

# Resettlement Framework

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## IND: Karnataka Integrated Urban Water Management Investment Program (Tranche 2)

Prepared by Karnataka Urban Infrastructure Development and Finance Corporation, Government of Karnataka for the Asian Development Bank.

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## CURRENCY EQUIVALENTS

(as of 11 May 2018)

Currency unit	=	Indian rupee (₹)
₹1.00	=	\$64.8525
\$1.00	=	₹0.0154

## ABBREVIATIONS

ADB	—	Asian Development Bank
CBO	—	community-based organization
CAPRRC	—	community awareness, participation, rehabilitation and resettlement consultant
DLIC	—	District Level Implementation Committee
EMP	—	environment management plan
GESI	—	gender equality and social inclusion
GLSR	—	ground level storage reservoir
GRC	—	grievance redress committee
HSC	—	house service connection
IWRM	—	Integrated Water Resources Management
KUIDFC	—	Karnataka Urban Infrastructure Development and Finance Corporation
KIUWMIP	—	Karnataka Integrated Urban Water Management Investment Program
NGO	—	nongovernment organization
OHT	—	overhead tank
PAM	—	project administration manual
PID	—	project information document
PIU	—	project implementation unit
PMDCSC	—	Project Management Design and Construction Supervision Consultant
PMU	—	project management unit
R&R	—	resettlement and rehabilitation
RPMU	—	regional project management unit
ROW	—	right-of-way
RFCTLARRA	—	Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act
SIA	—	social impact assessment
SCMU	—	Safeguards Compliance Monitoring Unit
SDO	—	safeguards development officer
SPS	—	Safeguards Policy Statement
ULB	—	urban local body
WTP	—	water treatment plant

## NOTE

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

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## I. INTRODUCTION

### A. Project Background

1. Karnataka is one of the most water stressed states in India which is approximately 54% of the geographical area declared as drought prone.<sup>1</sup> Thirty-seven percent of the State's population of 61.1 million lives in urban area. Karnataka's Vision 2020 anticipates increasing urbanization and industrialization. To support the economic development process of the State and projected urbanization, annual water demand is forecast to rise by up to 40% by 2025. Effective management of available water resources will become one of the main challenges for making the urban centers of Karnataka livable, competitive, socially inclusive, and environmentally sustainable and climate resilient. The Karnataka Integrated Urban Water Management Investment Program (KIUWMIP), approved on 28 March 2014, aims to improve water security in selected river basins in Karnataka, through holistic and scientific management of water resources in urban areas.

2. The Project was approved on 29 July 2014 to support the Project 1 under KIUWMIP. It aims to (i) strengthen urban water supply and sanitation (UWSS) infrastructure in three towns (Byadagi, Davangere, and Harihar) of the Tungabhadra sub basin; (ii) support reform implementation including establishment of the urban local body (ULB) incentive fund; and (iii) support the capacity development activities including project management and administrative capacity. The loan agreement for Project 1 was signed on 30 December 2014 and declared effective on 7 March 2015. The loan closing date is 30 September 2019. A resettlement framework prepared during Project 1 was based on ADB's SPS 2009 and the prevailing legal framework in the country and the state.

3. Project 2 of KIUWMIP aims to improve water resource management in major urban centers of Kundapura, Mangalore, Udupi and Puttur of coastal Karnataka. Project 2 towns (Kundapura, Mangalore, Udupi and Puttur) have been selected based on (i) the impact of Integrated Water Resources Management (IWRM) improvements on the state's water resources, (ii) the state's Priorities (iii) ULB's willingness to adopt reforms, and (iv) infrastructure gaps.

4. With the change in the land acquisition and resettlement law in India in 2013,<sup>2</sup> the need to update the resettlement framework was felt.

### B. Impact and Outcome

5. The Project 2 is aligned with the following impact: sustainable water security in selected river basins in Karnataka improved.<sup>3</sup> Project 2 will have the following outcome: urban water resource management in four coastal towns (Kundapura, Mangalore, Puttur, and Udupi) improved.<sup>4</sup> The Project outputs are:

- (i) **Output 1: Urban water supply and sanitation infrastructure expanded and upgraded.** Project 2 will provide continuous piped water supply to 765,000 people, and sanitation services with improved conveyance system to 193,000 people. The details are:

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<sup>1</sup> Karnataka State Action Plan on Climate Change, 2015.

<sup>2</sup> Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (RFCTLARRA), 2013 Government of India.

<sup>3</sup> Defined by the investment program.

<sup>4</sup> The design and monitoring framework is in Appendix 1.

- (a) **Water supply systems upgraded in four towns (Kundapura, Mangalore, Puttur, and Udupi).** The output includes (i) construction of about 14 kilometers (km) of new water transmission lines, a water treatment plant of 8.7 million liters per day capacity, about 76 km of new clear water feeder main, 29 overhead tanks and 4 ground-level service reservoirs, and laying of about 1,320 km of new water distribution network; and (ii) replacement of around 78,900 existing house service connections with meter connections, provision of about 32,700 new metered house service connections, and replacement of about 29,500 existing meters, including those of poor, vulnerable, and poor women-headed households.
- (b) **Sewerage systems rehabilitated in Mangalore.** The output includes the rehabilitation of about 11 km of pumping mains.
- (ii) **Output 2: Water resource planning, monitoring, and service delivery improved.**
  - (a) **Operational capacity strengthened through policy and institutional reform actions.** The output includes: (i) periodic water audits conducted; (ii) volumetric tariff determination models developed and rolled-out; (iii) dynamic asset management system developed; (iv) water operation accounts ring-fenced in urban local bodies (ULBs); and (v) ULB incentive fund (UIF) implemented by project towns.
  - (b) **Gender responsive and inclusive service delivery systems institutionalized.** The output includes: (i) water and sanitation committee constituted in target slums, and (ii) public awareness activities conducted.
  - (c) **Climate resilient policy actions implemented.** The output includes: (i) rainwater harvesting policy adopted and implemented; (ii) policy to incentivize the use of treated wastewater for industry, agriculture, and horticulture adopted and implemented; and (iii) monitoring of water quality and water audit institutionalized.
- (iii) **Output 3: Institutional capacity of executing agency and urban local bodies strengthened.** The output includes: (i) project management and service delivery capacity of PMU, project implementation unit (PIU), and concerned ULB staff strengthened; and (ii) key stakeholders sensitized on project scope, water conservation, nonrevenue water reduction, and gender and social inclusion in urban governance.

## II. OBJECTIVES, POLICY FRAMEWORK AND ENTITLEMENT

6. This document is the updated resettlement framework and reflects ADB's Safeguard Policy Statement (2009), the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (RFCTLARRA), 2013 Government of India and the state policies and regulations. To the extent possible, the project seeks to avoid any involuntary land acquisition and resettlement. The preferred approach for the project will be the direct purchase of private land and structures based on Section 46 of the RFCTLARRA, 2013, the Right to Fair Compensation, and Transparency in Land Acquisition, Rehabilitation and Resettlement (Karnataka) Rules, 2014 and ADB SPS (para 25, Involuntary Resettlement Requirement 2, Annexure 2, p.48). Private land parcels that will potentially be required for construction of water treatment plants (WTPs), overhead reservoirs and other components will preferably be procured through negotiated settlement without recourse to expropriation. If negotiated settlement process fails and land acquisition becomes necessary, the land acquisition and resettlement impacts will be compensated based on the entitlement matrix. The salient features of RFCTLARRA, state policies and regulations, and ADB SPS have been summarized below.

**A. The Right to Fair Compensation and Transparency in Land Acquisition Rehabilitation and Resettlement Act, 2013 (Act 30 of 2013)**

7. RFCTLARRA regulates land acquisition and provides rules for granting compensation, rehabilitation and resettlement to the affected persons in all projects in India. RFCTLARRA provides for fair compensation to those whose lands are acquired and brings transparency to the process of land acquisition and assures rehabilitation of those affected. It empowers the government to define purposes to support infrastructure development and industrialization. RFCTLARRA increases the overall cost and time required for land acquisition, thereby compelling project owners towards more efficient utilization of land. RFCTLARRA came into force on 1 January 2014 to replace the Land Acquisition Act (1894).

8. The key features of the RFCTLARRA are as follows:

- (i) defines acquisition for public purpose, and disallowing of change in purpose after acquisition;
- (ii) requires the mandatory social impact assessment (SIA) to be conducted by the Gram Sabha or equivalent body in urban areas is mandatory, and provides detailed guidelines for conduct of SIA and its appraisal by an Expert Group;
- (iii) Provides for specific timelines for each activity in the process: SIA, appraisal by Expert Group, Objections, public hearing, preliminary notification, Draft declaration and resettlement and rehabilitation (R&R) Scheme, compensation and R&R payment, provision of infrastructure amenities; the process lapses in case no land acquisition notification happens after twelve months of the Expert Group report. Further, the R&R award should be made within twelve months from public declaration of the R&R scheme. Such a timeline is however extendable by the appropriate Government by another twelve months if deemed necessary;
- (iv) Provides for retroactive payment under Clause 24, in case of land acquisition proceedings initiated under the Land Acquisition Act (LAA), where no award under section 11 of the said LAA has been made; it also allows for 5 years old or more land acquisition proceedings wherein award is made but physical possession of the land has not been taken to be deemed as lapsed, and to be taken up under RFCTLARRA; and has similar provisions in cases where compensation for a majority of land holdings has not been accepted; to ensure minimum delays;
- (v) mandates consent of 80% landowners for private entities acquiring land and 75% for public private projects;
- (vi) Provides guidelines for calculation of market value; it also states that the date for determination of market value shall be the date on which the notification has been issued under Section 11. The market value so determined would be multiplied by a factor of, at least one to two times the market value for land acquired in rural areas and at least one times the market value for land acquired in urban areas.;
- (vii) stipulates a solatium equal to 100 percent of the market value of the property including value of assets;
- (viii) Requires payment of resettlement and rehabilitation assistance under Section 100, for all those losing livelihoods; it specifies the minimum to be paid but governments or private companies may pay higher compensation; Restrictions on acquisition of irrigated multi-cropped land);
- (ix) Restricts any acquisition of irrigated multi-cropped land except for exceptional circumstances. An equivalent area of culturable wasteland or land value has to be deposited with government in the case of such an acquisition.;

- (x) Prescribes a formal and transparent mechanism for R&R implementation, with a structured institutional framework at the Centre, State and Project level for land acquisition and R&R implementation and monitoring.

**B. The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Karnataka) Rules, 2014**

9. The RFCTLARR (Karnataka) Rules came into force in 2014, on the date of their publication in the Gazette Notification of Government of Karnataka and specify the process to be followed for land acquisition, rehabilitation and resettlement in Karnataka.<sup>5</sup> The Rules also encourage avoidance of land acquisition and resettlement impacts through a provision to take lands on lease rather than through acquisition for public purpose.

10. The RFCTLARR (Karnataka) Rules 2014 exercise the powers conferred by section 109 of the RFCTLARRA, 2013.

**C. ADB's Safeguard Policy Statement, 2009**

11. The ADB Safeguard Policy Statement (SPS) (2009) sets out the requirements for environment, involuntary resettlement and indigenous peoples safeguards. For involuntary resettlement safeguards, the policy aims to avoid involuntary resettlement wherever possible; to minimize involuntary resettlement by exploring project and design alternatives; to enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-project levels; and to improve the standards of living of the displaced poor and other vulnerable groups.

12. The involuntary resettlement safeguards cover 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 covers them whether such losses and involuntary restrictions are full or partial, permanent or temporary. The 12 policy principles of the SPS involuntary resettlement safeguards are as follows:

- (i) Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
- (ii) Carry out meaningful consultations with affected persons, host communities, and concerned nongovernment organizations (NGOs). Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism (GRM) to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where

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<sup>5</sup> Government of Karnataka, Revenue Secretariat Gazette Notification No. RD 152 AQB 2013, Bangalore, dated 21 June 2014.

involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.

- (iii) Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
- (iv) Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.
- (v) Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- (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 displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.
- (viii) Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
- (ix) Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons 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 resettlement plan under close supervision throughout project implementation.
- (xii) Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring; disclose monitoring reports.

**D. Comparison of the RFCTLARRA 2013 and State Policies with Key Indicators of ADBs Safeguard Policy Statement 2009**

13. A comparison of the key requirements has been made and the identified gaps will be addressed through this Resettlement Framework. The resettlement framework addresses the following identified gaps, namely: (i) screening past, present and future involuntary resettlement impacts and risks: The Project will undertake screening of all subprojects using the ADB involuntary resettlement checklist, to identify past, present and future involuntary resettlement impacts and risks; (ii) gap in establishing a project-level GRM for projects that do not have significant resettlement impacts. The Project will establish project-level GRM; (iii) define vulnerable group as per SPS, policy principle 2. The definition of vulnerable groups is in line with ADB SPS and the Entitlement Matrix outlines assistance for vulnerable groups; (iv) third party monitor of negotiated settlement: to ensure a fair and transparent process, a third party independent monitor will be hired to certify that the process of negotiated purchase was undertaken in a transparent and equitable manner, without coercion; (v) disclosure of resettlement plan and resettlement framework to affected persons; and (vi) frequency of resettlement plan monitoring: frequency of monitoring will be semi-annual, as required per SPS.

**III. INVOLUNTARY RESETTLEMENT SAFEGUARDS PRINCIPLES FOR KIUWMIP**

14. The project will recognize three types of physically displaced persons including: (i) persons with formal legal rights to land lost in its entirety or in part; (ii) persons who lost the land they occupy in its entirety or in part who have no formal legal rights to such land, but who have claims to such lands that are recognized or recognizable under national laws; and (iii) persons who lost the land they occupy in its entirety or in part who have neither formal legal rights nor recognized or recognizable claims to such land. The involuntary resettlement requirements apply to all three types of physically displaced persons. It also applies to all types of economically displaced persons – those facing permanent income loss as well as those facing temporary income loss. In accordance with the involuntary resettlement principles of this Resettlement Framework, all affected persons will be entitled to compensation/resettlement assistance. Compensation and assistance will be based on the nature of ownership rights on lost assets and the impacts, including vulnerability status of the affected persons.

15. Based on RFCTLARRA, state policies and regulations, and the ADB SPS, the following resettlement principles are adopted for this project:

- (i) Screening of the project to identify involuntary resettlement impacts and risks. Minimizing and avoiding resettlement impacts of each subproject by exploring all viable alternative designs.
- (ii) Carrying out consultations with affected persons, host communities and non-government organizations; informing all displaced persons of their entitlements and resettlement options; ensuring their participation in planning, implementation, and monitoring and evaluation of resettlement programs.
- (iii) Where the resettlement impacts are unavoidable, the displaced persons should be assisted in improving or at least regaining their standard of living.
- (iv) Vulnerable households will be given special assistance to improve their socioeconomic status. Vulnerable households comprise below poverty line households, female-headed households, disabled person-headed household, elderly-headed household, landless household, household with no legal title / tenure security, households with out-of-school/working children, and schedule castes and scheduled tribe households.

- (v) The absence of formal title to land is not a bar to policy entitlements.
- (vi) Compensation for all lost assets acquired or affected is based on the principle of replacement cost.
- (vii) Restoration of livelihoods and residences of the displaced persons will be facilitated with adequate resources and with a time-bound action plan in coordination with civil works.
- (viii) displaced persons are to be assisted in integrating economically and socially into host communities where physical displacement takes place, so that adverse impacts on the host communities are minimized and social harmony are promoted.
- (ix) All payments, including compensation for loss of land, assets, structures, trees, income, and common properties will be made prior to physical or economic displacement and commencement of civil construction work.
- (x) Disclose the draft resettlement plan, including documentation of the consultation process in a timely manner to affected persons and other stakeholders. Disclose the final resettlement plan and other documents such as the monitoring reports to affected persons and other stakeholders.

16. Section 46 of RFCTLARRA, 2013 permits direct purchase of land and undertaking direct negotiation with the land owner. Consistent with the RFCTLARRA, 2013, the Government of Karnataka Gazette Notification also promotes direct land purchase to optimize the utilization of public funds and accelerate the implementation of important infrastructure projects. Such purchase is supported by the ADB SPS provided that eminent domain will not be applied should the negotiated purchase fail, and where direct negotiations with land owners are conducted in a fair and transparent manner and land will be purchased upon agreement of a negotiated price. In the Project, in addition to the requirements in the Government of Karnataka Memorandum, the process of negotiation will involve the following steps:

- (i) Negotiation will take place when there is a willing seller;
- (ii) Meaningful consultation with the affected person(s) has to be carried out and documented;
- (iii) The minimum negotiated price to start negotiations will be not below the valuation of land based on the fair market price of land;
- (iv) All negotiations to be carried out in a transparent manner and validated by a third party (eminent citizen/any party without any interest in the process, appointed by the PMU), who will ensure there is no asymmetry of information availability and transparency is maintained;
- (v) In case of failure of negotiations, compensation will be paid as outlined in the Entitlement Matrix of the resettlement framework and the entire process documented. The third party will have to submit reports during and on conclusion of negotiations. Costs related to third party certification will be borne by the project proponent;
- (vi) The land transfer and updated records of the lands obtained through negotiated settlement will have to be completed prior to the start of civil works;
- (vii) No negotiated purchase from vulnerable households shall be undertaken for the project; and
- (viii) People who enter into negotiated settlement will maintain the same or better income and livelihood status.

#### **IV. SCREENING AND CATEGORIZATION OF SUBPROJECTS**

17. Following the RFCTLARRA 2013, state policies and regulations and incorporating ADB's

Safeguard Policy Statement, 2009, the basic principles for the Project will include these elements with respect to each sub-project, namely (i), land acquisition, and other involuntary resettlement impacts would be minimized as much as possible; (ii) any land acquisition and/or resettlement will be carried out and compensation provided in order to improve or at least restore the pre-Project income and living standards of the affected people; (iii) consultation with affected people on compensation options; (iv) payment of compensation for acquired assets at replacement cost for structures and fruit-bearing trees, and market price for timber trees and crops; (v) payment of compensation for lost land, housing, assets and resettlement allowances in full prior to the contractor taking physical acquisition of the land and prior to the commencement of any construction activities; (vi) resettlement assistance to affected persons including non-titled persons (e.g., informal dwellers/squatters, and encroachers) prior to the contractor taking physical acquisition of the land and prior to the commencement of any construction activities; (vii) income restoration and rehabilitation; (viii) establishment of appropriate GRMs to ensure speedy resolution of disputes; (ix) special attention to vulnerable groups; and, (x) involvement of women in all activities related to resettlement planning, implementation, and monitoring.

18. The sub-projects to be taken up for implementation in the Project will have broadly two types of impacts that will require mitigation measures. The types of impacts are (i) loss of land and related assets; and (ii) loss of livelihood or income opportunities.

19. Displacement under the sub-projects will be limited to the area required for the sub-projects and their safety zones, referred to as the direct impact zone. Only structures and other encumbrances within this zone will be removed for the Program. Every effort will be made during the preparation of the detailed design to minimize acquisition of land and other assets and to reduce negative socio-economic impact. The structures and assets falling outside the direct impact zone will be left undisturbed. Impacts, unforeseen to the structures or assets outside will also be compensated in accordance to the principles of this resettlement framework.

20. A detailed description of each compensation measure and assistance is provided in the entitlement matrix. The affected households will be entitled to a combination of compensation measures and resettlement assistance, depending on the nature of ownership rights of lost assets and scope of the impact, including social and economic vulnerability of the affected persons.

21. ADB's Involuntary Resettlement Impact Screening/Categorization Checklist (Appendix 9) will be adopted for the subproject. Screening will be conducted immediately after identification of project site. If the screening is done simultaneously when the project site is being identified, then the magnitude of impacts can be estimated and if required alternative options can be examined. This will be done by the project management design and construction supervision consultants (PMDSC) and submitted to PMU. Based on the ADB's Operational Manual Section F1/Operational Procedures<sup>6</sup> the following criteria for screening and categorization of subprojects will be followed:

22.

- (i) **Category A.** A proposed project is classified as category A if it is likely to have significant involuntary resettlement impacts. A resettlement plan, including assessment of social impacts, is required.
- (ii) **Category B.** A proposed project is classified as category B if it includes involuntary resettlement impacts that are not deemed significant. A resettlement plan, including assessment of social impacts, is required.

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<sup>6</sup> Issued on 1<sup>st</sup> October 2013.

- (iii) **Category C.** A proposed project is classified as category C if it has no involuntary resettlement impacts. No further action is required.
- (iv) **Category FI.** A proposed project is classified as category FI if it involves the investment of ADB funds to, or through, a financial intermediary.

23. The sub project's involuntary resettlement category is determined by the magnitude of involuntary resettlement impacts. The involuntary resettlement impacts of ADB-supported projects are considered significant if 200 or more persons will experience major impacts, which are defined as (i) being physically displaced from housing, or (ii) losing 10% or more of their productive assets (income generating). The level of detail and comprehensiveness of the resettlement plan will be commensurate with the significance of the potential impacts and risks. For Category A and B subprojects, a resettlement plan is required. For category C project, a Due Diligence Report is required.

24. Measures will be undertaken to avoid and minimize involuntary resettlement impacts including, exploring all viable alternatives for subproject designs and alternative sites or locations for subproject components to ensure that land acquisition and other involuntary resettlement impacts are avoided or minimized. These measures and criteria will be applied and rehabilitation within existing facility premises will be prioritized over new construction so as not to require land acquisition and result in resettlement impacts. Based on thorough survey of all possible site alternatives, subproject components will be proposed on vacant government land, where available.

25. Any involuntary resettlement impacts arising from the associated facilities, i.e. pipelines, intake or any other components being laid/constructed with government or any other funds, which will be part of the same water supply project, will be identified and shared with ADB. Government of Karnataka will ensure that such impacts are compensated / mitigated prior to displacement or start of construction work on those components. Confirmation of the same and the government's plan of action such as avoidance/mitigation measures/compensation will be shared with ADB and executed as per plan. Due diligence reports for the associated facilities will be attached to updated project resettlement plans.

## V. VOLUNTARY LAND DONATION<sup>7</sup>

26. In the case of land donation where the community or land owner(s) agree(s) to donate a part of their land for the project, an independent external party will have to be engaged to ensure and validate the following requirements: (i) The donation will not cause significant impacts on the livelihood of the donor(s) and the donor(s) is/are fully aware of the value of their donated land(s); and if not donated, the land will be compensated by the project; (ii) the donation does not come from land owners categorized as poor or vulnerable families; (iii) the donation will not cause any economic or physical displacement of the current land users (with or without legal title-sharecroppers, tenants and other types of current land users); (iv) the land donor(s) will get direct benefits from the proposed project activities; (v) meaningful consultations are conducted with the land owner(s); and (vi) the land donation(s) does not come from coercion or asymmetrical power relation between the land owner(s) and the government. The above information must be included in a due diligence report prepared by an external party, preferably by reputed and qualified NGOs, for ADB review and approval. The land transfer and updated records of the donated lands will have to be completed prior to the start of civil works.

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<sup>7</sup> This includes donations of other types of assets attached to the land (such as trees, structures etc.).

## **VI. ELIGIBILITY, ENTITLEMENTS AND BENEFITS**

### **A. Eligibility**

27. The following displaced persons are eligible for compensation, assistance, and benefits. All persons described in the definition of the family in the RFCTLARRA will be also be eligible for assistance/compensation in addition to those mentioned in this section. Eligible persons include:

- (i) persons who will lose land/assets/income in their entirety or in part, who have formal legal rights to the land;
- (ii) persons who will lose the land they occupy in its entirety or in part who have no formal legal rights to such land, but who have claims to such lands that are recognized or recognizable under national laws, e.g. tenants and leaseholders;
- (iii) persons occupying land over which they neither have legal title, nor have claims recognized or recognizable under national law e.g. sharecroppers, squatters, encroachers, wage labour without formal contracts; and
- (iv) Vulnerable groups.<sup>8</sup>

### **B. Entitlements, Assistance and Benefits**

28. The Project Entitlement policy addresses the potential direct and indirect impacts of project construction and operation on displaced persons, households and communities due to involuntary acquisition, including those that will be acquired through the RFCTLARRA. The most direct and immediate impacts are those associated with project construction, mainly land acquisition, loss of livelihood and loss of shelter. Other losses include loss of other assets such as cattle sheds, water sources etc. and common property resources. Mitigation is provided through compensation and assistance to project-displaced persons, households, and group on the basis of this policy framework adopted by the project. The policy provides mitigation for:

- (i) loss of assets, including land and house or work place;
- (ii) loss of livelihood or income opportunities;
- (iii) Collective impacts on groups, such as loss of community assets, common property resources, and others; and
- (iv) Temporary impacts or disruptions due to project construction work.

29. Compensation eligibility is limited by a cut-off date. The cut-off date for non- title-holders, is the date of the start of the census survey, during preparation of the draft resettlement plan. The date of Land Acquisition Notification under Section 11 of the RFCTLARRA will be the cut-off date for all titleholders losing land and structures.

30. Damages/unanticipated losses caused during construction, if any will be eligible for compensation. Such issues will be identified and closely monitored by the Safeguard Monitoring Unit of the PMU. Compensation for temporary impacts and damage during construction will be borne by the contractor. Unanticipated losses, if any, will be mitigated / compensated as per the Entitlement Matrix of this resettlement framework. Loss of drinking water, sanitation and/or any other facility due to damage of existing infrastructure during construction will be mitigated through provision of alternate facilities (e.g. alternate means of water supply). The time gap between transfer from old system to new in certain areas will be minimized to avoid inconvenience to the

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<sup>8</sup> Defined in the context of Karnataka as those below the poverty line (BPL), women-headed households, those belonging to the scheduled castes and scheduled tribes, landless and those without legal title, elderly, women and children, persons with disabilities and out-of-school/working children and orphaned children.

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31. The entitlement matrix (Table 1) provides guidance for compensation, resettlement, and rehabilitation assistance planning. The entitlement matrix lists various types of losses, defines eligibility criteria and entitlements, and provides basic parameters for preparation of compensation and resettlement benefits.

**Table 1: Entitlement Matrix<sup>a</sup>**

No.	Type of Loss	Application	Definition of Entitled Person	Compensation Policy <sup>a</sup>	Implementation Issues <sup>b</sup>	Responsible Agency <sup>c</sup>
1	Loss of private land	Homestead or mixed use land or vacant plot	Titleholders	<ol style="list-style-type: none"> <li>1. Compensation at replacement cost as specified in the Right to Fair Transparency and Land Acquisition, Rehabilitation and Resettlement Act (RFCTLARRA) or land-for-land where feasible;</li> <li>2. Solatium to be paid at 100% of the compensation value;</li> <li>3. For partial land acquisition, the following two options are to be given to the affected person, subject to acceptance: <ul style="list-style-type: none"> <li>• Option 1 - The affected person remains on the plot, and the compensation and assistance are paid only for the required amount of land to be acquired.</li> <li>• Option 2 - Compensation to be provided for the entire plot including residual part, if the owner of such land wishes that the residual plot should also be acquired by the executing agency.</li> </ul> </li> <li>4. Higher of the following options: Monthly subsistence allowance (a)equivalent to ₹3000 per month for a period of one year from the date of award, to all displaced families, OR, (b)based on minimum wage rate per head per day for a period of 6 months if residual land unviable and 3 months if residual land viable, and ₹3000 per month for the remaining months in 1 year.</li> <li>5. Compensation for trees based on timber value at market price, and compensation for perennial crops</li> </ol>	<p>If land-for-land is offered, (i) ownership will be in the name of original landowners, or (ii) joint ownership in the name of husband and wife will be offered in case of non-female-headed households. The alternate plot should be of equal productivity in lieu of land lost and within close vicinity. All fees, taxes, and other charges (registration, etc.) incurred for replacement land will be borne by the project</p>	<p>Replacement cost will be confirmed by the concerned District Magistrate.</p> <p>The Regional Project Management Unit (RPMU) in consultation with urban local body (ULB) will verify the affected households and determine the appropriate assistance as per this matrix</p>

				<p>and fruit trees at annual net product market value multiplied by remaining productive years; to be determined in consultation with the Forest Department for timber trees and the Horticulture and Agriculture Department for other trees/crops.</p> <p>6. All fees, stamp duties, taxes, and other charges, as applicable under the relevant laws, incurred in the relocation and rehabilitation process, are to be borne by the executing agency.</p> <p>7. One-time Resettlement Allowance of ₹50,000.</p> <p>8. All affected families will receive compensation for: (i) damage to land/quality of land (if any) sustained by reason of severing land proposed for acquisition or adjoining lands from/to affected land; calculated from the date of preliminary notification till the date of final award; (ii) diminution of the profits of the land between the time of the publication of the Declaration for taking possession of land and the time of taking actual possession of the land; and (iii) Compensation incidental to such change if affected landowner is compelled to change his place of residence or business due to proposed land acquisition.</p> <p>9. One-time financial assistance of ₹50,000 as transportation cost/shifting allowance.</p> <p>10. Land for land of equal productivity option for all displaced vulnerable households, if such land is available.</p>		
1-a	Loss of private land	Homestead or mixed	Tenants/ Leaseholders/	1. Reimbursement of rental/lease deposit or unexpired lease;	Reimbursement of unexpired lease or rental	Program Implementation unit

		use land or vacant plot	Sharecroppers (with or without written lease or tenancy agreement), including those on lands obtained through negotiated settlement	<ol style="list-style-type: none"> <li>2. Compensation at replacement cost for any investment made to the land;</li> <li>3. One-time resettlement allowance of ₹50,000.</li> <li>4. A monthly subsistence allowance equivalent to ₹3000.00 per month for a period of one year from the date of award will be provided.</li> <li>5. One-time financial assistance of ₹50,000 as transportation cost/shifting allowance for displaced families.</li> </ol>	<p>deposit will be facilitated by the project. Land owners will reimburse tenants and leaseholders land rental deposit or unexpired lease. If documentary evidence is available, the project may deduct the amount due against unexpired lease or rental deposit from the landowner's compensation and pay the same to the tenant or lessee.</p> <p>Harvesting prior to acquisition will be accommodated to the extent possible. Work schedule will avoid harvest season.</p>	(PIU)/ will confirm land rental and ensure tenants and leaseholders receive reimbursement for land rental deposit or unexpired lease, and report to RPMU.
1-b	Loss of private land	Homestead or agricultural or commercial or industrial or mixed use land or vacant plot	Encroachers and squatters	<ol style="list-style-type: none"> <li>1. Encroachers/squatters will be notified and given 60 days advance notice to remove their assets.</li> <li>2. Compensation for affected structures calculated as per the latest prevailing basic schedule of rates (BSR) without depreciation.</li> <li>3. Right to salvage material from the demolished structure at no cost.</li> <li>4. A lump sum transportation/shifting assistance of ₹10,000 will be provided</li> <li>5. Additional assistance for vulnerable households (refer to no. 7 in this matrix).</li> <li>6. Priority for project construction related employment, if so desired.</li> <li>7. Provision of access to land under existing land allocation or</li> </ol>		<p>RPMU will ensure provision of notice.</p> <p>RPMU will verify vulnerable households.</p>

				legalization schemes; either as titled or rental/lease land.		
2	Loss of Government land	Vacant plot, Agricultural land, homestead land	Leaseholder/ Legal User/ Sharecropper	<ol style="list-style-type: none"> <li>1. Compensation for unexpired lease;</li> <li>2. Compensation for any investment made to the land;</li> <li>3. One-time resettlement allowance of ₹50, 000.</li> <li>4. Choice of annuity or employment as referred in no. 5 of the Matrix.</li> <li>5. All affected families will receive compensation for: (i) damage to land/quality of land (if any) sustained by reason of severing land proposed for acquisition or adjoining lands from/to affected land; calculated from the date of preliminary notification till the date of final award; (ii) diminution of the profits of the land between the time of the publication of the Declaration for taking possession of land and the time of the Collector's taking actual possession of the land; and (iii) Compensation incidental to such change if affected landowner is compelled to change his place of residence or business due to proposed land acquisition</li> <li>6. Each affected family which is displaced from the land acquired shall be given a monthly subsistence allowance equivalent to ₹3000 per month for a period of one year from the date of award.</li> <li>7. One-time financial assistance of ₹50,000 as transportation cost/shifting allowance</li> <li>8. Additional assistance for vulnerable households (refer to no. 7 in this matrix).</li> </ol>		<p>PMU will ensure interdepartmental coordination.</p> <p>RPMU will verify vulnerable households.</p>

2-a	Loss of Government land	Vacant plot, ROW of road	Encroachers and squatters	<ol style="list-style-type: none"> <li>1. Squatters will be notified and given 60 days advance notice to remove their assets.</li> <li>2. Compensation for affected structures at replacement value calculated as per the latest prevailing BSR without depreciation.</li> <li>3. Right to salvage material from demolished structure at no cost.</li> <li>4. A lump sum shifting assistance of ₹10,000 will be provided</li> <li>5. Additional assistance for vulnerable households (refer to #7 in this matrix).</li> </ol>		<p>RPMU will ensure provision of notice.</p> <p>PIU will identify and RPMU will verify vulnerable households.</p>
3	Loss of residential structure	Residential structure and other assets	Legal Titleholder of affected structure/ those without homestead land	<ol style="list-style-type: none"> <li>1. If a house is lost in rural area a constructed house shall be provided as per the Indira Awas Yojana specifications OR equivalent cost of the house.</li> <li>2. In urban areas, a constructed house shall be provided, which will be not less than 50 m<sup>2</sup>. in plinth area OR a one-time financial assistance for house construction, which shall not be less than ₹150,000.</li> <li>3. The replacement cost of the structure including labour cost calculated as per the latest prevailing BSR without depreciation, cost of transportation of material and property registration cost will be provided,;</li> <li>4. Where the loss of structure is partial and the remaining structure is unviable, compensation will be based on the total structure and benefits will be given as mentioned in this section.</li> </ol>		<p>The concerned District Magistrate will confirm the replacement cost. RPMU will verify the extent of impacts identified by PIU, determine assistance, verify vulnerable households.</p>

				<ol style="list-style-type: none"> <li>5. One-time financial assistance of ₹50,000 as transportation/shifting allowance;</li> <li>6. A monthly subsistence allowance equivalent to ₹3000 per month for a period of one year from the date of award will be provided</li> <li>7. Right to salvage material from the demolished structure at no cost;</li> <li>8. If relocation required, rental assistance at ₹5000 per month till alternative house is ready;</li> <li>9. Each affected family shall be given a one-time Resettlement Allowance of ₹50,000 only.</li> <li>10. All fees, taxes and other registration charges incurred for the replacement structure shall be borne by executing agency.</li> <li>11. Additional compensation for vulnerable households (item no. 7)</li> </ol>		
3-a	Loss of residential structure		Tenants and leaseholders	<ol style="list-style-type: none"> <li>1. Rental assistance at ₹5000 per month for 3 months.</li> <li>2. One-time financial assistance of ₹50,000 as transportation cost/shifting allowance.</li> <li>3. A monthly subsistence allowance equivalent to ₹3000 per month for a period of one year from the date of award will be provided</li> <li>4. Any additional structures erected by tenants/lessees will also be compensated at replacement cost and deducted from owner's compensation amount;</li> <li>5. Right to salvage material from demolished structure, erected by tenants.</li> <li>6. Additional compensation for vulnerable households (item no. 7)</li> </ol>	Reimbursement of rental deposit or unexpired lease to tenants and leaseholders to be facilitated by the project. Structure owners will reimburse tenants and leaseholders land rental deposit or unexpired lease. If documentary evidence is submitted, the project may deduct the amount due against unexpired lease or rental deposit from the landowner's compensation and pay the same to the tenant or lessee.	RPMU will verify the extent of impacts determine assistance, verify vulnerable households.

3-b	Loss of residential structure	Residential structure and other assets	Encroachers, Squatters, and informal settlers	<ol style="list-style-type: none"> <li>1. Encroachers will be notified and given 60 days advance notice to remove their assets.</li> <li>2. Compensation for affected structures at replacement value calculated as per the latest prevailing BSR without depreciation and including the cost of transportation of materials.</li> <li>3. Right to salvage material from the demolished structure at no cost.</li> <li>4. A lump sum shifting assistance of ₹10,000 will be provided</li> <li>5. Additional compensation for vulnerable households (item no. 7)</li> </ol>		RPMU will verify the extent of impacts determine assistance, verify vulnerable households.
4	Loss of commercial/ other structure	Commercial structure and other assets	Legal titleholders	<ol style="list-style-type: none"> <li>1. The replacement cost of the structure without depreciation, subject to a minimum of ₹25,000; where loss of structure is partial and the remaining portion is not viable for living any more, compensation should be for whole structure; otherwise, compensation will be for affected structure only.</li> <li>2. One-time Resettlement Allowance of ₹50,000</li> <li>3. A monthly subsistence allowance equivalent to ₹3,000 per month for a period of one year from the date of award will be provided.</li> <li>4. Right to salvage material from the demolished structure at no cost;</li> <li>5. One-time financial assistance of ₹50,000 as transportation allowance.</li> <li>6. Rental assistance for 3 months, equivalent to the space/location lost at prevalent market rate.</li> <li>7. All fees, taxes and other registration charges incurred for the replacement structure shall be borne by the executing agency.</li> </ol>	Vulnerable households will be identified during the census survey of affected households conducted by PIU/PMDCSC.	Replacement cost will be confirmed by the concerned District Magistrate. RPMU will verify the extent of impacts determine assistance, verify vulnerable households.

				8. Additional compensation for vulnerable households (item no. 7)		
4-a	Loss of commercial/other structure	Commercial structure and other assets	Tenants/Leaseholders	<ol style="list-style-type: none"> <li>1. Rental assistance for 3 months, equivalent to the space/location lost at prevalent market rate.</li> <li>2. One-time financial assistance of ₹50,000.00 as transportation/shifting allowance.</li> <li>3. A monthly subsistence allowance equivalent to ₹3,000 per month for a period of one year from the date of award will be provided</li> <li>4. Any additional structures erected by tenants/lessees will also be compensated and deducted from owner's compensation amount; Right to salvage material from demolished structure, erected by tenants</li> <li>5. Additional compensation for vulnerable households (item no. 7)</li> </ol>	Reimbursement of rental deposit or unexpired lease to tenants / lessees to be facilitated by the project. Structure owners will reimburse tenants and leaseholders land rental deposit or unexpired lease. If documentary evidence is submitted, the project may deduct the amount due against unexpired lease or rental deposit from the landowner's compensation and pay the same to the tenant or lessee.	RPMU will verify the extent of impacts determine assistance, verify vulnerable households.
4-b	Loss of commercial/ other structure		Encroachers and squatters	<ol style="list-style-type: none"> <li>1. Encroachers will be notified and given 60 days advance notice to remove their assets.</li> <li>2. Compensation for affected structures at replacement value without depreciation.</li> <li>3. Right to salvage material from the demolished structure at no cost.</li> <li>4. A lump sum shifting and transitional assistance of ₹10,000 will be provided</li> <li>5. Additional compensation for vulnerable households (item no. 7).</li> </ol>	Vulnerable households will be identified during the census survey of affected households.	RPMU will verify the extent of impacts determine assistance, verify vulnerable households.
5	Loss of livelihood	Livelihood	Owner/tenants/leaseholders/share croppers (with or without written tenancy or lease agreement)	<ol style="list-style-type: none"> <li>1. Choice of annuity or employment – the following options are to be provided: (a) where jobs are created through the project, after providing suitable training and skill development in the required field, make provision for</li> </ol>	Census survey will identify households whose livelihoods are affected, extent and type of loss. Census survey will also identify vulnerable households.	PMU in consultation with RPMU and concerned ULB will verify the extent of impacts determine assistance, verify

				<p>employment at a rate not lower than the minimum wages provided for in any other law for the time being in force, to at least one member per affected family in the project or arrange for a job in such other project as may be required; or (b) onetime payment of ₹5,00,000 per affected family; or (c) annuity policies that shall pay not less than ₹2000 per month per family for twenty years, with appropriate indexation to the Consumer Price Index for Agricultural Labourers.</p> <p>2. Preference for employment opportunity for Affected Persons in the project construction work, if so desired by them.</p> <p>Training would be provided for income generating vocational training and skill improvement options based on the choice of the affected person at ₹20,000<sup>d</sup> per family. This cost would be directly paid by the project to the training institute OR purchase of income generating assets up to ₹40, 000<sup>e</sup>.</p>		vulnerable households.
5-a	Loss of livelihood		Titleholders / tenants/leaseholders losing income through business	<p>1. One-time grant of a minimum of ₹25,000<sup>f</sup> for self-employed persons, artisans, small traders etc.</p> <p>2. Choice of annuity or employment or cash compensation for 1 year's lost income – the following options are to be provided:</p> <p>(a) where jobs are created through the project, after providing suitable training and skill development in the required field, make provision for employment at a rate not lower than the minimum wages provided for in any other law for the time being in force, to at least one member per</p>	Census survey will identify households whose livelihoods are affected, extent and type of loss. Census survey will also identify vulnerable households.	CAPRRC in coordination with RPMU, ULB and PIU will verify the extent of impacts, determine assistance, verify vulnerable households and submit report to KUIDFC through RPMU.

				<p>affected family in the project or arrange for a job in such other project as may be required; or (b) onetime payment of ₹500,000 per affected family; or (c) annuity policies that shall pay not less than ₹2000 per month per family for twenty years, with appropriate indexation to the Consumer Price Index for Agricultural Labourers; or (d) cash compensation equal to lost income for 1 year based on tax record or in its absence, comparable rates from registered businesses of the same type with tax record.</p> <p>3. Additional compensation for vulnerable households (item no. 7).</p>		
5-b	Loss of livelihood		<p>Wage-earning employees affected due to displacement of commercial structure (those working in businesses such as petty shops, eateries)</p>	<p>1. Assistance to persons affected due to employer being displaced, based on (1) actual wage as recorded in the formal contract or (2) One-time financial assistance for lost income based on 6 months subsistence allowance at ₹18,000<sup>9</sup> per affected person, whichever is higher.</p> <p>2. Preference for employment opportunity for Affected Persons in the project construction work, if so desired by them.</p> <p>3. Additional compensation for vulnerable households (item no. 7).</p>	<p>Census survey will identify households whose livelihoods are affected, extent and type of loss. Census survey will also identify vulnerable households.</p>	<p>RPMU with assistance of ULB and CAPRRC will verify the extent of impacts determine assistance, verify vulnerable households.</p>
6	Loss of trees	Standing trees	<p>Legal titleholder, Leaseholder</p>	<p>1. Affected person will be notified and given 60 days advance notice cut/clear the affected trees. For fruit trees 6 months' notice is to be given.</p> <p>2. Compensation for trees at prevalent market rates,<sup>h</sup> to be calculated as annual net product value multiplied by number of productive years remaining.</p>	<p>Harvesting prior to acquisition will be accommodated to the extent possible Work schedules will avoid harvest season. Replacement cost of trees has to be determined.</p>	<p>RPMU will ensure provision of notice. The valuation of trees and compensation rates will be finalized on the basis of market rate or on the basis of valuation by the Horticulture/ Forest Department and in</p>

				<p>3. Compensation for one-year net harvest for seasonal fruit trees at prevalent market rates.</p> <p>4. Compensation at market value of timber in case of timber-bearing trees.</p> <p>5. For fruit bearing trees compensation to be calculated at market value of annual net product multiplied by the number of productive years.<sup>i</sup></p>		consultation with affected persons
6-a	Loss of trees and crops		Encroachers and squatters	<p>1. Encroachers and squatters will be notified and given 60 days advance notice to remove trees and 6 months' notice to harvest seasonal crops and fruit trees.</p> <p>2. Compensation for trees based on timber value at market price, and compensation for perennial crops and fruit trees at annual net product market value multiplied by remaining productive years; to be determined in consultation with the Forest Department for timber trees and the Horticulture Department or Agriculture Department for other trees/crops.</p> <p>3. For vulnerable households, subsistence allowance for one cropping cycle in case of seasonal crop</p>	Harvesting prior to acquisition will be accommodated to the extent possible Work schedules will avoid harvest season.	
7	Impacts on vulnerable affected persons <sup>j</sup>	All permanent impacts	Vulnerable affected persons <sup>k</sup>	<p>1. Additional one-time lump sum assistance of ₹36,000 (calculated for 12 months subsistence allowance per vulnerable family will be paid). This will be over and above the other assistance given in this framework.</p> <p>2. Vulnerable households will be given priority in employment in the project construction and operation and maintenance (O&amp;M) activities.</p>	If land-for-land is offered, (i) ownership will be in the name of original landowners, or (ii) joint ownership in the name of husband and wife will be offered in case of non-female-headed households.	Vulnerable households will be identified during the census survey of affected households conducted by the CAPRRC in coordination with RPMU, ULB and PIU

				3. Provision for skill training for displaced vulnerable persons and assistance for purchase of income generating assets including initial capital of ₹40,000.		RPMU in coordination with the concerned ULB will verify the extent of impacts determine assistance, verify vulnerable households.
8	Temporary loss of land	Land temporarily required for project activities	Legal titleholders Legal titleholder/ traditional land rights/ non-titleholders	<ol style="list-style-type: none"> <li>1. Affected households will be notified and given 60 days advance notice to remove trees and 6 months' notice to harvest fruit trees.</li> <li>2. Provision of rent for the period of occupation/loss of access to the land.</li> <li>3. Compensation for lost income during temporary occupation.</li> <li>4. Compensation for loss of trees and crops or damaged assets at current replacement cost.</li> <li>5. Restoration of land to its previous or better quality.</li> </ol>	RPMU/PMDCSC will identify and include details in the resettlement plan Arrangement by the contractor on the activities to be taken up. Impacts if any on the structures, assets and plantation due to the temporary occupation. Extent of rehabilitation, restoration of the site.	The rental value and duration of lost income will be determined through survey and consultation with Affected persons. A photograph of the status prior to occupation to be made by the PIU. RPMU will ensure that the compensation is paid prior to handing over of site to the owner. The site will be taken up by the contractor after consent of RPMU and ULB.
8-a	Structures temporarily required for project activities		Legal titleholders/ non-titled holders building owners	<ol style="list-style-type: none"> <li>1. Advance notice of at least 4 weeks</li> <li>2. Assistance to shift to nearby alternate sites for continued daily activities e.g. economic activity, children's schooling, etc.</li> <li>3. Assistance to shift back once construction completed</li> <li>4. Compensation for damaged assets at replacement value without depreciation.</li> <li>5. Rental assistance as per the prevalent rate in the form of grant to cover the duration of project construction activities</li> </ol>	RPMU in consultation with PMDCSC will identify and include details in the resettlement plan Arrangement by the contractor on the activities to be taken up. Impacts if any on the structures, assets and plantation due to the temporary occupation. Extent of rehabilitation, restoration of the site.	RPMU will verify assistance and monitoring.

				6. Subsistence/relocation allowance at ₹3000 per month for 3 months, if temporarily displaced for more than 1 month.		
9	Temporary disruption of livelihood	Commercial and agricultural activities	Legal titleholders, tenants, leaseholders, employees, hawkers or vendors.	<ol style="list-style-type: none"> <li>1. 60 days advance notice regarding construction activities, including duration and type of disruption.</li> <li>2. Cash assistance based on the net income from the affected business or minimum wage for the loss of income/livelihood for the period of disruption, whichever is more.</li> <li>3. For construction activities involving disruption for a period of more than a month, provision of alternative sites for hawkers and vendors for continued economic activities. If not possible, allowance based on the net income<sup>l</sup> of the affected business or minimum wage rate for the affected households up to 3 month or the actual period of disruption whichever is more.</li> <li>4. Free transport facility, or, one time shifting allowance of ₹4000 per shift, or, shifting cost in the town, whichever is higher, if required to shift.</li> <li>5. Vulnerable households will be given priority in employment in the project construction activities.</li> </ol>	<p>Census survey will identify households whose livelihoods are temporarily affected, extent and type of loss. Census survey will also identify vulnerable households.</p> <p>During construction, the RPMU and ULB will identify alternative temporary sites to the extent possible, for vendors and hawkers to continue economic activity.</p> <p>RPMU/PMDCSC in consultation with the ULB and PIU will ensure civil works will be phased to minimize disruption through construction scheduling in co-ordination with the contractors</p> <p>Shifting cost likely to be incurred in a town will be determined on the basis of surveys and will be calculated as the cost incurred in shifting from and returning back to the same location.</p>	RPMU in coordination with ULB, PIU and Contractors will identify alternative locations
10	Loss and temporary impacts on common resources	Common resources	Communities, Government Agencies <sup>m</sup>	1. The contractor shall follow the provisions in this entitlement matrix for any impact on structure or land due to movement of machinery during construction or establishment	RPMU in consultation with the concerned ULB in coordination with District Level Implementation	PMU/DLIC and Contractor.

				<p>of construction plant. Compensation for trees based on timber value at market price, and compensation for perennial crops and fruit trees at annual net product market value multiplied by remaining productive years; to be determined in consultation with the Forest Department for timber trees and the Horticulture Department or Agriculture Department for other trees/crops.</p> <ol style="list-style-type: none"> <li>2. Time bound restoration of land to its previous or better quality.</li> <li>3. The contractor will maintain access to businesses (e.g., planks, keeping traffic flow, pedestrian access, no full street closures, etc.).</li> <li>4. Replacement or restoration of the affected community facilities – including public water stand posts, temples, shrines, bus shelters etc.</li> <li>5. Enhancement of community resources<sup>n</sup></li> </ol>	<p>Committee (DLIC) will ensure compensation and other entitlements are implemented in co-ordination with the contractors. Enhancement of community resources will be carefully monitored by RPMU.</p>	
11	Any other loss not identified			<ol style="list-style-type: none"> <li>1. Any unanticipated impacts of the project will be documented and mitigated based on the spirit of the principles agreed upon in this Resettlement Framework and the RFCTLARRA</li> <li>2. Unanticipated involuntary impacts will be documented and mitigated based on the principles provided in the ADB involuntary resettlement Policy.</li> </ol>		<p>The RPMU and ULB/DLIC will ascertain the nature and extent of such loss. The RPMU will finalize the entitlements in line with the ADB Safeguard Policy Statement.</p>

<sup>a</sup> Transportation costs, monthly subsistence allowance and resettlement costs are not incremental. For example, if an affected household loses land, shelter and commercial business in one lot, the family will get each of these allowances only once. Statutory compensation rates will be adjusted for inflation till the year of compensation payment.

<sup>b</sup> For any design, build and operate (DBO) contracts, the DBO contractor undertakes design tasks.

<sup>c</sup> For any design, build and operate (DBO) contracts, the DBO contractor carries out design responsibilities.

- <sup>d</sup> The Vocational Training Programme by the Industrial Training Institutes provides training on a number of trades, under the Directorate General of Employment and Trade, Ministry of Labour and Employment, Government of India or additional cash assistance. The cost for training/additional cash assistance is will be calculated based on prevailing minimum wage rates for semi-skilled labor for 26 working days a month for three months.
- <sup>e</sup> This is an estimate. The income generating asset will be skill-related. However, the assets will be decided on a case to case basis.
- <sup>f</sup> Based on RFCTLARRA, 2013.
- <sup>g</sup> based on 6 months of subsistence allowance. In the RFCTLARRA the subsistence allowance for titleholders is ₹36, 000 for a year. In this case 50% of given amount is provided for non-titleholders.
- <sup>h</sup> Valued by an experienced person in the field of horticulture/forestry etc.
- <sup>i</sup> To be valued by persons experienced in the field of horticulture forestry etc. as necessary.
- <sup>j</sup> Vulnerability benefits are incremental, i.e., in addition to other entitlements and benefits.
- <sup>k</sup> Vulnerable groups comprise below poverty line households, elderly, women and children including female-headed households, households with out-of-school/working children, orphaned children, disabled persons, landless households, households with no legal title/tenure security, and scheduled caste and scheduled tribe households.
- <sup>l</sup> Verification of reported income will be undertaken based on net income as per income tax returns, or in the absence of such records, based on survey of similar businesses in the vicinity.
- <sup>m</sup> For example, schools, health centers and integrated child development scheme centers.
- <sup>n</sup> For example, provision of water connections, toilets and/or play areas with appropriate facilities.

## VII. SOCIO-ECONOMIC INFORMATION FOR RESETTLEMENT PLAN PREPARATION

### A. Surveys

32. For the proper rehabilitation of affected persons, socioeconomic (SIA) surveys and census will be undertaken in each subproject with involuntary resettlement impacts. The SIA will help in determining the magnitude of displacement, prospective losses, better targeting of vulnerable groups, ascertaining actual costs of resettlement, preparing and implementing a rehabilitation program. As part of the social impact assessment, the project will identify individuals and groups who may be differentially or disproportionately affected by the project because of their disadvantaged or vulnerable status. Where such individuals and groups are identified, targeted measures will be proposed and implemented 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. The purpose of the census is to register and document the status of the potentially affected population<sup>9</sup> within the sub-project impact area/impact zone. The census will cover 100 percent of affected persons. The census will provide a demographic overview of the population, and will cover people's assets and main sources of livelihood.

33. Socio-economic surveys of persons facing negotiated land purchase or those donating land will be undertaken as part of due diligence, to establish their socio-economic profile and willingness. Such surveys will be undertaken by the concerned PIU with the support of project consultants.

34. Detailed measurement of affected properties needs to be conducted to identify the exact extent of loss to each affected person in the updated resettlement plan based on the final detailed design. In case of pipe alignments, detailed measurement of road width, marking of proposed pipe alignment or pit or manhole location, as applicable, and extent of excavation based on the final detailed design will be undertaken to ascertain impact/loss and identify affected persons to be surveyed. The detailed measurement survey based on the final detailed design will help confirm and finalize the estimation of impacts and will be accompanied by the census survey.

### B. Preparation of Resettlement Plan

35. The PIU with the assistance of PMDCSC and the design, build and operate (DBO) contractor will prepare a resettlement plan, if the proposed project will have involuntary resettlement impacts. The resettlement plan will be based on the social impact assessment and through meaningful consultation with the affected persons. A resettlement plan will include measures to ensure that the displaced persons are (i) informed about their options and entitlements pertaining to compensation, relocation, and rehabilitation; (ii) consulted on resettlement options and choices; and (iii) provided with resettlement alternatives. During the identification of the impacts of resettlement and resettlement planning, and implementation, the executing agency will pay adequate attention to gender concerns, including specific measures addressing the need of female headed households, gender-inclusive consultation, information disclosure, and GRM, to ensure that both men and women receive adequate and appropriate compensation for their lost property and resettlement assistance, if required, as well as assistance to restore and improve their incomes and living standards. The resettlement plan will specify the

<sup>9</sup> The potentially affected population will include both the titleholders and the non-titleholders within the project impact zone. The identification of non-titleholders would be based on legal documents, such as the ration card, voter's list etc. In the absence of any supporting legal documents, the information by the community, village councils or darbars will be considered.

income and livelihoods restoration strategy, the institutional arrangements, the monitoring and reporting framework, the budget, and the time-bound implementation schedule. An outline of a resettlement plan is presented in the annexure.

36. Resettlement plans will be prepared based on the results of the census and socio-economic survey; the database on affected persons should be completed before resettlement plan preparation. Resettlement plans will be prepared by the PIU through project consultants (PMDCSC), and in consultation with affected persons, local representatives, and community-based organizations. The PMDCSC team should include a resettlement specialist familiar with ADB policy and procedures for preparing resettlement plans and with experience in preparing a resettlement plan document in a similar ADB project. In case of DBO contract packages, the contractor is envisaged to have a Social Supervisor, who will be responsible for joint inspections with design engineers and PIUs, detailed measurement survey (DMS), finalization of inventory of losses, updating and implementation of resettlement plan.

37. The resettlement plan will be disclosed to affected persons and host communities, with the help of the staff in the PMU, for their suggestions. The resettlement plan will be summarized and translated in local language (Kannada), and notified to the public, by posters and/or resettlement booklets.

### **C. Gender Impacts and Mitigation Measures**

38. Any negative impacts of a sub-project on female headed households will be taken up on case-to-case basis and rehabilitation of these households will be treated on a priority basis under the sub-projects. The resettlement plan will formulate measures to ensure that socio-economic conditions, needs and priorities of women are identified and the process of land acquisition and resettlement does not disadvantage women. The resettlement plan will ensure that gender impacts are adequately addressed and mitigated. Women's focus groups discussions will be conducted to address specific women's issues. Any direct negative impacts of the sub-project on female headed households, who are considered vulnerable under the project, will be taken up on a case-to-case basis and rehabilitation of these households will be treated as a priority under the sub-project. During disbursement of assistance and compensation, priority will be given to female headed households. Joint ownership in the name of husband and wife will be offered in case of non-female headed households. The gender action plan is in the Program Administration Manual.

39. A participation framework during the subsequent stages of project design and implementation has been worked out towards ensuring the participation of women. Women headed households wherever impacted due to the proposed improvements, are covered by adequate compensation based on the entitlement matrix.

## **VIII. CONSULTATION, PARTICIPATION, AND DISCLOSURE**

### **A. Consultation and Participation**

40. Consultation with the primary and secondary stakeholders is an important tool for the successful preparation and implementation of resettlement plan. The primary stakeholders include displaced persons, the project beneficiaries, the host population (in cases where displaced persons need to be relocated elsewhere), and the implementing agency, the ULBs. The secondary stakeholders are other individuals or groups with interest in the project and include elected representatives of the ULBs, local or national government, policy makers, advocacy groups, and NGOs.

41. The participatory consultation process adopts a range of formal and informal consultative methods, including in-depth interviews with key informants, focus group discussions (FGDs), meetings and workshops, apart from interaction with individual displaced persons. The consultation activities are undertaken at various stages of project: (i) Project initiation, (ii) resettlement plan preparation, and (iii) resettlement plan implementation. Additionally, at least one town level consultation meeting will be held in each project town and at least 5-10 ward level consultations will be held in project coverage areas and with surrounding communities living in the vicinity of facility locations within the project towns. The purpose of these consultations is to disseminate project information, solicit response and to disclose RP's. The consultation process also varies according to requirements at various levels of the project.

### **1. Project Initiation Stage**

42. At this stage, only a tentative project proposal and its consequences are discussed. Project components, potential benefits and risks that are likely to be involved are the main topics of discussion at this stage. Community leaders and local NGOs/community-based organizations (CBOs) are the targeted audiences whom the project proponent will approach to discuss the basic plan and designs. The ULB takes the initiative to divulge the proposal and start the consultation process. The consultation is more of dissemination of project information for the community to understand the overall issues of the project. The Safeguards Officer maintains records of these consultations and keeps minutes of the meetings. Response of the community— oral and written, if any—are also recorded for future discussion, design options, etc.

43. After the draft design for the technical components are prepared and the potential involuntary resettlement impacts are assessed, consultations include potential displaced persons. At this stage, the impact on vulnerable groups, including women-headed households, indigenous peoples, below poverty line families, and others is assessed in detail. Here the consultation process is more of the FGD method with each potentially affected group consulted separately. Particular emphasis is placed on the vulnerable groups. The discussion mode is informal and in a manner comprehensible to the participants. Small groups under each category of affected persons and beneficiaries is invited, and the project design, including the risks and benefits, explained to them and their feedback obtained. The details of the consultations and their responses are recorded and taken into consideration for project design and planning.

### **2. Resettlement Plan Preparation Stage**

44. As part of resettlement plan preparation, the Social Impact Assessment (SIA) is started with a census and socioeconomic survey of the potentially affected families. Upon the completion of final detail engineering design, a detailed measurement survey (DMS) is undertaken to identify the final involuntary resettlement impacts to the affected population. This then set off the finalization of the resettlement plan for potentially displaced families, mitigation actions, funding requirements, and institutional preparedness. The implementing agency is required to publicly disclose the project census cut-off date to determine the eligibility of the affected people for compensation and other entitlements.

45. Consultations are held with the heads of the households/members of the potentially displaced families, voluntary organizations, NGOs/CBOs, major state-level stakeholders such as government agencies and ULBs and vulnerable groups such as women-headed households and tribal and ethnic minority communities. Consultation methods include individual interviews with the displaced persons, FGD sessions with small groups, including vulnerable families, and interviews with key stakeholders at government and community levels. The detailed information on project

impact, particularly adverse impacts, and entitlement is explained to the displaced persons in a transparent and easily understandable manner, and their response recorded. The purpose of consultation is to get views from stakeholders about the project and its involuntary resettlement impact, which also helps in finding alternate design options to minimize resettlement impact. Town level and ward level consultations will be held at this stage. Disclosure will be a continuous process.

46. All consultations are organized by the ULBs, and the Safeguards Officer (aided by the PMDCSC) is responsible for conducting/ arranging participatory consultation and disclosure meetings in such a manner that the displaced persons and stakeholders at community level feel free to express their views without coercion, fear, or hesitation. If there are any changes in project design in sites or alignment based on inputs of the consultation process, these will be made known to the displaced persons. Minutes of the meetings and list of participants in participatory consultations are documented as annexures in the resettlement plan.

### **3. Resettlement Plan Implementation Stage**

47. During resettlement plan implementation, consultation with the displaced persons should be part of the regular resettlement plan activities. The Community Awareness, Participation, Rehabilitation and Resettlement Consultant (CAPRRC) appointed by the ULB will prepare detailed consultation and disclosure plans and disclose the entitlement package. The consultation will ascertain progress of resettlement plan activities and constraints faced by the displaced persons. In case of land acquisition, more intense and frequent consultations will be held with the displaced persons and their entitlement disclosed to them. Emphasis is on regular consultation with the vulnerable displaced persons, including women-headed households and indigenous people.

### **4. Consultation for Income Restoration Program**

48. In the event that vulnerable persons are affected, either temporarily during construction or permanently due to land acquisition, income restoration programs for these vulnerable affected persons are required. Frequent consultations will be held with the individuals to identify and assess their needs, capability, and willingness and identify suitable training programs and skill development training institutes for them.

## **B. Disclosure**

49. The level of disclosure is commensurate with the progress of resettlement plan preparation and implementation. In the resettlement plan preparation phase, the displaced persons, and particularly the vulnerable groups, are taken into confidence. Potential involuntary resettlement impacts of the subproject is disclosed during SIA, and feedback from potential displaced persons and the community is further investigated to identify design options. After careful examination of all possible means to avoid and minimize involuntary resettlement impact, project activities and possible impacts are finalized and disclosed to the displaced persons in the form of the resettlement plan.

50.

51. The final RP, approved by PMU and ADB, is disclosed through the RPMU to the displaced persons, community leaders, people's representatives, and government agencies at district and ULB level. Copies of the resettlement plan will be available to the public at the PIU, PMU and RPMU offices. Electronic versions of the resettlement framework/resettlement plans will be placed in the official website of the PMU/State Government and the official website of ADB after approval of the resettlement plan by the Government and ADB. A brief Public Information Disclosure (PID)

Pamphlet with information about the project, its impacts and entitlement options will be printed in the local language (kannada) and distributed to the displaced persons. A copy of the PID will be sent to ADB and a soft copy of the same will be uploaded on PMU and ADB websites. The pamphlet will be posted in prominent government offices, ward councils, and ULB offices.

52. During resettlement plan implementation, the displaced persons will be informed about procedures to access their entitlement benefits. If physical displacement occurs, relocation sites, along with all infrastructure facilities, will be disclosed to the displaced persons for their endorsement. For income restoration, disclosure on skill development training options and feedback on market survey of the products will be ensured. These disclosure activities will be the responsibility of the CAPRRC, under supervision of the safeguards officer of the RPMU.

53. The project implementation unit (PIU) at ULB level, and under central and regional PMU at Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC), will extend and expand the consultation and disclosure process during the detailed design and project implementation stage. The CAPRRC will ensure ongoing consultations and public awareness programs during project implementation. A community participation action plan will be prepared by the CAPRRC in consultation with ULB. The community and the affected families will be consulted and made aware of the civil works under project activities and entitlements prior to construction. This task will be carried out in coordination with the PIU, design consultant, and contractors.

## **IX. GRIEVANCE REDRESS MECHANISM**

54. As per the orders of Joint Managing Director KUIDFC Official Memorandum dated 28<sup>th</sup> June 2017 has been issued to the concerned for formation of project specific grievance redress mechanism (GRM). A scanned copy of Official Memorandum for formation of grievance redress committee (GRC) is presented in the annexure. It will be established to receive, evaluate and facilitate concerns of, complaints and grievances of the affected persons in relation to project's social and environmental performances. The main objective of the GRM will be to provide time bound action and transparent mechanisms to resolve social and environment concerns.

55. A project GRM will cover the project's towns for all kinds of grievances and will be regarded as an accessible and trusted platform for receiving and facilitating project related complaints and grievances. The multi-tier GRM for the program will have realistic time schedules to address grievances and specific responsible persons will be identified to address grievances and whom the displaced persons have access to interact easily.

56. Awareness on grievance redress procedures will be created through Public Awareness Campaign with the help of print and electronic media. The Safeguards Officer of RPMU will ensure that vulnerable households are also made aware of the GRM and assured of their grievances to be redressed adequately and in a timely manner.

57. There will be multiple means of registering grievances and complaints by dropping grievance forms in complaint/ suggestion boxes at accessible locations, or through telephone hotlines, email, post or writing in a complaint registrar book in ULB's project office. There will be complaint registrar book and complaint boxes at construction site office to enable quick response of grievances/ complaints for urgent matters. The name, address and contact details of the persons with details of the complaint / grievance, location of problem area, date of receipt of complaint will be documented. The RPMU's Safeguards Officer will be responsible at the project level for timely resolution of the environmental and social safeguards issues and registration of grievances, and communication with the aggrieved persons.

### **A. Grievance Redressal Process**

58. There will be several tiers for grievance redress process. Simple grievances for immediate redress will first be resolved at site by Contractor. If unaddressed for up to 7 days the complainants may go to PIU officer in ULB responsible for addressing resettlement/social issues. Resident engineer and the ULB will assist in resolving the issues. Name, designation and contact number of personnel responsible for grievance redress at ULB and RPMU, will be posted at Contractor's and PMDCSC's site office in full visibility of public. Grievances of immediate nature should be resolved at site/ within ULB/ PIU level within 15 days of registration of grievances.

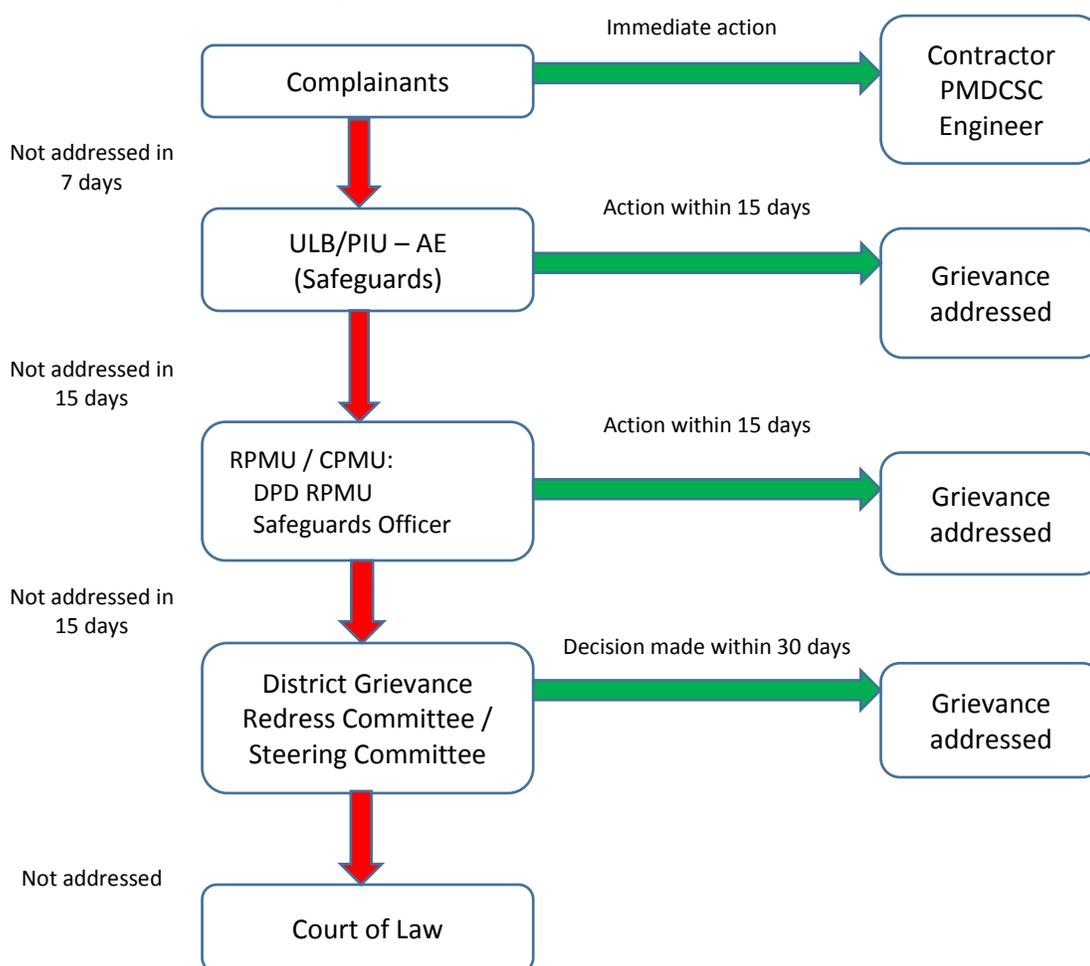
59. All the grievances that cannot be resolved at ULB/PIU within 15 days will be forwarded to the GRC headed by Deputy Project Director, RPMU at Subdivision level who will review and resolve within 15 working days of grievance being registered with assistance of the concerned PIU/ULB personnel if required. The grievances of critical nature and those cannot be resolved at GRC level should be referred to District Level Implementation Committee (DLIC) headed by Deputy Commissioner who will review the grievances and to be settled within 30 days. All documents related to grievances, follow up action taken to resolve along with explanatory note on nature, seriousness and time taken for grievance redress shall be prepared by RPMU Safeguards Officer and circulated to DLIC members at least a week prior to scheduled meeting. The decision taken at the DLIC level will be communicated to the complainant by Safeguards Officer, RPMU through ULB/PIU.

60. For any issues that remain unresolved by the GRC it is referred to DLIC at the District Level. The complainants/displaced persons can approach the Court of Law as per Government of Karnataka legal procedure at any time in the process.

### **B. Grievance Redress Committee Composition and Selection of Members**

61. The GRC for the project will be headed by: (i) Special Land Acquisition Officer/ Assistant Commissioner of the concerned sub-division as Chairman of the sub division with members as follows: (ii) ULB Commissioners/ Chief Officer of the concerned ULB towns; (iii) Deputy Project Director as member Secretary and Convener; (iv) PMDCSC Engineer; (v) Affected Community member/ NGO; and (vi) Safeguards Officer RPMU KIUWMIP Mangaluru member and will shoulder responsibility of keeping records of grievances/ complaints in details. The Safeguards Officer of RPMU will be responsible for coordinating with all GRC members and the displaced persons for grievance redressal. The grievances of critical nature and those cannot be resolved at Divisional level should be referred to DLIC set up at District level they will determine the merit of each grievance and attempt to resolve the same within a month from the date of lodging of complaints. The decision of DLIC is final and cannot be contested in any other forum except in the Courts of Law.

62. The grievance redress mechanism is shown in the figure below.

**Figure 1: Grievance Redress Process**

AE = Assistant Engineer, DPD = deputy project director, PIU = Project Implementation Unit, PMDCSC = Project Management, Design and Construction Supervision Consultant, RPMU = Regional Project Management Unit, ULB = urban local body.

63. **Record Keeping.** Records of all grievances received, including contact details of complainant, date the complaint was received, nature of grievance, agreed corrective actions and the date these were effected and final outcome will be kept by PIU (with the support of PMDCSC) and submitted to PMU.

64. **Information Dissemination Methods of the Grievance Redress Mechanism.** The PIU, assisted by PMDCSC/ CAPRRC will be responsible for information dissemination to affected persons and general public in the project area on grievance redress mechanism. Public awareness campaign will be conducted to ensure that awareness on the project and its grievance redress procedures is generated. The campaign will ensure that the poor, vulnerable and others are made aware of grievance redress procedures and entitlements per agreed entitlement matrix including. whom to contact and when, where/ how to register grievance, various stages of grievance redress process, time likely to be taken for redress of minor and major grievances, etc. Grievances received and responses provided will be documented and reported back to the affected persons. The number of grievances recorded and resolved and the outcomes will be displayed/disclosed in the PIU, offices, ULB notice boards and on the web, as well as reported in the semi-annual environmental and social

monitoring reports to be submitted to ADB.

65. **Periodic Review and Documentation of Lessons Learned.** The PMU will periodically review the functioning of the GRM and record information on the effectiveness of the mechanism, especially on the PIU's ability to prevent and address grievances.

66. **Costs.** All costs involved in resolving the complaints (meetings, consultations, communication and reporting/information dissemination) will be borne by the respective PIU. Cost estimates for grievance redress are included in resettlement cost estimates.

67. **Country Legal Procedure:** An aggrieved person shall have access to the country's legal system at any stage, and accessing the country's legal system can run parallel to accessing the GRM and is not dependent on the negative outcome of the GRM.

68. **ADB's Accountability Mechanism.** In the event that the established GRM is not in a position to resolve the issue, the affected person can also use the ADB Accountability Mechanism through directly contacting (in writing) the Complaint Receiving Officer (CRO) at ADB headquarters or the ADB India Resident Mission. The complaint can be submitted in any of the official languages of ADB's developing member countries. Before submitting a complaint to the Accountability Mechanism, it is recommended that affected people make a good faith effort to resolve their problems by working with the concerned ADB operations department (in this case, the resident mission). Only after doing that, and if they are still dissatisfied, they could approach the Accountability Mechanism. The ADB Accountability Mechanism information will be included in the project-relevant information to be distributed to the affected communities, as part of the project GRM.

## X. COMPENSATION, INCOME RESTORATION, AND RELOCATION

### A. Compensation

69. The land requirement for subproject components for project towns is minimal, and wherever land is required, the priority will be to identify government/ULB-owned land. In absence of these lands, subject ULBs will first identify landowners willing to sell land to government and directly purchase land through negotiated settlements. In negotiated settlements, the district level implementation committee (DLIC) headed by deputy commissioner, conducts a market survey to ascertain actual transaction rates in the open market to match the replacement cost of land. In the event of failed negotiations (and land acquisition becoming necessary) land acquisition and resettlement impacts will be compensated based on the entitlement matrix in Table 1.

70. The replacement cost for the land will be determined based on discussions with the landowners by the Land Valuation Committee (LVC) constituted under the chairmanship of the Deputy Commissioner.<sup>10</sup> Other members of the commission may include the assistant commissioner, district registrar, municipal commissioner and land acquisition officer. The Committee will finalize the land cost based on a market survey and guidance value fixed by the sub-registrar.<sup>11</sup>

71. The replacement values/cost for immovable properties, including structures and assets will be arrived at by the sub-registrar as follows:

- (i) Houses and Buildings. The cost of the houses, buildings and other immovable

<sup>10</sup> GoK order no KE54 Land Acquisition 2014, Bangalore dated 31-5-2016.

<sup>11</sup> The prevailing market values, influenced by various factors such as location of land, connectivity, and classification/land use, type of soil, trees, available water supply and other facilities, etc.

properties of the affected persons will be determined for the purpose of payment of compensation at the current year of relevant Basic Schedule of Rates (BSR) published by the respective state government departments such as Public Works Department (PWD) without depreciation, in addition to the material transportation cost;

- (ii) Trees. Compensation for trees will also be based on their market cost in case of timber bearing trees and replacement cost in case of fruit bearing trees based on rates fixed by the Department of Agriculture, Forest, Horticulture, Sericulture, etc.
- (iii) Other Assets. Compensation for the assets attached with land such as wells, tubewells, pumps, tanks, etc.) will be based on replacement cost estimated through detailed market surveys.

72. Compensation will be paid and resettlement of affected persons will be completed before taking possession of land/properties and prior to the start of civil works. Compensation will be transferred to affected persons by cheque. For those without bank account, the CAPRRC will assist affected persons in opening accounts. Compensation under law will be paid to the person whose name is on the title. The executing agency will ensure that re-titling will be completed prior to the completion of the project.

73. The affected persons will hand over to the Government, land and properties acquired free from all encumbrances such as mortgage and debt. If the Competent Authority fails to pay decided compensation to affected persons within a year after the date of notification, additional amount by way of interest (12 percent)<sup>12</sup> will apply on final compensation payable to each affected person, except in cases where the affected person has approached the judiciary for grievance redressal.

## **B. Income Restoration and Relocation**

74. The objective of income restoration activities is to ensure that no displaced person shall become worse off due to the project. For the displaced poor and vulnerable groups, the aim is to improve standards of living to at least national minimum standards. Towards this, it is proposed that one member for each of the vulnerable households losing their livelihood, and who has the capacity and willingness to acquire a new set of skills would be eligible for assistance. Some temporary impact affecting livelihoods and income of daily wage earners or small business enterprise owners is anticipated during construction in the subprojects. The PIU supported by PMDCSC/CAPRRC will, identify the number of eligible families and the individual beneficiaries based on the 100% census of the affected households and a training needs assessment through consultations with the affected persons. The plan for income restoration will be included as part of the micro-plan to be prepared by the PIU. The PIU will frame a list of possible income restoration options in consultation with Affected persons having examined local employment opportunities. Suitable trainers/local resources would be identified by the PIU, seeking the assistance of the PMU in identification of local/regional training institutes, if required

75. Income restoration activities are of two types (i) short-term; and (ii) long-term. Short-term income restoration activities are intended to restore affected person's income in the period immediately before and after relocation focusing on relocation, and providing short-term allowances such as (i) subsistence/transitional allowance; and (ii) shifting assistance.

76. Long-term options depend on the degree of disruption to the economic activity. All vulnerable affected persons would be eligible for income restoration options. These will be derived from detailed

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<sup>12</sup> Interest rate of 12 percent per annum is adopted in this RF, following the RFCTLARR Act which uses this interest rate for computation of award.

socio-economic survey information, conducted as a part of the resettlement plan, and may include provision of income generating assets and/or training to operate them. The time frame will be decided based on the training to be provided, which will also be outlined in the resettlement plan. The PIU will be responsible for provision of these assets and required training, with the help of CAPRRC and local institutions if necessary. The resettlement plan budget will reflect the cost of providing income generating assets and training. Strategies for promoting economic recovery of affected persons should also include skill upgrading through training. Project officials will ensure affected persons' access to Government schemes that could help them restore income and livelihoods.

77. Key steps to be undertaken in livelihood skill training of vulnerable households and responsibilities of agencies involved would be as follows:

- (i) Identification of affected, vulnerable households through the census survey of Affected persons will be undertaken by the designated social safeguards officer of the PIU, supported by PMDCSC/ CAPRRC;
- (ii) Identification of potential trainees and training needs assessment for vulnerable households will require a detailed survey and assessment of literacy/educational level and/or skill sets available with one member nominated by the household for skill training. The needs assessment would also document income from various sources, assets, resources and coping strategies currently used by the household. The strategy would aim at improving/maximizing returns from the present occupation of the principal earning member or taking up a new/supplementary occupation aimed at achieving the right mix of activities in order to enable the household to improve/maintain its living standards. Training needs assessment would be undertaken by the PIU, assisted by PMDCSC/CAPRRC. Baseline details collected for individual households need to be carefully preserved in order to enable a post-training impact assessment;
- (iii) Identification of Local Trainers/Resource Persons or Training Institutes by the PIU will depend on the type of skill training required (as identified through the needs assessment survey);
- (iv) Livelihood Skill Training will be coordinated by the PIU, with CAPRRC support. Training to suit the aptitude of identified trainees would be imparted.
- (v) Internal monitoring of training and submission of progress reports will be by the PIU;
- (vi) Special assistance for purchase of equipment/materials will be provided to each affected, vulnerable household. Purchase will be undertaken by the PIU, with the support of PMDCSC/CAPRRC. Under this special assistance, implements/equipment like carpentry/plumbing tools etc. as well as raw material for a trade may be purchased; and

Post-training impact assessment is proposed to be conducted by an independent agency, a year after project implementation. The household asset base and socio-economic status would be compared with the pre-program scenario. Indicators would be developed during detailed design stage

## **XI. BUDGET AND FINANCING**

78. Detailed budget estimates for each subproject will be prepared by the PIU and included in the RP. The budget shall include: (i) detailed costs of land acquisition, relocation, and livelihood and income restoration; (ii) source of funding; (iii) administrative and staff training (iv) monitoring cost; (v) cost for GRM and consultation/disclosure (vi) arrangement for approval; and (vii) the flow of funds and contingency arrangements. All land acquisition, compensation, relocation and rehabilitation costs will be borne by the PMU, which will ensure timely disbursement of funds to the Deputy Commissioner's office for land acquisition, to the ULB for disbursement of resettlement assistances, and the cost of hiring CAPRRCs.

79. The resettlement cost will be an integral part of the overall project cost, and will be borne by KIUWMIP. For payment of land and other assets, the PMU will place funds with the Deputy Commissioner of the district for disbursement. For payment of resettlement assistance and income restoration, funds will be placed with ULB for disbursement to the displaced persons through Safeguards Officer of RPMU. ULB will keep documents of all payments.

## **XII. INSTITUTIONAL ARRANGEMENTS AND IMPLEMENTATION**

### **A. Existing Institutional Structure and Capacity**

80. Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC) is the nodal executing agency responsible for implementing KIUWMIP. KUIDFC is a fully owned Government of Karnataka company registered under the Companies Act, 1956. In the context of KIUWMIP, KUIDFC has established a Project Management Unit (PMU) at KUIDFC headquarters in Bangalore and Regional Project Management Unit (RPMU) at the District level.

81. The existing institutional set-up of PMU, RPMU and PIUs, with integrated arrangements for safeguards implementation of Project 1, which has been functioning satisfactorily, will be continued and expanded to cover Project 2, with some modifications. A Safeguards Compliance and Monitoring Unit (SCMU), established in the PMU directly under the KIUWMIP Task Manager (Project Director), will continue to have the overall responsibility of ensuring compliance with ADB SPS. SCMU is staffed with a Safeguards Compliance and Monitoring Officer (SCMO) with overall responsibility for environmental and social safeguards, and two safeguards specialists—Assistant Executive Engineer (AEE—Environment), and Social Development Officer (SDO), responsible respectively for environment and social safeguards. The SCMU will ensure that all subprojects comply with environmental safeguards. In each regional office in Mangalore and Davangere, a safeguards officer will assist in and coordinate safeguard tasks. To enhance the monitoring role of environmental safeguards, KUIDFC will consider assigning environmental officers at the regional offices during implementation stage. In each PIU, an Assistant Engineer (safeguards) will coordinate the safeguards related tasks at PIU/town level. For Tranche 2, PIUs are established at Kundapura, Mangalore, Puttur, and Udupi. A Project Management, Design and Construction Supervision Consultant (PMD CSC) will assist PMU and PIUs in the implementation of the entire investment program including compliance with the EARF and RF. PMDCSC is stationed in Mangalore with field teams in each of the PIUs. PMDCSC team includes an Environmental Specialist and a Social Safeguards and Gender Specialist to prepare, implement and monitor all safeguards activities and ensure safeguards compliance. At the civil works stage, contractors' staff will include Safeguards/Environment, Health and Safety (EHS) engineer to supervise and report on environmental management plan (EMP) implementation.

82. The roles and responsibilities of the various institutions/ organizations involved in implementation of Project 2 of KIUWMIP are listed below.

### **B. Roles and Responsibilities**

83. The PMU will have a SCMO, assisted by the SDO, in the SCMU. The SCMU will be assisted by RPMU Safeguards Officer as well as by Social Safeguards and Gender Specialist of the PMDCSC to assist and monitor project compliance on safeguards. The following are institutional roles and responsibilities to ensure social safeguards requirements are followed during design and construction stages.

84. The responsibilities of the PMU's Social Development Officer (SDO) include:

- (i) Ensure that the resettlement framework provisions are adhered to and the draft resettlement plans prepared during project processing are updated based on detailed designs;
- (ii) Engage in meaningful consultations with stakeholders and affected persons particularly through implementation of the consultation and participation;
- (iii) Update the resettlement plans upon the completion of detail design and submit to ADB for review, approval and disclosure;
- (iv) Prepare resettlement plans or DDRs for new subprojects with support from the national social safeguards and gender specialist of PMDCSC. The outline of the resettlement plans and DDR is in Appendix 9 of the project management manual (PAM);
- (v) Ensure provision of timely payments by the local government to the affected persons before displacement/impact occurs in sections ready for construction;
- (vi) Inform ADB for any unanticipated impacts identified during project implementation, prepare/review the required corrective action plan (CAP) and implement/monitor its implementation;
- (vii) Ensure implementation of project grievance redress mechanism (GRM) and all grievances are addressed;
- (viii) Conduct regular monitoring and site visits for social safeguard compliance of all subprojects during civil works activities;
- (ix) Maintain safeguard data base and GRM records;
- (x) Conduct oversight and develop effective mechanism to monitor implementation of Resettlement Plans and gender equality and social inclusion (GESI) Action Plan to ensure smooth project implementation;
- (xi) Review the consolidated monthly reports by PMDCSC social safeguards and gender specialist, CAPRRC, and submit semi-annual social safeguards monitoring reports to ADB. The monitoring reports should record the progress of resettlement activities and any compliance issues, grievances, corrective actions taken, follow-up actions required and status of compliance with relevant loan covenants.
- (xii) assist project director and guide CAPRRC in implementation of the GESI action plan; and
- (xiii) review monthly monitoring reports to be submitted by RPMU/PIUs and consolidate/prepare quarterly progress report on GESI progress to be submitted with project QPR to ADB.

85. The **RPMU Safeguards Officer** will be responsible for the following tasks related to environmental and social safeguards:

- (i) Engage in ongoing meaningful consultations with stakeholders and affected persons particularly through consultation and participation;
- (ii) Update the IEEs/resettlement plans upon the completion of detail design and submit to PMU for onward submission to ADB for review, approval and disclosure;
- (iii) Prepare IEEs/resettlement plans or DDRs for new subprojects, as needed, with support from the national environmental specialist / social safeguards specialist of PMDCSC. The outline of resettlement plans and DDR is in Appendix 9 of the PAM;
- (iv) Translate and disclose the final IEEs/resettlement plans/ DDRs into proper language and forms that are accessible to the affected communities/ people;
- (v) Ensure provision of timely payments by the Municipality to the affected persons before displacement/impact occurs in sections ready for construction;
- (vi) Assist in identification of third party in case of any negotiated settlement/land donation;
- (vii) Guide and assist PIUs to ensure that environmental clearances and consents to establish/operate, NOCs, land documents, third party certifications as required for each subproject are obtained;

- (viii) Inform ADB of any unanticipated impacts identified during project implementation, prepare the required corrective action plan and implement it;
- (ix) Ensure implementation of project GRM and all grievances are properly addressed;
- (x) Conduct regular monitoring and site visits for safeguard compliance of all subprojects during civil works activities;
- (xi) Monitor the work of CAPRRC on resettlement, CAPP and GESI activities; and
- (xii) Maintain safeguard database, GRM records, key gender results and good practices.

86. The **PIU Safeguards Officer** will be responsible for both environmental and social safeguards.

Tasks related to environmental and social safeguards include:

- (i) Coordinate public consultation and information disclosure;
- (ii) Liaise with local offices of regulatory agencies in obtaining clearances /approvals; assist PMU for clearances obtained at state level;
- (iii) Review and approve contractors updated EMPs;
- (iv) Oversee day-to-day implementation of EMP by contractors, including compliance with all government rules and regulations;
- (v) Take necessary action for obtaining rights of way;
- (vi) Ensure continuous public consultation and awareness;
- (vii) Coordinate grievance redress process and ensure timely actions by all parties;
- (viii) Review monthly contractor's EMP monitoring reports;
- (ix) Review and forward quarterly monitoring reports to PMU;
- (x) Inform PMU of unanticipated impacts and formulate corrective action plan; and
- (xi) Recommend issuance of work construction work completion certification to the contractor upon verification of satisfactory post-construction clean-up.
- (xii) inform affected persons on (a) the project cutoff date; (b) public notice for schedule of land acquisition/occupation; (c) entitlement matrix; and (d) compensation packages against different categories of loss, and tentative schedule of land clearing/ acquisition for starts of civil works activities;
- (xiii) coordinate valuation of assets, such as land, trees of various species, etc.
- (xiv) facilitate the land acquisition and compensation processes in consultation with the district administration; coordinate, supervise and monitor disbursement of compensation; undertake negotiated settlement with third party certification;
- (xv) obtain NOCs, land documents, third party certifications as required for the subproject;
- (xvi) assist in the implementation, monitoring and reporting of resettlement plans /DDRs/GESI plan.
- (xvii) take corrective actions when necessary to ensure no adverse impacts; and
- (xviii) submit monthly social and environmental monitoring reports to PMU.

87. The contractor shall appoint one safeguards/ EHS engineer who will be responsible for EMP implementation on a day-to-day basis. The responsibilities of Contractor include:

- (i) Preparing Site Environmental Management Plan (SEMP)/ updated EMP per detailed design, works implementation schedule, and site conditions;
- (ii) Ensuring implementation of EMP;
- (iii) Implementing corrective action plans as required;
- (iv) Coordinating with the resident engineer and environment specialists (at all levels);
- (v) Community liaison, consultation with interested/ affected parties and grievance redressal; and
- (vi) Monthly reporting on EMP implementation.

88. The **Social Safeguards Expert PMDCSC** will be responsible for the following tasks:

- (i) Establish a system to monitor social safeguards and gender outcomes of the Project; including the functioning of the grievance redress mechanism, and prepare indicators for monitoring important parameters of safeguards and gender;
- (ii) Take proactive action to anticipate the gender equality and social inclusion and social safeguards aspects of the Project to avoid delays in implementation;
- (iii) Support PMU/ RPMU to prepare Resettlement Plans, of subprojects that will be appraised during project implementation;
- (iv) Support the PMU in ensuring that the social safeguard and GESI activities are carried out in accordance with the agreed plans and frameworks; and
- (v) Ensure that the relevant measures specified in the resettlement plans, and GESI action plan will be incorporated in bidding documents and approved by ADB prior to issuance of invitation for bidding and monitor their compliance on behalf of PMU/ RPMU; and (f) ensure monitoring of social safeguards plans and GESI action plan and address unanticipated impacts, if any; and (g) provide training programs to PMU/ RPMU/ PIU staff and contractors involved in the project implementation for strengthening their capacity in managing and monitoring social safeguards and gender.

89. The **Community Awareness, Participation, Rehabilitation and Resettlement Consultant (CAPRRC) of RPMU** will have an important role in carrying out resettlement plan implementing activities from project preparation stage to completion of resettlement plan including income restoration activities, if any. The CAPRRC of the RPMU should have a thorough understanding and knowledge of ADB's safeguard policies/guidelines, preferably with experience of implementing resettlement plan activities for ADB or other external financing agencies. The CAPRRC of RPMU should also undergo capacity development and orientation course on ADB safeguard requirements. Most importantly, s/he has a key role in income restoration and livelihood rehabilitation activities, particularly for the vulnerable people who are entitled for such assistance. CAPRRC will help in identifying skill development Government training institutes for alternative livelihood trainings for displaced persons if any due to construction activities.

90. A CAPRRC will be appointed by Government of Karnataka according to the Government of Karnataka procurement guidelines. The roles and responsibilities of CAPRRC include:

- (i) Conducting socio-economic survey of the temporary or permanent displaced persons / affected persons, and identification of vulnerable groups.
- (ii) Disclosure of affected land and list of affected families and persons in the local newspapers/municipality website/public places in local language, Identification of temporary displacement places.
- (iii) Formation of Grievance Redressal Mechanism (GRM) at Municipality level as per the RF, identification of options of affected persons for enhancement of their livelihoods, in consultation with affected persons.
- (iv) Motivation of affected persons to ensure proper utilization of the compensation money for purchase of equipment and tools, especially vulnerable families
- (v) Facilitation and distribution of compensation for affected persons and temporarily displaced persons
- (vi) Identification of local resource institutions for Income Generating Activities(IGA) for affected persons
- (vii) Providing data on inputs, outputs and impact indicators for the ULB to monitor resettlement plan implementation
- (viii) Organizing IGA Activities for Displaced Persons and Linking affected persons with other Government Departmental schemes for enhancement of livelihood promotions. Preparation of documentation on best practices on R&R related issues.

- (ix) Assisting ULB in public information campaign in Kannada at the commencement of the project to inform the affected communities of the need for shifting of squatters and encroachers from temporary impact zone along construction sites;
- (x) Providing orientation/training to the ULB and Project Officials on Land Acquisition, Rehabilitation and Resettlement Act, 2013 (LARR) and ADB SPS.

**Table 2: Roles and Responsibilities of Institutions in Safeguards Implementation**

Stage	Agency and Activity
<b>Project Preparatory Stage</b>	
Finalization of designs/alignments/sites-Preparation of Detailed Project Report (DPR)	PMU appoints Program Management Design and Construction Supervision Consultants (PMDSC); engages Third party independent evaluator to motoring land purchase process, if negotiated settlement is involved
Disclosure of final design options, proposed land acquisition/negotiated land purchase plan, preparation of NOC's (as required)	<ul style="list-style-type: none"> <li>DC to issue public notice under Section 4(1) of RFCTLARR.</li> <li>PMU to complete formation of District level Implementation Committee (DLIC)</li> <li>Depute /appoint Safeguards Officer at PIU (ULB)</li> <li>Safeguards Officer/CAPRRRC to start consultations with land owners/ affected persons</li> </ul>
<b>Resettlement Plan Finalization Stage</b>	
Consultations/ meetings and Identification of affected person's and communities	Safeguards Officer (with ULB officials and CAPRRRC) will assist ULBs identify and verify affected persons and prepare photo ID cards
Formulating compensation and entitlements for affected persons	<ul style="list-style-type: none"> <li>ULB will compute replacement costs (based on market value/cost, transaction costs, taxes and duties if applicable, transitional costs etc.), compensations and entitlements</li> <li>ULB/CAPRRRC will organize consultations/meetings with affected persons to identify detailed information on loss, entitlement, compensation etc.</li> </ul>
Finalizing compensation and rehabilitation packages	ULB/ PMDCSC
resettlement plan Preparation and Updating	<ul style="list-style-type: none"> <li>PMDSC</li> <li>PMU to evaluate resettlement plan with ADB</li> </ul>
Disclosure of updated resettlement plan, final entitlements and rehabilitation measures	<ul style="list-style-type: none"> <li>ULB to circulate copies of updated resettlement plan with entitlement packages to all stakeholders in disclosure meeting, with SO/CAPRRRC/affected person's representatives present</li> <li>affected persons to accept entitlement and rehabilitation</li> </ul>
Approval of final resettlement plan	<ul style="list-style-type: none"> <li>PMU to arrange for translation and disclosure of final resettlement plan to affected persons and stakeholders</li> <li>ADB to approve final resettlement plan</li> </ul>
<b>Implementation Stage</b>	
Payment of Compensation	PMU/ PIU
Possession of Land	PIU
Implementation of mitigation and rehabilitation measures	PIU/ PMDCSC/ CAPRRRC/ Contractor
Consultations with affected persons during rehabilitation process	PIU/ CAPRRRC/PMDSC
Grievance Redressal	PIU/ PMU/grievance redress committee
Internal Monitoring	PMU/PMDSC

### C. Training and Capacity Building

91. The safeguards personnel of the project consultants (RPMU, PMU, PDMCSC, SDO, Safeguards Officer and CAPRRRC), and other key project related staff of RPMU and PMUs, will be oriented and

trained by ADB on ADB safeguards policy. Key areas will include the resettlement framework; resettlement plan preparation and updating process; monitoring, reporting and disclosure requirements, roles of different stakeholders in safeguards implementation and GRM, envisaged consultation and participation process, reporting and monitoring requirements, core labour standards for contractors, handling issues in social inclusion, potential conflict resolution, typical implementation issues, and lessons learnt in safeguards implementation in other ADB funded water supply projects. The training will focus on the differences between the provisions of the ADB policy and Government of India/Government of Karnataka laws, as the awareness of these differences and the need to follow the provisions of ADB policy are critical for successful implementation of resettlement plans.

92. The PMU will be responsible for the development of training programs based on capacity assessment of target participants (contractor(s), field staff, PIU) and for implementation of the training program to build capabilities on resettlement policy, planning, mitigation measures and safeguards. Basic principles of resettlement planning, avoidance of involuntary resettlement impacts and minimisation measures with an emphasis on protection of the poor and vulnerable, access to project information and benefits by affected persons, grievance redress process and its importance, and monitoring shall be covered in the training. Training on involuntary resettlement and gender issues shall be provided to social safeguards personnel of project consultants, PMU and PIUs and also design and supervision engineers and contractors' personnel.

93. To implement all these activities, the Safeguards Officer of RPMU will have comprehensive knowledge of ADB's safeguard policy requirement. Training modules will be prepared before implementation commences. Orientation training courses on ADB policy and project implementation will be arranged for the SDO, who in turn will make the affected persons, particularly the vulnerable ones, aware about their rights and entitlement, make GRM effective and last but not the least monitoring all resettlement plan activities according to plan. Since the ULB is the major implementing authority, the personnel responsible for resettlement plan implementation (Land revenue officials, the Commissioner/Chief Officer, community affairs personnel) will be given training in ADB safeguard policy along with the RPMU. In the event of negotiated land purchase or donation of land, independent third party monitoring is an essential requirement and a part of compliance for social safeguard issue. The training component will also include third party monitoring, evaluation processes, and documentation and endorsement procedures. The training activity will be conducted by the SDO or an experienced safeguard specialist. They will be provided with a course on Training of the Trainers which will enable them to guide ULB personnel and monitor resettlement plan activities.

#### **D. Training on Responsibilities and Activities Related to Resettlement Plan Implementation**

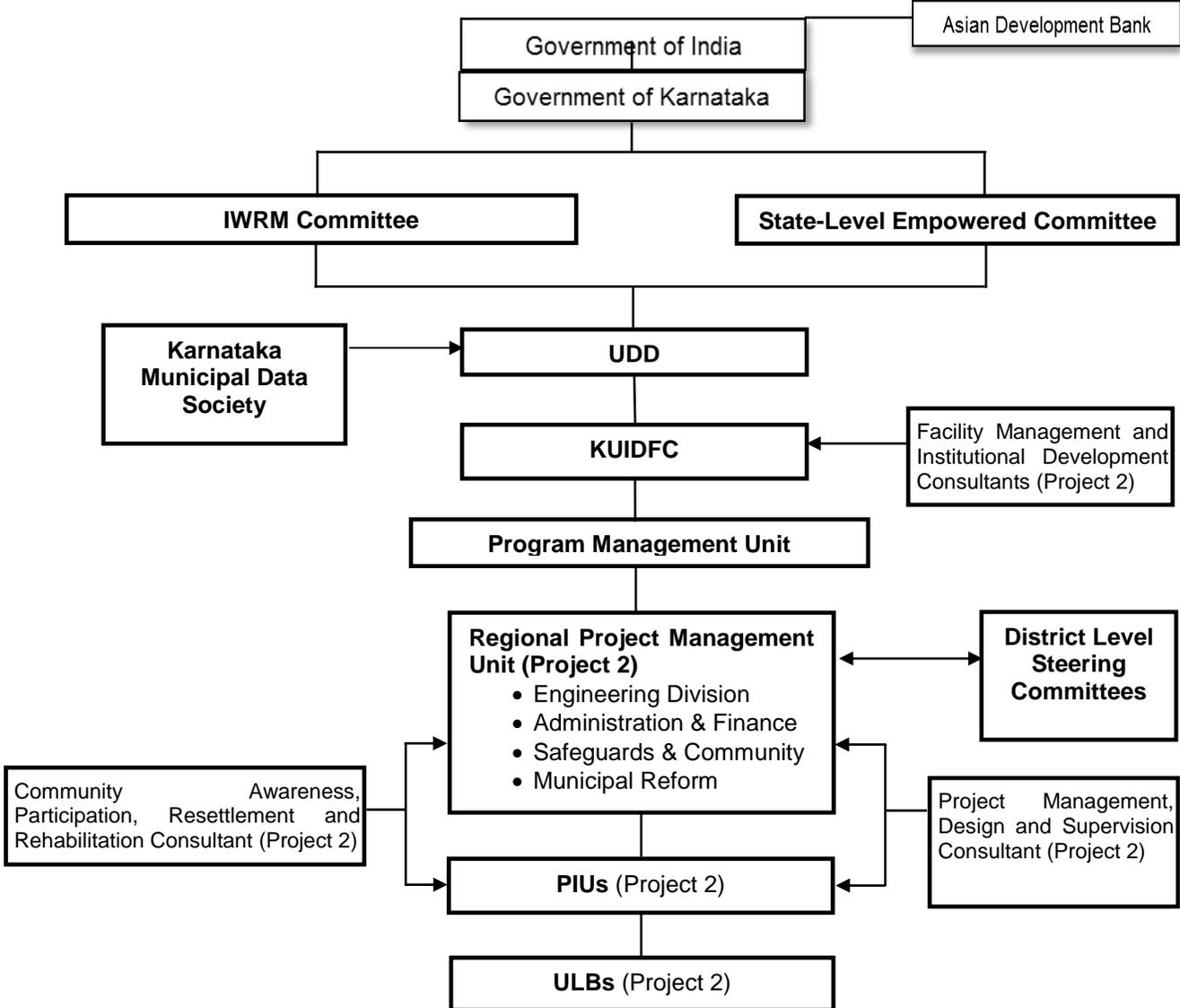
94. The safeguards personnel of the project consultants (RPMU, PMU, PDMCSC, SDO, Safeguards Officer and CAPRRC), and other key project related staff of RPMU and PMUs, trained on ADB safeguards policy. Key areas will include the RF; resettlement plan preparation and updation process; monitoring, reporting and disclosure requirements, roles of different stakeholders in safeguards implementation and GRM, consultation and participation processes, reporting and monitoring requirements, core labour standards for contractors, handling issues in social inclusion, potential conflict resolution, typical implementation issues, and lessons learnt in safeguards implementation in other ADB funded water supply projects. The training will focus on the differences between the provisions of the ADB policy and Government of India/Government of Karnataka laws, as the awareness of these differences and the need to follow the provisions of ADB policy are critical for successful implementation of resettlement plans.

95. The PMU will be responsible for the development of training programs based on capacity

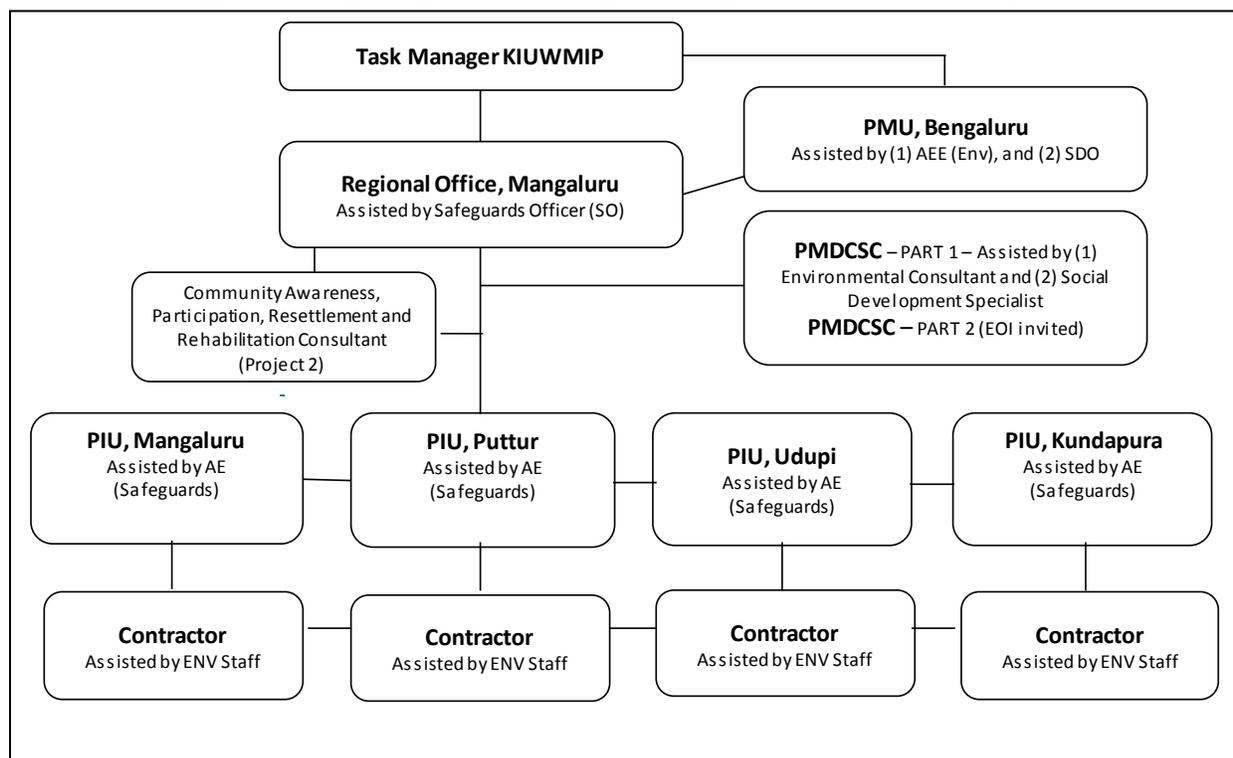
assessment of target participants (contractor(s), field staff, PIU) to build capabilities on resettlement policy, planning, mitigation measures and safeguards. Basic principles of resettlement planning, avoidance of involuntary resettlement impacts and minimisation measures with an emphasis on protection of the poor and vulnerable, access to project information and benefits by affected persons, grievance redress process and its importance, and monitoring shall be covered in the training. Training on involuntary resettlement and gender issues shall be provided to social safeguards personnel of project consultants, PMU and PIUs and also design and supervision engineers and contractors' personnel. The training component will also include third party monitoring, evaluation processes, and documentation and endorsement procedures. The training activity will be conducted by the SDO or an experienced safeguard specialist. They will be provided with a course on Training of the Trainers which will enable them to guide ULB personnel and monitor resettlement plan activities

96. The Safeguards Officer of RPMU will be responsible for implementation of resettlement plan, making the affected persons, particularly the vulnerable ones, aware of rights and entitlements, make the GRM effective and monitor all resettlement plan activities.

Figure 2: Resettlement Implementation Arrangement



IWRM = Integrated Water Resources Management, KUIDFC = Karnataka Urban Infrastructure Development and Finance Corporation, PIU =project implementation unit, UDD = Urban Development Department.

**Figure 3: Organogram for Safeguard Implementation for Project 2**

AE = Assistant Engineer, ENV = environmental, KIUWMIP = Karnataka Integrated Urban Water Management Investment Program, EOI = expression of interest, PIU = Project Implementation Unit, PMDCSC = Project Management Design and Construction Supervision Consultant, PMU = Project Management Unit, SDO = Social Development Officer.

### XIII. IMPLEMENTATION SCHEDULE

97. Tranche 2 contract packages are being tendered and implementation is scheduled to begin.<sup>13</sup>

98. All resettlement and compensation for each contract package will be completed before displacement. All land required will be provided free of encumbrances to the contractor prior to the start of civil works. The implementation of the resettlement plans will include:

- (i) Identification of cut-off date and notification;
- (ii) Verification of losses and extent of impacts;
- (iii) Finalization of entitlements and distribution of identity cards;
- (iv) Consultations with affected persons on their needs and priorities; and
- (v) Provision of compensation and assistance, and income restoration for affected persons.

99. No civil works, for any particular component wherein land acquisition and resettlement is involved, will begin until affected persons receive approved compensation packages.<sup>14</sup> An indicative schedule of resettlement plan implementation for Tranche 2 subprojects is provided in Table 3 below. Each resettlement plan will have its specific document preparation and

<sup>13</sup> The detailed design stage commenced in 2013 for Tranche 1 and the loan commenced in January 2015. Construction is under progress and is envisaged to end in 2019.

<sup>14</sup> For components that do not require land acquisition, or detailed designs, the civil works will be taken up at an early date.

implementation schedule based on the subproject implementation schedule.

**Table 3: Indicative Schedule of Resettlement Implementation**

Activities	Year 1	Year 2				Year 3				Year 4				Year 5	Year 6
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Approval of Resettlement Plan by ADB and by PMU	◆														
Disclosure of Resettlement Plan	◆														
Distribution of Resettlement Plan Report and PID	■														
Assigning responsibility to PIU safeguards staff	■														
Socio-economic survey by PIU/PMDSC/CAPRRRC and list of affected persons	■														
Issue of identity cards	■														
Identify and confirm poor and vulnerable affected persons	■														
Form Grievance Redress Committee	◆														
Grievance Redress Activities				■	■	■	■	■	■	■	■	■	■	■	■
Start of Civil Work				■											
Disburse compensation payment and assistance for relocation in packages ready for implementation		■	■	■	■										
Arrangements for temporary occupation of lands			■												
Rehabilitation of temporarily occupied lands as and when works completed				■	■	■	■	■	■	■	■	■	■	■	■
Handing over of lands to the contractor for construction <sup>a</sup>		■	■	■	■										
Disburse livelihood restoration assistance		■	■												
Organize skill development training for vulnerable affected persons		■	■												
Capacity Building of PIU staff and contractors	■	■	■		■	■	■	■	■	■	■	■	■		
Internal monitoring				■	■	■	■	■	■	■	■	■	■	■	■

ADB = Asian Development Bank; CAPRRRC = Community Awareness, Participation, Resettlement and Rehabilitation Consultant; PMDCSC = Project Management Design and Construction Supervision Consultant; PID = Project Information Disclosure; PIU = Project Implementation Unit; PMU = Project Management Unit.

<sup>a</sup> For components not involving land acquisition, the handing over of project sites to the contractor will be possible from the first quarter. For the other components involving land acquisition and resettlement, the project sites will be handed over for civil works by the fourth quarter.

## XIV. MONITORING AND REPORTING

### A. Internal Monitoring

100. Internal Monitoring involves periodic checking to ascertain and ensure all land acquisition and resettlement activities are implemented according to the approved resettlement plans in accordance with this resettlement framework. Monitoring will cover physical and financial components, and provides a feedback to keep the program on schedule. The RPMU, with support from ULBs, will conduct regular internal monitoring of resettlement implementation. Semi-annual monitoring reports on social safeguards will be submitted by the RPMU to ADB for review and disclosure. Assistance from the Assistant Engineer (Safeguards) at the PIU/ULB will be sought to prepare these reports, which will be verified by the RPMU. These reports will describe the progress of implementation of resettlement activities, compliance issues if any, and corrective actions taken or timeline for proposed corrective actions. These reports will closely follow the involuntary resettlement monitoring indicators agreed at the time of resettlement plan approval. Outline of semi-annual monitoring report is in Appendix 10. ADB's observation, if any, will be addressed and incorporated in the monitoring report.

101. The monitoring indicators for evaluation of the objectives achieved under the resettlement and rehabilitation program are of three kinds, process, output and impact indicators. A set of indicators will be used to monitor Program objectives. These indicators will form the basis of the monitoring and evaluation of RP implementation. The information collected through the household survey will provide benchmarks for comparison on the socio-economic status of the APs in the Program implementation period. A key objective will be the estimation of the APs incomes and quality of lives. Suggested monitoring indicators will include but not be limited to:

- (i) Census, assets inventories, assessments and socio-economic studies completed
- (ii) Grievance redress procedures in-place and functionality
- (iii) Number of displaced persons (temporarily affected)
- (iv) Number of displaced persons and households (permanently affected)
- (v) Compensation payments disbursed
- (vi) Project construction employment provided to APs
- (vii) Jobs provided to contractual employees of ULBs
- (viii) Skills training of APs completed
- (ix) Income restoration activities undertaken
- (x) Affected common property resources if any rehabilitated or replaced or enhanced
- (xi) Better economic conditions (long-term impacts, applicable to permanently affected persons): income (economic standard sustained or improved), present economic activities sustained, additional income sources, housing quality changes, changes in occupation, skills portfolio etc.
- (xii) Better social conditions (long-term impacts, applicable to permanently affected persons): representation in community based institutions, access to government welfare programs, indicators of participation and empowerment, better available infrastructure such as water and sanitation.

102. The social assessment indicates that the subprojects under KIUWMIP are category B, which will not require external independent monitoring.

## DETAILED PROJECT DESCRIPTION

1. Project 2 of the Karnataka Integrated Urban Water Management Investment Program (KIUWMIP) (the Project) supports improvements in urban infrastructure and services in the following 4 Urban Local Bodies (ULBs): Mangalore, Udupi, Puttur and Kundapura, and institutional development, improved municipal management and project implementation capacity across the State. The Project has the following components:

### A. Output 1: Urban water supply and sanitation infrastructure expanded and upgraded

#### 1. Water supply system upgraded in four towns

##### (i) Facilities at Intake Works:

- Upgradation and renovation works in Jack well **Kundapura**.
- Replacement of 2 Old pumps in Jackwells to feed raw water in **Puttur**

##### (ii) Transmission Main:

- Construction of 1.68 KM of raw water transmission main and Laying of 12.42 km clear water transmission main from proposed new water treatment plant (WTP) in **Puttur**.

##### (iii) Water Treatment Facilities:

- Renovation of the existing WTP of capacity of 7.6 MLD in **Kundapura**.
- Construction of a new WTP of 8.7 MLD in **Puttur**.

##### (iv) Feeder Main:

- Laying of 59.45 km clear water feeder main from Master Balancing reservoirs to OHTs/GLSRs, in **Mangalore**.
- Clear water Feeder mains for length of 7.47 KM in **Udupi**.
- Laying of 4.8 km of 200 mm Feeder main for tapping from existing clear water transmission main to OHTs in **Kundapura**.
- Construction of 5.06 Km of Feeder mains in **Puttur**.

##### (v) Water Storage Facilities:

- Construction of 14 OHTs and 2 GLSRs of total capacity of 17.25 ML in **Mangalore**.
- Construction of 7 OHTs of total capacity of 5.2 ML in **Udupi**
- Construction of 2 OHTs with a total capacity of 0.9 ML in **Kundapura**
- Construction of 6 OHTs and 2 GLSRs with a total capacity of 4.55 ML in **Puttur**

##### (vi) Distribution Lines:

- Construction of distribution lines of 789 KM **Mangalore**.
- Extension of Distribution pipelines of 358.16 Kms in **Udupi**
- Extension of 31.64 km distribution pipe lines in **Kundapura**.
- Extension of 142.66 km distribution pipe lines in **Puttur**.

(vii) Service Connections:

- Replacement of **78,969** existing house service connections along with water meter, and providing new metered HSC of **11,031** for uncovered households in **Mangalore**.
- Replacement of **16,870** existing meters and providing new metered HSC of **15,000** for uncovered households in **Udupi**
- Replacement of **4200** existing meters and providing new metered HSC of **2,250** for un-covered households in **Kundapura**.
- Replacement of **8,441** existing meters and providing new HSC of **4,500** for un-covered households in **Puttur**.

(viii) Intermediate Pumping stations

- Construction of 7 Intermediate Pumping Stations (IPS) in **Mangalore**.

**2. Sewerage system rehabilitated in Mangalore**

- (i) Construction of pumping mains of 1100 mm for **7.65 Km**, 900 mm for **0.95 Km** and 450 mm for **2.8 Km** in **Mangalore**.

## REVIEW AND COMPARISON OF BORROWERS POLICY AND ADB POLICY

1. In addition to ADB policy on Involuntary Resettlement, applicable existing laws policies of Government of India and State Governments<sup>1</sup> are reviewed for preparation of this Resettlement Framework. Following sections deals with the details of applicable policy requirements.

### A. Land Acquisition, Rehabilitation and Resettlement Act (LARR), 2013

2. This new RFCT in land acquisition, rehabilitation and resettlement (LARR) repeals the Land Acquisition Act, 1984 and is applicable to all states in India including Rajasthan (Except the state of Jammu and Kashmir). LARR, 2013 is a first national/central law that addresses land acquisition and rehabilitation and resettlement collectively. Establishing of a completely new Act, which was due from a long time, is a pioneering step taken by the Government of India in providing a humane, participative, informed and transparent process for permanent/temporary land acquisition in the public interest. The Act lays down procedures for estimating fair compensation of the affected families (and not just the titleholders) due to LARR. The Act prohibits acquisition of multi-cropped irrigated land as a special provision to safeguard food security, unless in exceptional circumstances as a demonstrable last resort<sup>2</sup>. The general process for land acquisition and resettlement under LARR is:

#### 1. Preliminary Investigations/Preparation of Social Impact Assessment/Social Impact Management.

3. It is mandatory under the Act to conduct a time bound Social Impact Assessment (SIA) and Social Impact Management Plan (SIMP). No land acquisition shall be initiated unless SIA/SIMP is approved by the Expert Group. SIA shall also be conducted in a participatory manner and with all necessary public hearings, dissemination etc. duly followed.

4. "Requiring Body" shall have to conduct SIA with the appropriate government body (Panchayat, Municipality or Municipal Corporation) and date of such study shall be communicated by the government notification. This notification shall be made available in local language(s) to the appropriate government body, in the offices of the District Collector, Sub-Divisional Magistrate and the Tehsil and shall be published in the affected areas. (also uploaded on the appropriate government websites).

- SIA shall be completed within six months after the date of its commencement.
- SIA report will be made available to all affected persons
- SIA shall: (i) confirm the proposed acquisition is for the public purpose and extent of land proposed is the absolute bare minimum extent needed for the project; (ii) number of affected families, displaced families; details of extent of loss and other associated social impacts; (iii) costing for addressing estimated losses and social impacts.
- SIA shall conduct public hearing (with adequate prior notice about the date, venue, time etc. in affected area and to affected families). Outcomes of this will be documented and included in the SIA report.

<sup>1</sup> Meghalaya, Mizoram, Nagaland, Sikkim and Tripura state governments

<sup>2</sup> Wherever such land is acquired, an equivalent area of culturable wasteland shall be developed for agricultural purposes or an amount equivalent to the value of land acquired shall be deposited with the appropriate Government for investment in agriculture for enhancing food-security. This condition has been included in the entitlement matrix. These provisions however do not apply in case of projects that are linear in nature such as railways, highways, other roads, canals, power lines, etc.

- SIA shall also prepare Social Impact Management Plan (SIMP) which will include each component wise ameliorative measures to address land acquisition and social impacts.
- SIA and SIMP shall be made available in local language(s) to the appropriate government body, in the offices of the District Collector, Sub-Divisional Magistrate and the Tehsil and shall be published in the affected areas. (also uploaded on the appropriate government websites).

5. **Appraisal of SIA/SIMP by an Expert Group.** SIA report shall be evaluated by an independent multi-disciplinary Expert Group constituted by the appropriate government. Expert Group constituted shall include: (i) two non-official social scientists; (ii) two representatives from Panchayat, Gram Sabha, Municipality or Municipal Corporation as the case may be; (iii) two experts on rehabilitation; and (iv) a technical expert in the subject relating to the project (total 7 members). Appropriate government may nominate any of them as chairman of the Expert Group. Expert Group withholds rights to abandon the project if of opinion that: (i) the project does not serve any public purpose; and (ii) social costs and adverse social impacts of the project outweigh the potential benefits. The Expert Group shall make his recommendation within two months from the date of its constitution and have to give in writing the reasons for such decision. The recommendation of the Expert Group shall be made available in local language(s) to the appropriate government body, in the offices of the District Collector, Sub-Divisional Magistrate and the Tehsil and shall be published in the affected areas. (also uploaded on the appropriate government websites).

## 2. Preliminary Notification, Objections and Hearing

6. Followed by SIA approval, a requiring body shall publish<sup>3</sup> a preliminary notification and inform various concerned authorities regarding this in a meeting called specially for this purpose. SIA report shall be considered lapsed if the preliminary notification is not issued within 12 months from its approval; unless otherwise specified in writing by the appropriate government for special circumstances. The preliminary notification will include: (i) statement on project/ public purpose; (ii) reasons necessitating the land acquisition; (iii) summary of SIA; and (iv) particulars of the Administrator appointed for the purpose of rehabilitation and resettlement. After the preliminary notification is issued, landowners shall not make any further transactions of the land specified and create any encumbrance on such land. If made so, landowner shall make this willful in writing and impacts associated shall not be borne by the Collector/acquiring authority. Appropriate government authority shall undertake updating of all land records etc. within two months after the issue of preliminary notification provided that all associated activities (surveys etc.) shall be carried out after adequate prior notice and in the presence of the landowner or person authorized by him in writing.

7. All affected landowners shall have right to raise objection(s) for the proposed land acquisition within 60 days from the issue of preliminary notification. These objection(s) however shall be made to the Collector in writing and the objector shall get opportunity to be heard in person. The Collector shall present a report to the appropriate government containing his recommendations on the objections along with details of affected families, land and associated cost. The decision of the appropriate government on the objections made shall be final. The

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<sup>3</sup> Notification will be published in (i) official Gazette; (ii) two daily newspapers in project affected area of which one will in regional language; (iii) in local language in the office of appropriate government office, and offices of District Collector, Sub-Divisional Magistrate and the Tehsil; (iv) website of the appropriate government; and (v) in affected areas at various places (as may be prescribed).

Deputy Commissioner then shall consolidate and present his recommendations on all objections heard to the appropriate Government and the decision of the appropriate Government shall remain final.

### **3. Preparation of Rehabilitation and Resettlement Scheme and its Declaration**

8. After the issue of preliminary notification, Administrator appointed for rehabilitation and resettlement shall conduct a survey, census of the affected families and prepare a draft Rehabilitation and Resettlement Scheme (RRS). Draft RSS shall include: (i) particulars of land and immovable property to be acquired of each affected family; (ii) livelihood losses of landowners as well as dependent landless families; (iii) list of government/public buildings and details of utilities and/or infrastructure facilities where resettlement of affected families is involved; (iv) details of common property resources being acquired; and (v) particulars of the rehabilitation and resettlement entitlements of each affected landowner and landless family and list/details of government buildings, utilities, infrastructure facilities to be provided in the area. The Administrator shall also set implementation timeline in draft RSS. Like SIA, draft RRS shall also be made available to all affected families or at the offices/website of government agencies involved. Administrator shall also conduct a public hearing (with adequate prior notice about the date, venue, time etc. in affected area and to affected families) and shall submit draft RSS along with specific report on claims and objections raised in public hearings to the Collector. The Collector shall submit draft RSS incorporating his suggestions to the Commissioner-Rehabilitation and Resettlement who shall approve the RSS in the last. The approved RSS shall also be made available in local language(s) to the appropriate government body, in the offices of the District Collector, Sub-Divisional Magistrate and the Tehsil and shall be published in the affected areas. (also uploaded on the appropriate government websites).

9. The Collector shall publish<sup>4</sup> a summary of RSS along with Declaration under the hand and seal of Secretary to such Government or any other official duly authorized<sup>5</sup> only after the Requiring Body deposits amount towards the cost of land acquisition<sup>6</sup>. RSS summary and Declaration shall be compulsorily made within the twelve months after the issue of preliminary notification. If not complied, such notification shall be considered rescinded unless land acquisition was held up on account of any stay or injunction by the order of Court.

### **4. Public Notice and Award**

10. After the Declaration is made, the Collector shall publish the public notice on his website and cause public notice to be given at convenient places on or near the land to be taken, stating that the Government intends to take Possession of the land and that claims to compensations on rehabilitation and resettlement for all interests in such land may be made to him. Affected landowners/families shall meet in person or through person authorized within six months to place any objections. Collector shall make an award within a period of twelve months from the date of publication of the Declaration and if not award is made within that period; the entire proceedings of the acquisition of the land shall lapse. Award shall be exempt from income tax, stamp duty and fees.

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<sup>4</sup> Declaration shall be published in (i) official Gazette; (ii) two daily newspapers in project affected area of which one will in regional language; (iii) in local language in the office of appropriate government office, and offices of District Collector, Sub-Divisional Magistrate and the Tehsil; (iv) website of the appropriate government; and (v) in affected areas at various places (as may be prescribed).

<sup>5</sup> Summary RSS shall not be published unless it is published along with Declaration.

<sup>6</sup> In full or part, as prescribed by the appropriate Government

11. Land Acquisition Award shall include:
- Loss of land as per market value/cost determined;
  - Standing crops/trees/plants. The Collector can use the services of experienced persons in the field of agriculture, forestry, horticulture, sericulture, or any other field, as may be considered necessary by him;
  - Damage (if any) sustained by reason of severing adjoining lands from/to affected land;
  - Damage to any property/building (movable or immovable) or earnings. The Collector uses the services of a competent engineer or any other specialist in the relevant field as considered necessary by him;
  - Reasonable expenses incidental such change if affected landowner is compelled to change his place of residence or business;
  - *Bonafide*; resulting from diminution of the profits of the land between the time of the publication of the declaration and the time of the Collector's taking possession of the land; and
  - any other ground which may be in the interest of equity, justice and beneficial to the affected families.

12. The Collector shall impose Solatium equivalent to the 100 percent of the total compensation amount as estimated above. In addition, 12 percent interest per annum shall be payable for the period from the date of issue of SIA notification till the date of award or date of taking possession of land, whichever is earlier. The Collector shall keep open to the public and display a summary of the entire proceedings undertaken in a case of acquisition of land including the amount of compensation awarded to each individual along with details of the land finally acquired under this Act on the website created for this purpose. Land Acquisition payment shall be made within three months and R&R (except infrastructure entitlements-within 18 months) shall be made within six months from the date of the award. The Collector shall acquire land only after such payment; unless in urgency cases where land can be acquired within 30 days from the date of notice (notice to acquire land)<sup>7</sup>. As per the Act, the land acquisition that involves involuntary displacement of scheduled Caste/Scheduled Tribe shall require preparation of Development Plan. In such cases, one third of the compensation shall paid before taking possession of the land. (page 20-21-22 for IPP)

13. **Commissioner:** The Stare Government shall appoint an officer of the rank of Commissioner or Secretary of that Government for rehabilitation and resettlement of affected families under this Act, to be called the Commissioner for Rehabilitation and Resettlement. The Commissioner shall be responsible for supervising the formulation of rehabilitation and resettlement schemes or plans, its proper implementation and conducting post-implementation social-audit in consultation with the appropriate Government. The Commissioner shall also establish a Rehabilitation and Resettlement Committee at project level to monitor and review the progress, under the chairmanship of the Collector, if involves land acquisition of more than 100 acres.

14. **Administrator:** If involuntary displacement of persons is involved then the State Government shall, by notification appoint an officer not below the rank of Joint Collector or

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<sup>7</sup> If there is any displacement involved, the Collector shall be responsible for ensuring that the rehabilitation and resettlement process is completed in all its aspects before displacing the affected families. The Collector shall also, as far as possible, not displace any family which has already been displaced by the appropriate Government for the purpose of acquisition under the provisions of this Act, and if so displaced, shall pay an additional compensation equivalent to that of the compensation determined under this Act for the second or successive displacements.

Additional Collector or Deputy Collector or equivalent official of Revenue Department to be the Administrator for Rehabilitation and Resettlement. Formulation, execution and monitoring of the Rehabilitation and Resettlement Scheme shall vest in the Administrator.

**15. Establishment, by notification by appropriate Government, of Land Acquisition, Rehabilitation and Resettlement Authority.** For the purpose of speedy disposal of disputes relating to land acquisition, compensation and R&R. The authority shall consist of one person called Preceding Officer. Preceding Officer shall be either District Judge or qualified legal practitioner with minimum seven years of service and shall be appointed in consultation with the Chief Justice of the High Court within the Project jurisdiction. He shall hold the office for three years and shall be supported by Registrar and other officers. The Authority shall, for the purposes of its functions under this Act, shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908. Authority (GRS) shall dispose any matter received within six months. All proceedings before Authority shall be judicial proceedings and shall take place in public. No civil court (other than High Court or the Supreme Court) shall have jurisdiction to entertain any dispute relating to land acquisition in respect of which the Collector or the Authority is empowered by or under this Act, and no injunction shall be granted by any court in respect of any such matter. Applications first go to Collector and within 30 days he can refer (if required) to the Authority. Such application can be made within six weeks by the applicant (if he or representative is personally present) after the date of award, and in other cases within six months. Collector may also accept any application within one year if feels appropriate. Interests are payable for delayed and excess payments.

**16. Temporary occupation of the land.** Appropriate government shall request the Collector for such occupation for the term of maximum three years from the date of occupation. Compensation of any impacts/losses incurred shall be paid gross, monthly/periodic installments whichever is agreed in writing with the affected person. On the termination of agreement further estimation of any damage to the land shall be done and land will be restored as before. If the land become permanently unfit for the purpose it was used immediately before its occupation, the under the Act, it shall be acquired. Any disputes arising which are not addressed by the Collector shall be referred to the Authority.

## **B. ADB's Safeguard Policy Statement, 2009**

**17.** ADB has adopted Safeguard Policy Statement (SPS) in 2009 including safeguard requirements for environment, involuntary resettlement and indigenous people. The objectives of the Involuntary Resettlement Safeguard policy is to avoid involuntary resettlement wherever possible; to minimize involuntary resettlement by exploring project and design alternatives; to enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-project levels; and to improve the standards of living of the displaced poor and other vulnerable groups.

**18.** The involuntary resettlement safeguards cover 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 covers them whether such losses and involuntary restrictions are full or partial, permanent or temporary.

**19.** The main policy principles of the Involuntary Resettlement Safeguard are:

- (i) Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks;
- (ii) Carry out meaningful consultations with affected persons, host communities, and concerned non-government organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, 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 GRM to receive and facilitate resolution of the affected persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase;
- (iii) Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected livelihoods are land based where possible or cash compensation at replacement value/cost 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 displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required;
- (v) Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing;
- (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 displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets;
- (viii) Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule;
- (ix) Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons 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 resettlement plan under close supervision throughout project implementation; and
- (xii) Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

### **3. Comparison of National Policies with ADB's SPS, 2009**

20. A detailed policy comparison between ADB's SPS, 2009, RFCTLARRA, 2013, identified gaps and gap filling measures in the resettlement framework are presented in following table. Karnataka state government policies (Right to Fair Compensation and Transparency in Land acquisition, rehabilitation and resettlement Rules, Karnataka (2014)) reflect the RFCTLARRA 2013.

**Table A2.1: Detailed Policy Comparison**

No.	Involuntary Resettlement Policy Principle	ADB Safeguard Policy Statement	The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013	Measures to Bridge Gaps
1	Screen project	Screen the project to identify past, present and future involuntary resettlement impacts and risks. Conduct survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement	Section 4 (I) it is obligatory for the appropriate Government that intend to acquire land for a public purpose to carry out a Social Impact Assessment study in consultation with concerned Panchayat, Municipality or Municipal Corporation, as the case maybe, at village level or ward level in the affected area. The Social Impact Assessment study report shall Be made available to the public in the manner prescribed under section 6.	No gap in conduct of social impact analysis between The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (RFCTLARRA) and Safeguard Policy Statement (SPS)  Gap in screening past, present and future involuntary resettlement impacts and risks The Project will undertake screening of all subprojects using the ADB involuntary resettlement checklist, to identify past, present and future involuntary resettlement impacts and risks.
2	Consult stakeholders and establish grievance redress mechanism (GRM)	Carryout consultations with displaced persons, host communities and concerned nongovernment organizations (NGOs). Informally displaced persons of their entitlements and resettlement options	Whenever a Social Impact Assessment is required to be prepared under section 4, the appropriate government shall ensure that a public hearing is held at the affected area, after giving adequate publicity about the date, time and venue for the public hearing, to ascertain the views of the affected families to be recorded and included in the Social Impact Assessment Report. The Land Acquisition Rehabilitation and Resettlement Authority shall be established in each State by the concerned State Government to hear disputes arising out of projects where land acquisition has been initiated by the State Government or its agencies.	No gap between SPS and RFCTLARRA.  Gap in establishing a project-level GRM for projects that do not have significant resettlement impacts. The Project will establish project-level GRM.
3	Improve or at least restore, the livelihoods of all displaced, and	Improve or restore the livelihoods of all displaced persons through:(i) land-based resettlement strategies; (ii)	The Deputy Commissioner having determined the market value of the land to be acquired shall calculate the total amount of compensation to be paid to the landowner	No gap between SPS and RFCTLARRA. Assets to be compensated at replacement cost without depreciation

No.	Involuntary Resettlement Policy Principle	ADB Safeguard Policy Statement	The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013	Measures to Bridge Gaps
	payment at replacement cost	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.	(whose land has been acquired) by including all assets attached to the land.	
4	Assistance for displaced persons	Provide physically and economically displaced persons with needed assistance	Schedule I, provides market value of the land and value of the assets attached to land. Schedule II provides resettlement and rehabilitation package for land owners and for livelihood losers including landless and special provisions for Scheduled Tribes.	No gap between SPS and RFCTLARR. Entitlement Matrix outlines compensation and assistance for Affected persons.
5	Improve standard of living of displaced vulnerable groups	Improve the standards of living of the displaced poor and other vulnerable groups, especially those below the poverty line, the landless, the elderly, women, children, indigenous peoples, and those without title to land, to at least national minimum standards	Special provisions are provided for vulnerable groups.	No gap between SPS and RFCTLARRA. Entitlement Matrix outlines assistance for vulnerable groups, as defined by ADB policy.
6	Negotiated settlement	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 livelihoods status	Section 46 of RFCTLARRA, 2013 permits direct purchase of land and undertaking direct negotiation with the land owner.	To ensure a fair and transparent process, a third party independent monitor will be hired to certify the process the negotiated purchase was undertaken in a transparent, consistent and equitable manner.
7	Compensation for nontitle holders	Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets. In the	Schedule II provides benefits to families whose livelihood is primarily dependent on land acquired	No gap between SPS and RFCTLARRA. Entitlement Matrix outlines compensation and assistance for nontitle holders, including

No.	Involuntary Resettlement Policy Principle	ADB Safeguard Policy Statement	The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013	Measures to Bridge Gaps
		rural area, provide them with access to resources. In the urban area, provide them with access to housing.		squatters, encroachers and sharecroppers.
8	Prepare resettlement plan	Prepare a resettlement plan/indigenous peoples plan on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.	Preparation of Rehabilitation and Resettlement Scheme including timeline for implementation. <i>Section: 16. (1) and (2).</i> Separate development plans to be prepared. <i>Section 41</i>	No gap between SPS and RFCTLARRA. Resettlement plan will be prepared for subprojects with impact.
9	Disclose Resettlement Plan	Disclose a draft resettlement plan, including documentation of the consultation processing a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to displaced persons and other stakeholders. Disclose the final resettlement plan and its updates to displaced persons and other stakeholders	Under clause 18, the Commissioner shall cause the approved Rehabilitation and Resettlement Scheme to be made available in the local language to the Panchayat, Municipality or Municipal Corporation. As the case maybe, and the offices of the Deputy Commissioner the Sub-Divisional Magistrate and the Taluka, and shall be published in the affected areas, in such manner as maybe prescribed and uploaded on the website of the appropriate Government.	No gap between SPS and RFCTLARRA. The resettlement framework and resettlement plans will be disclosed to affected persons.
10	Cost of resettlement	Include the full costs of measures proposed in the resettlement plan and indigenous peoples plan as part 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.	Section 16. (l) Upon the publication of the preliminary Notification under sub-section(/) of section II by the Collector, the Administrator for Rehabilitation and Resettlement shall conduct a survey and undertake a census of the affected families, in such manner and within such time as may be Prescribed, which shall include:(a) particulars of lands and immovable properties being acquired of each affected family;(b) livelihoods lost in respect of land losers and landless whose livelihoods are primarily dependent on the lands being acquired;(c) a list of public utilities and government buildings which are affected or	No gap between SPS and CTLARR. Cost of resettlement will be covered by the executing agency.

No.	Involuntary Resettlement Policy Principle	ADB Safeguard Policy Statement	The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013	Measures to Bridge Gaps
			likely to be affected, where resettlement of affected families is involved;(d) details of the amenities and infrastructural facilities which are affected or likely to be affected, where resettlement of affected families is involved; and(e) details of any common property	
11	Taking over possession before payment of compensation	Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.	38 (l) The Collector shall take possession of Land after ensuring that full payment of compensation as well as rehabilitation and resettlement entitlements are paid or tendered to the entitled persons within a period of three months for the compensation and a period of six months for the monetary part of rehabilitation and resettlement entitlements listed in the Second Schedule commencing from the date of the award made under section 30.	No gap between SPS and RFCTLARRA.
12	Monitoring	Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.	48 (l)The Central Government may, whenever necessary for national or inter-State projects, constitute a National Monitoring Committee for reviewing and monitoring the implementation of rehabilitation and resettlement schemes or plans under this Act.	RFCTLARRA does not specify the frequency of monitoring. The Project will prepare monitoring reports semi-annually as per SPS.

**C. Comparison of Present State Policy with ADB's Safeguard Policy Statement, 2009**

21. The State Government's current policy of avoiding involuntary/forcible land acquisition and adopting a negotiated land purchase policy is in line with ADB policy. The process to be followed for negotiated purchase is clearly delineated in the government's guidelines. In line with ADB's transparency requirements, in addition to the Government's processes, a third party certification of negotiation and settlement is recommended in this resettlement framework. Annexure 3 provides suggested terms of reference for identification of the independent third party, and a typical template for certification.

## CENSUS AND SOCIO-ECONOMIC SURVEY GUIDELINES

### A. Cut-off Date

1. The cut-off date for those who have legal title is the date of notification under Section 4 (1) of the Land Acquisition Act. The date of census is the cut-off date for those who do not have legal standing for eligibility of assistance under the project. People moving into the project area after this cut-off date will not be entitled to compensation/resettlement assistance payment. Persons who were not enumerated during the census, but can show documentation or evidence that he/she is rightfully a displaced person, will be included. The ULB is responsible for such verification. Only those displaced persons within the impact zone will be considered eligible for support under the subproject.

### B. Census Requirement and Contents

2. Census of households and individuals located within the project impact zone will be carried out, and documents of the legal status, status of tenancy, leasehold right, etc. will be collected during the census. During the census, a sample socioeconomic survey will be undertaken to portray social and economic conditions at pre-project level. It will provide a demographic overview of the potentially affected population who will be brought within the fold of the resettlement plan. Household assets, resource base, and sources of livelihood will also be noted. It will cover 100% of the potentially affected population within the project impact zone.

3. The census will cover the following aspects of the potentially affected displaced persons:
- (i) **Resource base** – includes land, water, forest, etc., which provide for the economic sustenance of the people under pre-project conditions. During the conduct of the census, legal boundaries of affected properties and the right-of-way (ROW) will be verified. Structures, trees, irrigation sources, and other assets will be recorded.
  - (ii) **Economic base** – includes the modes and magnitude of production, such as agriculture, other livelihood patterns, consumption pattern, and various economic institutions linked with productive resources.
  - (iii) **Household census** – covers immovable property owned by the affected persons and other resources in their possession/use. These surveys will be carried out in collaboration with local and host communities, as well as with the local representatives, such as GP/ULB members.
  - (iv) **Social structures** – the social institutions, structure of the family and society, norms, customs, cultural traditions, activities, patterns of leadership, and institutions of social network are contained in this aspect.
  - (v) **Displaced persons** – the census will identify prima facie the legal titleholders, tenants, sharecroppers, encroachers, and agricultural day/contract labourers who are likely to be displaced due to project execution. Displaced persons who belong to the ST and SC populations in accordance with the ST and SC lists of the Government of Karnataka, and the vulnerable affected persons such as the old, handicapped, infirm, orphans and destitute, women-headed households, and those below poverty line will be mentioned particularly.

### C. Census Procedures

4. The following procedure will be adopted in carrying out the census:
- (i) Preliminary screening will provide information on initial social impact assessment.

- (ii) Verification of legal boundaries of project area will document existing structures, land plots, and others physical assets. This involves:
  - a. identification of suitable resettlement sites, in close proximity to the affected area if required;
  - b. All encroachments, private land holdings, and others assets in the project area to be documented;
  - c. assets, structures, land holdings, trees, etc. to be recorded; and
  - d. all information is to be computerized; photography/video recordings to be used to document existing structures.
- (iii) The baseline socioeconomic survey shall cover information on the various categories of losses and other adverse impacts likely to affect the people within project area.
- (iv) The census shall identify potentially affected populations, with special attention to vulnerable groups.
- (v) Assessment on the value of various assets will be made, with cooperation from DLIC/Safeguards Officer at ULB level, to record correct valuation of the assets.

#### D. Database Management

- (i) **Data sources** – As a prerequisite for conducting the primary household surveys, relevant information will be collected from secondary sources. These include:
  - revenue records maintained at the ULB/Land Revenue office, with regard to land particulars for facilitating acquisition of land, properties, and resettlement of the displaced persons;
  - last census records for demographic and social infrastructural information;
  - development agencies at government level to get information on various developmental programs/schemes for specific sections of the population, like those living below poverty line, scheduled tribes, scheduled castes, etc. which can be utilized for rehabilitation measures, if required; and
  - local organizations, including NGOs, in order to involve them and integrate their activities in the economic development programs of the displaced population.
- (ii) **Data collection** – Interviews and surveys will be conducted at each household level among potentially displaced households, completing the household socioeconomic profile. Each of the households surveyed and the structure/land likely to be affected by the project has to be numbered, their legal documents collected, and interviews documented and photographed. Public consultation has to be conducted with the displaced persons (displaced persons). In these exercises, women among the displaced persons are to be involved to elicit their views and opinions on the overall planning of resettlement activities. Discussions with a cross-section of the affected population will help towards understanding the problems and preferences of the displaced persons.
- (iii) **Data analysis** – The analysis will cover the following: population, population density, age, sex ratio, literacy rates, level of educational achievement, occupation, income, expenditure, gender issues, and issues of indigenous people, religious groups, and people below poverty line.
- (iv) **Data update** – Since there is generally a time gap between the census and land acquisition and resettlement procedure, which will take at least 1 year, it implies that actual physical relocation of displaced persons may be delayed by at least a year. Therefore, it is suggested that NGOs responsible for implementation of RP,

along with the ULB, should conduct a rapid appraisal to continuously update information during project implementation in concurrence with civil works execution.

## **SAMPLE PROJECT INFORMATION DISCLOSURE PAMPHLET**

### **A. Background**

1. The Karnataka Integrated Urban Water Management Investment Program (KIUWMIP, the Program) was initiated by the Asian Development Bank (ADB) with the Government of India on December 30, 2014 with aims to improve water resource management in urban areas in a holistic and sustainable manner consistent with the principles of Integrated Water Resources Management (IWRM). Assistance under the second phase of KUIWMIP will be used to expand and upgrade water supply and sanitation infrastructure in the four coastal towns of, Mangalore, Udupi, Kundapura and Puttur. The project also involves improving water resource planning, monitoring, and service delivery.

2. The Population of Kundapura (2011 Census) is 30,450. Over the last few decades, the population has grown steadily and has stabilised at an average annual growth rate of 0.65. The 2008 KUDCEMP water supply scheme was designed to cater to the demand of 75,663 people till 2026 with a treatment designed capacity of 7.60 MLD. To optimally utilize the assets created under KUDCEMP, the Asian Development Bank (ADB) assisted Karnataka Integrated Urban Water Management Investment Program (KIUWMIP) (Tranche-2) is being prepared for the provision of 24x7 water supply to cover the entire urban local body (ULB) and the peri- urban area of Kundapura.

### **B. Subproject Description**

3. The following works are proposed under Kundapura water supply subproject: (i) existing intake works and jack well at Jambu is sufficient—a diesel generator set has been proposed for the un-interrupted power supply to the Jack well (ii) a Water Treatment Plant:- renovation of the existing WTP capacity of 7.60 MLD at Japthi Village (iii) Clear Water Feeder Mains- laying of 4.8 kms feeder mains from existing clear water mains (with 200 mm dia DI K-9 Class pipe) to the proposed OHT located at Kodi (for newly added zone-4).(iv) Service Reservoirs- construction of 2 OHTs with a total capacity of 0.9 ML in Kundapura (v) Distribution System- extension of 31.64 kms of distribution pipe lines. This network will have 75 mm to 250 mm diameter HDPE pipes and it will reduce distribution losses to about 15% (vi) Metered House Service Connections- replacement of 4,200 existing meters and 2,250 new metered HSC for un-covered households. The existing raw water main of 2.2 Km from jack well to WTP and existing clear water rising main of 13 km are retained.

### **C. Resettlement Plan: Policy and Principles**

4. This draft Resettlement Plan identifies the potential involuntary resettlement impacts of the project based on the Detailed Project Report (DPR) prepared. It identifies compensation and mitigation measures for identified impacts in accordance with ADB's Safeguard Policy Statement 2009, and applicable Government of India law, (the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013). The draft resettlement plan updated based on detailed measurement surveys and ADB approval obtained prior to start of construction.

### **D. Involuntary Resettlement Impact**

5. In order to identify the potential social impacts of the project, a joint field visit was carried out by the urban local body (ULB) engineers, a resettlement specialist and the design engineer

of the consultant team from the 1st April 2016 to 30th May 2016 to all sites and alignments. The site visit indicates that all components of the water supply sub project are either located on vacant government land or along the existing right-of-way (ROW) of public roads. No involuntary land acquisition is required. Three vulnerable persons will be affected by loss of 2 coconut trees each, on government land (elevated level storage reservoir or ELSR site at Kodi) and are anticipated to suffer permanent partial loss of income. The government has agreed to provide all three non-titleholders access to their remaining 15 trees at the site during and after construction of the ELSR. The resettlement plan provides details of compensation to be paid to the affected persons.

#### **E. Consultation and Disclosure**

6. The goals and objectives of the project have been disclosed to stakeholders including beneficiaries, affected persons, elected representatives and institutional stakeholders (1) discussions with 14 potential beneficiaries (64% women participants) on 18.10.2016; (2) a General Body meeting with elected members/ councillors held on 27.02.2015, (3) a General Body meeting with elected members/ councillor held on 10.07.2015, (4) consultation meeting with member of Legislative Assembly held on 30.05.2016; (5) consultations with project affected persons held on 25.11.2017; and (6) a town hall was conducted on 24th January 2018. A program of continuous consultation and disclosure is underway

#### **F. Entitlements and Compensation**

7. The Resettlement Plan proposes compensation to affected persons based on the entitlement matrix prepared for the project. Potential losses that can be avoided/mitigated through proper scheduling of work, avoidance of impact to businesses where possible, provision of planks for access to shops and businesses and traffic management plans to avoid disruption have been proposed. As per the entitlement matrix for KUWMIP, persons facing temporary income loss are entitled to compensation at average of maximum daily net income (based on the principle of replacement value) for the period of disruption. Vulnerable persons among the affected persons are entitled to preferential appointment to project-related construction jobs, if so desired by them.

#### **G. Grievance Redress Mechanism**

8. As per the orders of Joint Managing Director KUIDFC, an Official Memorandum dated 28th June 2017 has been issued to the ULBs of Mangalore, Udupi, Kundapura and Puttur for the formation of the project specific Grievance Redress Mechanism (GRM). The GRM has been formed in Kundapura.

#### **H. Institutional arrangements for Monitoring and Reporting**

9. The Social Development Officer (SDO) at the Project Management Unit (PMU) Head Office will confirm/update the RP, when required The RPMU will be responsible for regular monitoring. The monitoring report will contain safeguards policy compliance information along with progress on subproject implementation. The Social safeguard monitoring report (SMR) will be submitted to ADB for review every 6 months

#### **I. Implementation Schedule:**

10. The Project implementation period (civil works) for the Bulk and Water Distribution is expected to take 18 months and 24 months respectively to complete.

**J. Contact Details**

<b>Organisation</b>	<b>Name</b>	<b>Position</b>	<b>Phone Number</b>	<b>Email ID</b>
<b>Contractor:</b>				
<b>DSC Supervision Staff</b>				
<b>CAPRRC</b>				
<b>GR Hotline</b>				

## **TERMS OF REFERENCE FOR INDEPENDENT THIRD PARTY FOR NEGOTIATED SETTLEMENT AND LAND DONATION**

1. For any voluntary donation of land or for any negotiated settlement, an external independent entity will supervise and document the consultation process and validate the negotiated settlement / land donation process as per legal requirement.

### **A. Terms of Reference for Independent Third Party Witness**

2. An independent third party is sought to be appointed to oversee and certify the process of negotiated settlement / land donation. The third party shall be briefed about his/her expected role and deliverables by the SGC PMU.

3. **Eligibility:** The third party shall be a representative of the community (for example, a senior government officer, a leader of the community, a representative of a local NGO/CBO), without any direct interest in the negotiation process, who is acceptable to each of the concerned parties (KUIDFC and concerned land owner/donor).

4. **Scope of work:** The role of the third party shall be to ensure a fair and transparent process of negotiation/donation. The envisaged scope of work shall entail the following:

- (i) witness and keep a record of meetings held with the concerned parties,
- (ii) ensure there is no coercion involved in the process of negotiated settlement / land donation,
- (iii) ensure that the preferences and concerns of the land owner / donor related to access, selection of site within lands held, etc. are recorded and any stipulated conditions met,
- (iv) ensure that the negotiated purchase / land donation agreement is drafted in a fair and transparent manner,
- (v) identify and recommend mitigation measures to land owner / donor, if required,
- (vi) ensure that taxes, stamp duties and registration fees for purchased / donated land are borne by government, and
- (vii) submit a certificate as witness to the purchase / donation and transfer process.

5. **Deliverables:** The details of the meetings, and a certificate as witness to the negotiated settlement / donation process and mitigation measures to owner / donor, if any, shall be submitted by the third party to PMU, PIU and owner/donor in the local language.

**Sample Certification Format**

This is to certify that Mr./Mrs. XXXXXXXXXXXXXXXXXXXX, (profession, designation, address) is appointed as independent third party to certify the process of negotiated settlement/donation of plot no.....area.....owned / donated by XXXXXXXXXXXX (names of owner), who is a signatory to this certificate. It is also placed on record that none of the signatories to this certificate have any objection to appointment of xxxx as third party witness.

Date

Officers PHED and land donor

\_\_\_\_\_

\_\_\_\_\_2.

I, \_\_\_\_\_ of \_\_\_\_\_ (address) certify that I was witness to the process of negotiated purchase / land donation (details of plot \_\_\_\_\_ from XXXXXXXXXXX land owners' names).

I certify that:

1. The process of negotiated settlement / donation of the said land was transparent; the landowner(s) was/were happy to sell/donate the land for the welfare of the community.
2. No coercion was used in the negotiated settlement/donation process.
3. Land transfer costs (registration fee and stamp duty) were borne by the government and not by the owner/donor.
4. All concerns expressed by the owner/donor as agreed, were addressed and no pending issues remain.
5. The following mitigation measures were identified and implemented / provided to the land owner/donor.
6. Attached are the minutes of meetings held between project proponents and the land owner/donor, which I was witness to.

Signed/

Name

XXXXXXXXXXXXXXXXXXXXXXX

Date: \_\_\_\_\_ Place: \_\_\_\_\_

Encl: Minutes of meetings held between land owner/donor and project proponents

## **OUTLINE OF RESETTLEMENT PLAN**

1. This outline is part of the Safeguard Requirements 2. A resettlement plan is required for all projects with involuntary resettlement impacts. Its level of detail and comprehensiveness is commensurate with the significance of potential involuntary resettlement impacts and risks. The substantive aspects of the outline will guide the preparation of the resettlement plans, although not necessarily in the order shown.

### **A. Executive Summary**

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

### **B. Project Description**

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

### **C. Scope of Land Acquisition and Resettlement**

4. This section:

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

### **D. Socioeconomic Information and Profile**

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

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

### **E. Information Disclosure, Consultation, and Participation**

6. This section:

- (i) identifies project stakeholders, especially primary stakeholders;

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

## **F. Grievance Redress Mechanisms**

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

## **G. Legal Framework**

8. This section:

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

## **H. Entitlements, Assistance and Benefits**

9. This section:

- (i) defines displaced persons' entitlements and eligibility, and describes all resettlement assistance measures (includes an entitlement matrix);
- (ii) specifies all assistance to vulnerable groups, including women, and other special groups; and
- (iii) outlines opportunities for affected persons to derive appropriate development benefits from the project.

## **I. Relocation of Housing and Settlements**

10. This section:

- (i) describes options for relocating housing and other structures, including replacement housing, replacement cash compensation, and/or self-selection (ensure that gender concerns and support to vulnerable groups are identified);
- (ii) describes alternative relocation sites considered; community consultations conducted; and justification for selected sites, including details about location, environmental assessment of sites, and development needs;
- (iii) provides timetables for site preparation and transfer;
- (iv) describes the legal arrangements to regularize tenure and transfer titles to resettled persons;
- (v) outlines measures to assist displaced persons with their transfer and establishment at new sites;
- (vi) describes plans to provide civic infrastructure; and
- (vii) explains how integration with host populations will be carried out.

#### **J. Income Restoration and Rehabilitation**

11. This section:
- (i) identifies livelihood risks and prepare disaggregated tables based on demographic data and livelihood sources;
  - (ii) describes income restoration programs, including multiple options for restoring all types of livelihoods (examples include project benefit sharing, revenue sharing arrangements, joint stock for equity contributions such as land, discuss sustainability and safety nets);
  - (iii) outlines measures to provide social safety net through social insurance and/or project special funds;
  - (iv) describes special measures to support vulnerable groups;
  - (v) explains gender considerations; and
  - (vi) describes training programs.

#### **K. Resettlement Budget and Financing Plan**

12. This section:
- (i) provides an itemized budget for all resettlement activities, including for the resettlement unit, staff training, monitoring and evaluation, and preparation of resettlement plans during loan implementation;
  - (ii) describes the flow of funds (the annual resettlement budget should show the budget-scheduled expenditure for key items);
  - (iii) includes a justification for all assumptions made in calculating compensation rates and other cost estimates (considering both physical and cost contingencies), plus replacement costs; and
  - (iv) includes information about the source of funding for the resettlement plan budget.

#### **L. Institutional Arrangements**

13. This section:
- (i) describes institutional arrangement responsibilities and mechanisms for carrying out the measures of the resettlement plan;

- (ii) includes institutional capacity building program, including technical assistance, if required;
- (iii) describes role of NGOs, if involved, and organizations of affected persons in resettlement planning and management; and
- (iv) describes how women's groups will be involved in resettlement planning and management.

#### **M. Implementation Schedule**

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

#### **N. Monitoring and Reporting**

15. This section describes the mechanisms and benchmarks appropriate to the project for monitoring and evaluating the implementation of the resettlement plan. It specifies arrangements for participation of affected persons in the monitoring process. This section will also describe reporting procedures.

## OFFICE MEMORANDUM CIRCULATED REGARDING ESTABLISHMENT OF GRIEVANCE REDRESS MECHANISM

ಕರ್ನಾಟಕ ನಗರ ಮೂಲಸೌಕರ್ಯ ಅಭಿವೃದ್ಧಿ  
ಮತ್ತು ಹಣಕಾಸು ನಿಗಮ ನಿಯಮಿತ  
(ಕರ್ನಾಟಕ ಸರ್ಕಾರದ ಉದ್ಯಮ)



Karnataka Urban Infrastructure  
Development and Finance Corporation Ltd.,  
(Government of Karnataka Undertaking)

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KUIDFC/KIUWMIP/DLIC/2014-15/228 /1393

Date: 28<sup>th</sup> June 2017

### OFFICIAL MEMORANDUM

**Sub:** ADB Assisted KIUWMIP-Jalasiri Implementation of Resettlement and Rehabilitation Plans (RRP).

\*\*\*\*\*

Under Karnataka Integrated Urban Water Management Investment Programme (KIUWMIP) land will be purchased/acquired for implementation of various components. A Resettlement and Rehabilitation Plan for Affected Families (AFs) and Programme Affected Persons (PAPs) is prepared for land being acquired and the compensation payable to them is determined as per the guide lines of LARR Act 2013.

A project specific Grievance Redressal Mechanism (GRM) is to be established to receive complaints, evaluate concerns and address grievances of the Affected Persons (APs). To provide time bound and transparent mechanism to resolve social and environmental concerns and ensure proper implementation and monitoring of the grievances, there is a need to designate Rehabilitation and Resettlement Officer and to constitute a Grievance Redressal Committee. Hence the following order:

### ORDER

**Rehabilitation and Resettlement Officer:** The Special Land Acquisition Officer/the Assistant Commissioner of the concerned sub division shall be the "Rehabilitation and Resettlement Officer". He will be responsible for implementation of the Resettlement plans. He is authorised to release all compensation to the beneficiaries (based on land acquisition Awards and other assistance/ benefits decided by GRC based on approved Resettlement plans).

**Grievance Redressal Committee:** The committee shall consist of the following members:

The Special Land Acquisition Officer/Assistant Commissioner of the concerned subdivision	Chairman
The Commissioner / Chief Officer of concerned ULB	Member
Deputy Project Director KUIWMIP Mangalore	Member Secretary & Convener
PMDCSC Engineer	Member
Affected community member/NGO	Member
SDO of RPMU- KIUWMIP Mangalore	member

**DESPATCHED**  
ON 28/6/17

## SAMPLE GRIEVANCE REGISTRATION FORM

(To be available in Kannada and English)

The \_\_\_\_\_ Project welcomes complaints, suggestions, queries, and comments regarding project implementation. We encourage persons with grievance to provide their name and contact information to enable us to get in touch with you for clarification and feedback.

Should you choose to include your personal details but want that information to remain confidential, please inform us by writing/typing \*(CONFIDENTIAL)\* above your name. Thank you.

<b>Date</b>	<b>Place of registration</b>	<b>Project Town</b>			
		<b>Project:</b>			
<b>Contact information/personal details</b>					
<b>Name</b>		<b>Gender</b>	* Male * Female	<b>Age</b>	
<b>Home address</b>					
<b>Place</b>					
<b>Phone no.</b>					
<b>E-mail</b>					
<b>Complaint/suggestion/comment/question</b> Please provide the details (who, what, where, and how) of your grievance below:					
If included as attachment/note/letter, please tick here:					
<b>How do you want us to reach you for feedback or update on your comment/grievance?</b>					

### FOR OFFICIAL USE ONLY

<b>Registered by:</b> (Name of official registering grievance)	
<b>Mode of communication:</b>	
Note/letter	
E-mail	
Verbal/telephonic	
<b>Reviewed by:</b> (Names/positions of officials reviewing grievance)	
<b>Action taken:</b>	
<b>Whether action taken disclosed:</b>	No.
<b>Means of disclosure:</b>	

## INVOLUNTARY RESETTLEMENT IMPACTS SCREENING CHECKLIST

### A. Introduction

1. Each subsection/section needs to be screened for any involuntary resettlement impacts which will occur or have already occurred. This screening determines the necessary action to be taken by the project team.

### B. Information on subsection/section:

a. *District/administrative name:* \_\_\_\_\_

b. *Location (km):* \_\_\_\_\_

c. *Civil work dates (proposed):* \_\_\_\_\_

d. *Technical description:* \_\_\_\_\_

### C. Screening Questions for Involuntary Resettlement Impact

2. Below is the initial screening for involuntary resettlement impacts and due diligence exercise. Both permanent and temporary impacts must be considered and reported in the screening process.

Involuntary Resettlement Impacts	Yes	No	Not Known	Remarks
Will the project include any physical construction work?				
Does the proposed activity include upgrading or rehabilitation of existing physical facilities?				
Will it require permanent and/or temporary land acquisition?				
Is the ownership status and current usage of the land known?				
Are there any nontitled people who live or earn their livelihood at the site or within the corridor of impact (COI)/right of way (ROW)?				
Will there be loss of housing?				
Will there be loss of agricultural plots?				
Will there be losses of crops, trees, and fixed assets (i.e. fences, pumps, etc.)?				
Will there be loss of businesses or enterprises?				
Will there be loss of incomes and livelihoods?				
Will people lose access to facilities, services, or natural resources?				
Will any social or economic activities be affected by land use-related changes?				

<b>Involuntary Resettlement Impacts</b>	<b>Yes</b>	<b>No</b>	<b>Not Known</b>	<b>Remarks</b>
Are any of the affected persons (AP) from indigenous or ethnic minority groups?				If yes, please describe the situation

**D. Involuntary Resettlement Impact**

3. After reviewing the answers above, EA/safeguard team will confirm that the assigned/proposed project/subproject/ section:

- has involuntary resettlement impact, so a resettlement plan (or corrective action plan) is required
- has no involuntary resettlement impact, so no resettlement plan is required

Prepared by:	Verified by:
Signature:	Signature:
Name:	Name:
Position:	Position:
Date:	Date:

## OUTLINE OF SOCIAL SAFEGUARDS MONITORING REPORT

1. Following requirements of the ADB Safeguard Policy Statement (2009) and the *Operations Manual* section on safeguard policy (OM F1), borrowers/clients are required to establish and maintain procedures to monitor the status of implementation of safeguard plans and ensure progress is made toward the desired outcomes. For projects categorized as A or B in Involuntary Resettlement and/or Indigenous People, the Borrowers/clients are required to submit semi-annual monitoring reports for ADB review. The level of detail and comprehensiveness of a monitoring report is commensurate with the complexity and significance of social safeguards impacts (involuntary resettlement and indigenous people) and with the current status of project implementation phase.

2. This outline can be used for periodic monitoring report (semi-annual) and resettlement plan/IPP completion report to start the civil works in the impacted areas. A safeguard monitoring report may include the following elements:

### A. Executive Summary

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

### B. Background of the Report and Project Description

4. This section provides a general description of the project, including:

- Background/context of the monitoring report which includes the information on the project, project components, safeguards categorizations and general scope of the social safeguards impacts;
- Information on the implementation progress of the project activities, scope of monitoring report and requirements, reporting period, including frequency of submission and changes in project scope and adjusted safeguard measures, if applicable; and
- Summary table of identified impacts and the mitigation actions.

### C. Scope of Impacts

5. This section outlines the detail of:

- Scale and scopes of the project's safeguards impacts;
- Vulnerability status of the affected people/communities; and
- Entitlements matrix and other rehabilitation measures, as applicable, as described in the approved final resettlement plan(s).

### A. Compensation and Rehabilitation<sup>1</sup>

6. This section describes the process and progress of the implementation of the safeguards plan and other required activities as determined in the plan. This includes:

- Payment of the affected assets compensation, allowances, loss of incomes, etc. to the entitled persons;

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<sup>1</sup> Depending on the status of the final detail design during the submission of the report this activity might not yet started. Provide the information on the expected date the activity to be conducted instead.

- Provisions of other types of entitlement as described in the matrix and implementation of livelihood rehabilitation activities as determined in the plan; and
- Quantitative as well as qualitative results of the monitoring parameters, as agreed in the plan, should be provided.

## **B. Public participation and consultation**

7. This section describes public participation and consultation activities during the project implementation as agreed in the plan. This includes final consultations with affected persons during resettlement plan finalization after the completion of detail design; the numbers of activities conducted; issues raised during consultations and responses provided by the project team, CAPRRC, project supervision consultants, contractors, etc.

## **C. Grievance Redress Mechanism**

8. This section described the implementation of project grievance redress mechanism (GRM) as design in the approved resettlement plan/IPP. This includes evaluations of its effectiveness, procedures, complaints receive, timeliness to resolve issues/complaints and resources provided to solve the complaints. Special attention should be given if there are complaints received from the affected people or communities.

## **D. Institutional Arrangement**

9. This section describes the actual implementation, or any adjustment made to the institutional arrangement for managing the social safeguards issues in the projects. This includes the establishment of safeguards unit/team and appointment of staff in the executing agency/implementing agency; implementation of the GRM and its committee; supervision and coordination between institutions involved in the management and monitoring of safeguards issues, the roles of NGO and women's groups in the monitoring and implementation of the plan, if any.

## **E. Monitoring Results—Findings**

10. This section describes the summary and key findings of the monitoring activities. The results are compared against previously established benchmarks and compliance status (e.g., adequacy of involuntary resettlement compensation rates and timeliness of payments, adequacy and timeliness of involuntary resettlement rehabilitation measures including serviced housing sites, house reconstruction, livelihood support measures, and training; budget for implementing EMP, resettlement plan, or IPP, timeliness and adequacy of capacity building, etc.). It also compares against the objectives of safeguards or desired outcomes documented (e.g., involuntary resettlement impacts avoided or minimized; livelihood restored or enhanced; indigenous people's identity, human right, livelihood systems and cultural uniqueness fully respected; indigenous peoples not suffer adverse impacts, environmental impacts avoided or minimized, etc.). If noncompliance or any major gaps identified, include the recommendation of corrective action plan.

## **F. Compliance Status**

11. This section will summarize the compliance status of the project activities with the loan covenants, ADB SPS (2009) on SR 2 and the approved final resettlement plan(s).

## **G. Follow up Actions, Recommendation and Disclosure**

12. This section describes recommendations and further actions or items to focus on for the remaining monitoring period. It also includes lesson learned for improvement for future safeguards monitoring activities. Disclosure dates of the monitoring report to the affected communities should also be included. A time-bound summary table for required actions should be included.

### **Appendix 1**

- i. List of Affected Persons and Entitlements
- ii. Summary of Resettlement Plan/IPP with entitlement matrix

### **Appendix 2**

- i. Copies of Affected Persons' certification of payment (signed by the affected persons)
- ii. Summary of minutes of meetings during public consultations
- iii. Summary of complaints received and solution status