income; monthly household expenses); Health and sanitation (availability of sanitary toilet and potable water); Access to social services; and Amenities available in the DH (e.g., motorbikes, cars, television, refrigerator, stove, source of fuel for cooking, source of power for lighting, telephone, etc.).

B. Census and Inventory of Losses

2. The inventory of losses (IOL) will identify: affected assets that need to be enumerated: Land (residential land, productive land, ponds, etc.); Trees and crops; Houses and other fixed structures; Public or community structures; Sources of income and livelihood; and Total land area vis-à-vis affected area to determine severity of impact. Specifically:

- (i) For residential land – find out the information on the entire area of the residential land of the affected household and compare this with the area of the affected portion of the residential land to determine (together with local authorities) whether the remaining unaffected area of the residential land is sufficient for the DH to rebuild its house - if insufficient, the household will be relocated.
- (ii) For productive land – find out (through cadastral records) the aggregate area of all productive landholdings of the DH within and outside the subproject corridor-of impact and find out what is the proportion of the area of the productive land being acquired vis-à-vis the area of the total productive landholdings of the DH. If the area of the acquired productive land is equivalent to 10% or more of the aggregate productive landholdings of the DH, then the DH is considered as severely affected.
- (iii) For DHs that have businesses or stalls affected, the following information to-be collected: Business activities: type of business; Number of people who are gainfully employed in the affected business; Monthly income from the business; Plan to restore the business activities of the household after being affected.

3. Vulnerable DHs need to be enumerated which include the following: Total number of people living in each DH should be listed: Poor households based on the Government's regulations; Households headed by female with dependents; Households headed by elderly person with no mean of support; Households headed by children with no mean of support; Ethnic minority households; and Households headed by disabled person with no means of support.

Consultation Process

A. First Consultation

1. The **first** public consultative meeting was held with the affected communities and the potential DPs at the commune level across all the proposed subprojects prior to the preparation of the RF and draft RPs. The meeting was conducted by the MPWT and the provincial authorities with participation of the GDR and the ADB/Project Preparation Consultants. The purpose of the meeting was to provide the community and the DPs with generic information about the Project/subprojects, the benefits and potential impacts, the anticipated land requirement, compensation policy and entitlement and eligibility and the grievance redress mechanism. Documentation of the meetings (minutes of the meeting, summaries of discussions, lists of participants and photos) will be provided to ADB as part of the reporting requirements.

2. A Project Information Booklet (PIB) for the Project, which was prepared by the MPWT with the assistance of the ADB financed PPCs and endorsed by the GDR, was made available at the commune/village council offices and distributed to all the attendees during the meeting at draft RP preparation.

B. Second Consultation

3. The **second** public consultation will take place prior to the DMS stage and is undertaken jointly by the IRC-WG and PRSC-WG. Prior to the commencement of the DMS, consultation meeting will be held with the affected communities at the commune or village level. Consultations will also include Focus Group Discussions (FGDs) with all the affected persons, including the poor and vulnerable groups and one-on-one individual consultations conducted during the census and DMS. The PIB will be updated by the GDR with the information about the entitlements, local GRM, including contact persons, as described in this RF. The detailed guidelines on GRM will be included in the PIB as an attachment. The updated PIB for the Project, its GRM attachment and the DMS Questionnaire will be made available and explained to the all attendees. DPs will be informed that they will be provided the ID cards detailing their affected assets, income and land after the DMS.

4. The updated PIB will also be shared and explained to individual DPs during the house to house DMS survey and measurements of land and property losses. The DPs will be required to confirm the loss of assets and the measurements and get a full understanding of the basis on which the compensation will be paid for the loss assets and other entitlements.

C. Third Consultation

5. The **third** public consultative meeting will be held prior to the signing of the agreement/contract for the compensation package and will be undertaken jointly by the IRC-WG and PRSC-WG. At this stage, the GRM is functional, the DMS and the RCS are completed, the compensation package for each DH is known and draft contracts prepared. The consultative meeting will be carried out in two parts and an advance notice of the meeting will be provided to the DHs through the commune/village council offices. In the first part, the consultation will be through a public meeting which will be held at the commune/village level for all DHs and commune/village representatives. Minutes of the meeting, including all the supporting documents (lists of participants, photos etc.) will be provided to ADB under the reporting requirements.

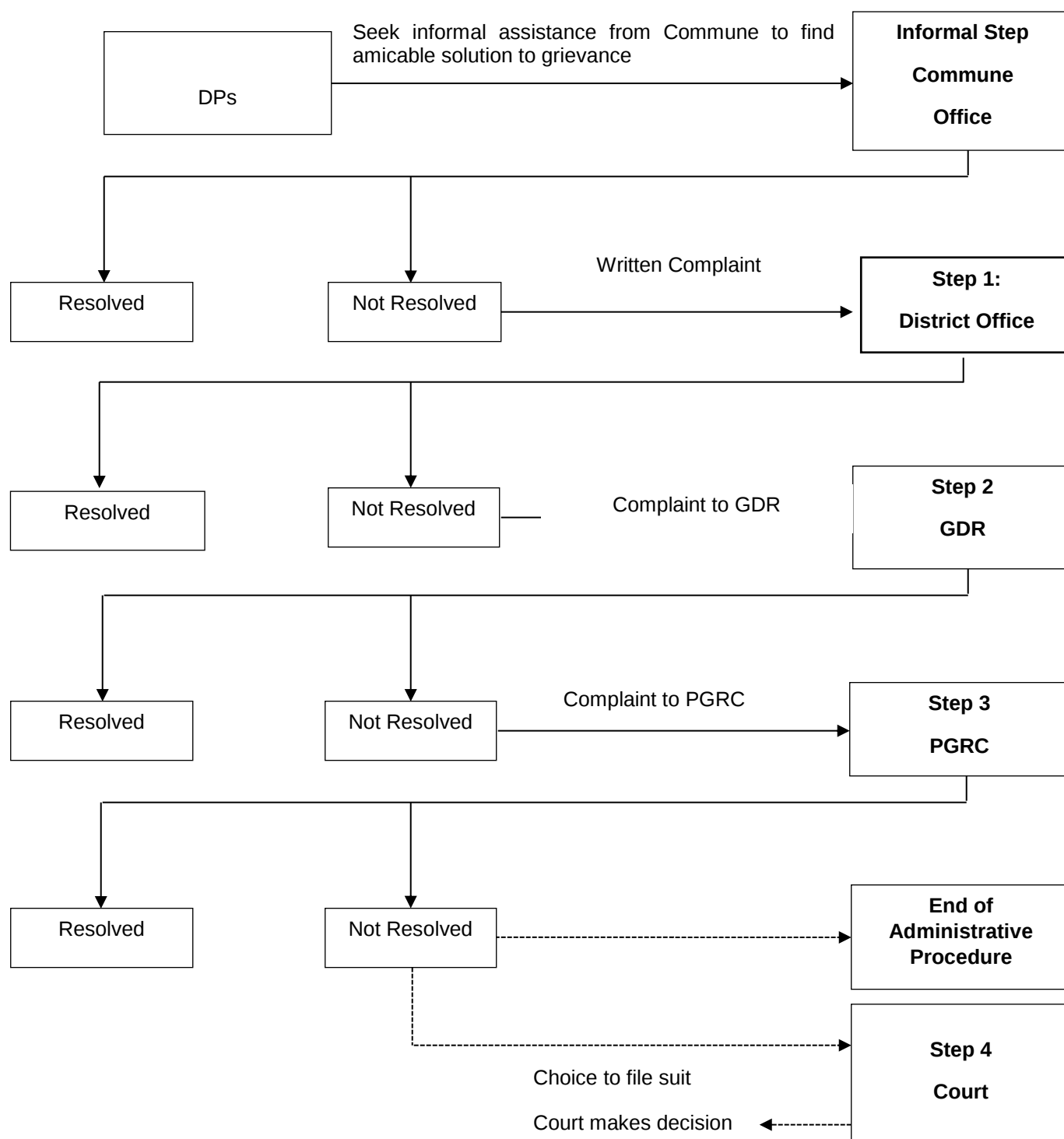
6. A PIB for Compensation Package under the Project will be prepared in advance and provided and explained to all the participants. The second part will commence soon after the completion of the first part and held on the same day. Each DH will be provided with the draft contract and the compensation amounts explained to the satisfaction of the DH on one to one basis. For those DHs who were unable to participate in the meeting, best efforts will be made to visit them at their homes or seek the assistance of the village office to make contact with them. DPs will be given one week to study the contract, verify the impact scope and sign it.

D. Fourth Consultation

7. The **Fourth** Consultative Meeting will be conducted when the compensation payments are ready to be disbursed and is undertaken jointly by the IRC-WG and PRSC-WG. The schedule for compensation payments will be informed to DPs at least one week in advance through the commune and village offices. The meeting will be held in a public place at the commune or village.

8. Prior to commencement of the compensation payment the DHs are informed about the GRM for the Project, the **setup of the local GRM committees in their province** and the procedures that will be followed in case they have any complaints. Soon after the public consultation, compensation payments will be made on household to household basis and each DH will be provided an opportunity to seek clarifications about the compensation package prior to receiving the payment.

Procedures of Grievance Redress Mechanism



Note: In case of Group Complaint, GRM process starts at step 2

Indicative RP internal monitoring indicators

Purpose	Activities	Monitoring Indicators
Identification of compensation recipients	Verify the list of compensation recipients against eligibility criteria for compensations	Number of persons in the list of compensation recipients, who do not meet eligibility criteria (included by mistake)
	Identification of persons, who may claim eligibility for compensation, but are not included in the lists of compensation recipients. Separate verification should be performed on each type of compensation	Number of persons who meet the criteria, but are not included in the list of compensation recipients (excluded by mistake)
Verification of affected area	Confirmation of the areas of affected assets (including land plots and real property) against the RP	Area of land subject to acquisition, for which compensation has been paid
		Area of structures subject to acquisition for which compensation has been paid
Verification of compensation amount, processing and payment	Examination of financial documents	Number of persons who received compensation in time and in full amount disaggregated by compensation types
	Identification and analysis of reasons for compensations not being paid in full amount and in time.	Number of persons who did not receive compensation in time and in full amount, disaggregated by compensation types
		Amount of funding allocated for payment of compensations
	Identification of reasons for which funds for compensations have been under/overspent	Rate of spending of funds allocated for compensations, % of amount envisaged in the RP
Verification of compensation timeline	Identification of reasons for which payment of compensations was delayed (e.g. due to the court trial, inheritance issue, etc.)	Number of persons who received compensation with delay, disaggregated by compensation types and reasons of delay; changes in amount of compensation (if any) should also be noted
Verification of consultation and participation	Determine the level of involvement and identification of reasons of inadequate participation	Number of compensation recipients who participated in consultations and coordination meetings at each stage of land acquisition
	Examination of grievance cases; analysis of disputes and complaints content, and resolution of conflicts	Number of complaints received
		Number of complaints resolved