



**Pakhtunkhwa Energy Development  
Organization**

**KHYBER PAKHTUNKHWA HYDROPOWER  
AND RENEWABLE ENERGY DEVELOPMENT  
PROGRAM**

**RESETTLEMENT POLICY FRAMEWORK  
(RPF)**

**December 2019**

# KHYBER PAKHTUNKHWA HYDROPOWER AND RENEWABLE ENERGY DEVELOPMENT PROGRAM

## Resettlement Policy Framework

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## List of Acronyms

AH	Affected Household
AP	Affected Person
APC(s)	Affected Persons Committee (s)
BOR	Board of Revenue
CDC	Compensation Disbursement Committee
CSO	Civil Government Organization
DPAC	District Price Assessment Committee
EA	Executing Agency
ESIA	Environment and Social Impact Assessment
ESMF	Environment and Social Management Framework
ESMP	Environment and Social Management Plan
ESU	Environment and Social Unit
GoKP	Government of Khyber Pakhtunkhwa
GKHPP	Gabral-Kalam Hydro Power Project
FGD	Focus Group Discussion
GAP	Gender Action Plan
GBV	Gender Based Violence
GRC	Grievances Redress Committee
KPHREDP	Khyber Pakhtunkhwa Hydropower and Renewable Energy Development Program
HH	Household
KBP	Kalkot-Barikot-Patruk
HPP	Hydropower Project
KP	Khyber Pakhtunkhwa
LAA	Land Acquisition Act
LAC	Land Acquisition Collector
LAR	Land Acquisition and Resettlement
LCC	Land Acquisition and Resettlement Coordination Committee
LRIP	Livelihood Restoration and Improvement Plan
M&E	Monitoring and Evaluation
MRS	Market Rate Schedule
NA	Not Applicable
NIC	National Identity Card
OP	Operational Policy
PEDO	Pakhtunkhwa Energy Development Organization
PD	Project Director
PIC	Project Implementation Consultants
PMO	Project Management Organization
PS	Patruk-Shringal
PSC	Project Steering Committee
RAP	Resettlement Action Plan
R&R	Resettlement and Rehabilitation
SEP	Stakeholder Engagement Plan
SRS	Social and Resettlement Specialist
TPMA	Third Party Monitoring Agency
WAPDA	Water and Power Development Authority
WB	World Bank

## Glossary of Terms

Affected Household	All members of a household operating as a single economic unit, who are affected as a result of the implementation of project activity, etc., loses the right to own, use or otherwise benefit from a built structure, land (residential, agricultural, commercial), annual or perennial crops and trees, or any other fixed or movable assets, either in full or in part, permanently or temporarily that could affect the household's livelihood/economic status.
Affected Persons	The persons (the member of affected households), groups or communities who, as a result of implementation of Khyber Pakhtunkhwa (KP) Hydropower and Renewable Energy Development Program, are affected by loss of the right to own, use or benefit from land, means of livelihood/income sources, natural resources (pastures, trees, forests, water etc.), crops, wood and fruit trees, structures (fixed or moveable) either in full or in part.
Business Owner	Any person who owns or conducts a business within the project-affected area, the operation of which may be disrupted by the construction work under the project. S/he can be a legal owner, non-titled structure owner, or tenant and will receive different compensation and R&R packages as per the EM.
Census of Affected People	A complete and accurate count of the people based on a questionnaire that cover all affected persons irrespective of ownership status. Inventory of losses the pre-appraisal inventory of assets as a preliminary record of affected or lost assets. It can be used to minimize fraudulent claims made by people who move into the project affected area after the cut-off date.
Compensation	Payment in cash or in kind for an asset or a resource that is acquired or affected by a project at the time the asset needs to be replaced.
Community	A group of individuals broader than the household, who identify themselves as a common unit due to recognized social, religious, economic or traditional ties, or through a shared locality.
Cut-off-date	The cut-off-date is publicly announced date for eligibility for entitlement used to determine the eligibility for entitlement and compensation. Persons who occupy or build structures in the project area or alignment after the cut-off date will not be eligible for compensation for their affected assets or other forms of resettlement assistance.
Detailed Measurement Survey	With the aid of the approved detailed engineering design, this activity involves the finalization and/or validation of the results of the inventory of losses, severity of impacts, and list of AHs earlier done during RP preparation. The final cost of resettlement can be determined following completion of the DMS.
Grievance Procedure	This is a mechanism by which project-affected persons (PAPs) or general public can raise their concerns to project executing agency or higher authorities for redressal. In addition to the procedures established under local laws and regulations and administrative setup, a project specific grievance procedures are developed to enable land and property owners and other non-titleholder affected persons or general public to seek redressal of their concerns and issues related to land acquisition, compensation, resettlement and rehabilitation assistance, environmental aspects and other issues related to the Project environment and

	social performance.
Entitlement	Resettlement entitlements with respect to a particular eligibility category are the sum total of compensation and other forms of assistance provided to displaced persons in the respective eligibility category. Entitlements include a variety of measures comprising cash, relocation cost, income restoration assistance, transfer assistance, income substitution, business or livelihood restoration, and other benefits, which are due to affected people depending on the type and degree/nature of their losses, to restore their social and economic base.
Household	One or more families residing in same building or compound using same stove to cook their meals and share day to day household expenses can be considered as one household.
Executing Agency	Agency, public or private, that is responsible for planning, design, and implementation of a development project.
Income Restoration	Re-establishing income sources and livelihoods of affected persons to a better or minimum of the pre-project level.
Involuntary Resettlement	Any resettlement, which does not involve consent of the persons being adversely affected but is involuntary through an instrument of law or if they give their consent without having the power to refuse resettlement.
Katcha	A structure with both the walls and roof made of materials that include grass, leaves, mud, un-burnt brick or wood.
Livelihood	A means of living such as agriculture, animal husbandry, fishing, wage labor, services of various types, trade, etc.
Market Value	The value of an asset determined by market transaction of similar assets and finally arrived at after negotiations with the owners. It includes transaction costs and without the depreciation and deductions for salvaged building material.
Non-Titleholder	Non-titled those who have no recognizable rights or claims to the land and assets that they are occupying and includes people using private or public land without permission, permit or grant i.e. those people without legal title to land and/or structures occupied or used by them.
Pacca	A structure with both the walls and roof made of materials that include tiles, cement sheets, slates, corrugated iron, zinc or other metal sheets, bricks, lime, and stone or cement concrete.
Rehabilitation	Compensatory measures provided under the World Bank Operational Policy 4.12 on Involuntary Resettlement and other than the payment of replacement cost of acquired assets to re-establish incomes, livelihoods, living, and integration within the social system.
Rehabilitation Assistance	Support provided to displaced persons to supplement their income losses in order to improve, or at least achieve full restoration of their pre-project living standards and quality of life.
Relocation	Support provided to persons who are physically displaced by a project. Relocation

Assistance	assistance may include transportation, food, shelter, and social services that are provided to the displaced persons during their relocation. It may also include cash allowances that compensate displaced persons for the inconvenience associated with resettlement and defray the expenses of a transition to a new locale, such as moving expenses and lost work days.
Replacement Cost	<p>For agricultural land, full replacement cost is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing land to the levels similar to those of the affected land, plus the cost of any registration and transfer fee/taxes. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer fee/taxes. For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer fee/taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset.</p> <p>Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures so as to meet the replacement cost standard.</p>
Resettlement Assistance	Support provided to people who are physically displaced by a project. Assistance may also include cash allowances that compensate affected people for the inconvenience associated with resentment and defray the expenses of a transition to a new locale, such as moving expenses and lost works days.
Resettlement Action Plan	The planning document in which a project sponsor or other responsible entity specifies the procedures that it will follow and the actions it will take to mitigate adverse social and economic impacts effects, compensate losses, and provide development benefits to persons and communities affected by an investment project.
Severely Affected	The affected persons who 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).
Severance	This means the depreciation in the value of land the affected person retains where part only of land holding is acquired.
Semi Pacca	A structure with both the walls and roof that are made of materials that include wood, planks, grass, leaves, and wall are made of bricks walls with mud masonry or un-burnt brick.
Structures	All buildings including primary and secondary structures, including houses and ancillary buildings, commercial enterprises, living quarters, community facilities and infrastructures, shops, businesses, fences, and walls either possess by owner or user.
Stakeholders	A broad term that covers all parties affected by or interested in a project or a specific issue-in other words, all parties who have a stake in a particular issue or

	<p>initiative. Primary stakeholders are those most directly affected in resettlement situations, the population that loses property or income because of the project and host communities. The secondary stakeholders include that people who have an interest in the project such as the project beneficiaries, interested NGOs, proponents, academia, private businesses, NGOs, host communities, print and electronic media, Environmental Protection Agency and other relevant line departments.</p>
Titleholder	<p>Land Owners as recorded in revenue records, or Land occupiers with claims/ rights recognized under State laws.</p>
Vulnerable Groups	<p>People who, by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status, may be more adversely affected by resettlement than others and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits.</p>

## **Executive Summary**

### **Introduction**

The Government of Khyber Pakhtunkhwa (GOKP) is pursuing development of several hydropower projects through public and private sector and has requested World Bank (WB) financing for Gabral-Kalam Hydropower Project (GKHHP), Kalkot-Barikot-Patruk (KBPH) and Patruk-Shringal (PSH) hydropower projects, cascade development of Swat river basin, Solar Photovoltaic (PV), and associated/ancillary infrastructure and activities including roads, transmission lines, offices, colonies, preparation and implementation of resettlement and environment and social management plans. This document presents the Resettlement Policy Framework (RPF) for Pakhtunkhwa Hydropower Renewable Energy Development Program (the Program) to be executed by Pakhtunkhwa Energy Development Organization (PEDO).

The overall objective of the RPF is to provide a policy framework for land acquisition and resettlement for all the projects to be financed under the Program. The purpose of RPF is to provide a set of principles, procedures and guidelines for PEDO, its Program Management Organization (PMO) and other implementing parties, to be applied to the projects requiring land acquisition and resettlement (LAR). It is a framework to guide the preparation of a Resettlement Action Plan (RAP) in compliance with the requirements specified in the World Bank OP 4.12 and law and regulations of Government of Pakistan/KP. The RPF has been prepared based on review of existing relevant documents, social aspects of the program area, consultations with a number of staff of Program's proponent (PEDO), technical design consultants, LAR consultants; consultations and formal workshops with potentially affected persons (APs) and institutional stakeholders.

The Program Development Objective is to increase installed hydropower capacity and build institutional capacity for further hydropower development in KP. The program will have four components (a) Development of renewable energy projects and associated facilities (b) Institutional strengthening and energy sector development (c) environment and social management (d) project implementation support and technical assistance.

### **Legal and Policy Framework**

The potential projects under the Program involve may land acquisition and resettlement (LAR), which will cause adverse social and resettlement impacts. To mitigate the LAR impacts sufficiently and promptly, the requirements of Land Acquisition Act 1894, Telegraph Act, 1885, WAPDA Act 1958 and the World Bank OP 4.12 on Involuntary Resettlement are to be complied under this Program. Specific provisions are included in the framework to address any gaps between national and provincial regulations of GoKP with the WB Policy. This RPF has been developed to harmonize the gaps between LAA 1894, Telegraph Act, 1885, WAPDA Act 1958 and WB OP 4.12 on involuntary resettlement. The measures specific to the involuntary resettlement impacts of the Program have been addressed through provision of entitlements to the affected households that will need physical relocation, will lose land and situated assets or lose income and livelihoods.

## **Scope and Planning of Involuntary Resettlement Impacts**

The potential projects under the Program by their nature may cause physical and economic displacement. The detailed social impact assessment of Gabral-Kalam Hydropower Project (HPP) revealed that the proposed projects will cause impact on people's land, crops, trees, residential structures, roads, water supply pipelines, access to resources, impact on public utilities, and communities will/may be indirectly affected. A Resettlement Action Plan (RAP) has been prepared and presented under a separate cover to deal with these impacts. For other projects under the Program (and for any new components identified for GKHPP during implementation), their footprints and design are not yet identified, RAPs will be prepared following the principles presented in this RPF.

The key steps in resettlement planning are: (i) social screening; (ii) social impact assessment; (iii) inventory and valuation; (iv) determining eligibility and entitlements; (v) consultation and disclosure of findings; (vi) preparation of abbreviated/full resettlement action plan (A/RAP); (vii) consultation and finalization of A/RAP; (viii) disclosure of the final A/RAP, which analyses and describes the impacts, entitlements, detail of parties involved in project implementation, A/RAP implementation schedule, inventory of eligible AHs, grievance redress mechanism (GRM), initiation of land acquisition and resettlement process; disbursement of compensation and LAR entitlements, relocation if needed (planning and actual relocation), grievances redress, site clearance and handover to contractor for civil works, and post resettlement support measures.

The EA will disseminate all information relevant to the land acquisition and other involuntary resettlement impacts, together with social team of consultants that include the orientation on potential social and environment impacts of the project, results of social impact assessments, measures to mitigate the impacts, meaningful consultations, eligibility, entitlements, cut-off-date, grievance redressal mechanism, unit costs for compensation, resettlement and rehabilitation assistance, RAP implementation procedures, institutional responsibilities of RAP implementation, time frames, monitoring, approval procedures and the disclosure of RAP.

### **Cut-off-Date**

Eligibility to receive compensation and resettlement and rehabilitation assistance will be limited by a cut-off date as set for each Project. This will be the completion date of the census and inventory surveys in the area for all APs. If Section-4 would have been announced by the Government by the time the surveys are to be started, then that date would be considered the cut-off date for title holders, and for non-title holders the date of relevant census and surveys, as described above, will be cut-off date.

### **Compensation, Eligibility and Entitlements**

A resettlement policy for the Program has been developed based on WB OP 4.12 on involuntary resettlement to avoid, minimize and to at least restore the livelihoods of all AHs in real terms relative to pre-project levels. AHs that suffer from loss of lands, crops, wood or fruit trees, residential or business structures, income, loss of access to land or other resources or sources of livelihoods due to the projects under the Program, will be eligible for receiving compensation. Eligibility to receive compensation and resettlement and rehabilitation assistance will be limited by a cut-off date as set for each Project, as described above. Adequate provisions have been made in the RPF to mitigate adverse impacts on the socio-economic conditions and livelihood of APs. An entitlement matrix has been designed to cover all AHs regardless of formal legal rights.

**Table 1: Entitlement Matrix**

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
Permanent loss of on-the-road and off-the-road land for siting of Project facilities	All land losses (arable, commercial, residential and barren)	Titleholders and landholders under customary rights	<ul style="list-style-type: none"> <li>• Cash compensation of off-the-road land at full replacement cost<sup>1</sup> on prevailing market rate through private negotiations free of taxes, registration, and transfer costs.</li> <li>• Cash compensation of 50 feet offset to road land at prevailing commercial rates free of taxes, registration, and transfer costs.</li> </ul>
Land taken to erect transmission line towers	All adverse effects on land use independent of severity of impact	Titleholders and landholders under customary rights	<ul style="list-style-type: none"> <li>• Cash compensation for land taken for towers through private negotiations.</li> <li>• Compensation, in cash, for all damaged crops and trees.</li> </ul>
		Leaseholders (registered or not)	<ul style="list-style-type: none"> <li>• Renewal of lease in other plots of equal value/productivity of plots lost, or Cash equivalent to market value of gross yield of affected land for the remaining lease years (up to a maximum of 3 years).</li> </ul>
		Sharecroppers (registered or not)	<ul style="list-style-type: none"> <li>• Cash compensation equal to the market value of the lost harvest share once for temporary impact or twice for permanent impact.</li> </ul>
		Agricultural workers losing their contract	<ul style="list-style-type: none"> <li>• Cash indemnity corresponding to their salary (including portions in kind) for the remaining part of the agricultural year.</li> </ul>
		Squatters/encroachers	<ul style="list-style-type: none"> <li>• 1 rehabilitation allowance equal to market value of 1 gross harvest (in addition to crop compensation) for land use loss.</li> </ul>
	Access is not restricted and existing or current land use will remain unchanged due to installation of tower or transmission line	Titleholder	<ul style="list-style-type: none"> <li>• No compensation for land provided that the land is rehabilitated/restored to its former quality following completion of works.</li> <li>• Compensation, in cash, for all damaged crops and trees.</li> </ul>
		Leaseholders	<ul style="list-style-type: none"> <li>• No payment for loss of land provided that the land is rehabilitated/restored to its former quality following completion of construction works.</li> <li>• Compensation, in cash, for all damaged crops and trees.</li> </ul>
		Sharecroppers (registered or not)/encroachers/squatters	<ul style="list-style-type: none"> <li>• Compensation, in cash for all damaged crops and trees.</li> </ul>
		Agricultural workers	<ul style="list-style-type: none"> <li>• Cash indemnity corresponding to their salary (including cash for portions in kind) for the remaining part of the cropping season.</li> </ul>

<sup>1</sup>The replacement cost is equivalent to the market value of the land/assets, sufficient to replace the lost assets and cover transaction costs.

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
Loss of arable government land	State/Gov't owned arable land	Leaseholders/ Renter  <i>(registered or not having written lease documents)</i>	<ul style="list-style-type: none"> <li>No payment for loss of land</li> <li>Cash compensation for the loss of standing crops and trees at market rates;</li> <li>Cash payment for loss of net income from the affected portion of land for the remaining lease years.</li> <li>Assistance to vulnerable affected persons in negotiating new lease agreements on alternative lands to the maximum possible extent.</li> </ul>
		Sharecroppers / Encroachers/  Squatters/ tenants	<ul style="list-style-type: none"> <li>No payment for loss of land</li> <li>One-time allowance equal to the market value of the harvest of lost land for one year, in addition to the cash payment for the standing crops and trees.</li> <li>Assistance to vulnerable affected persons in identifying suitable land plots for cultivation to the maximum possible extent.</li> </ul>
Loss of temporary access to agriculture land / productive asset	Restriction to access	Titleholders/land holders under customary rights	<ul style="list-style-type: none"> <li>No payment for loss of land.</li> <li>Cash payment for loss of standing crops and trees (if affected) at market rates;</li> <li>Cash payment for loss of future crop production (if affected) at market rates for the period of loss of crops due to restriction of access.</li> <li>In case of sharecropping/tenancy agreement, partial payment based on specific sharecropping/tenancy agreement with the sharecropper/tenant (written or verbal).</li> <li>Cash payment for loss of income for the period of loss.</li> </ul>
		Sharecroppers/ tenants / encroachers/ squatters/	<ul style="list-style-type: none"> <li>No payment for loss of land.</li> <li>Cash payment for loss of standing crops and trees at market rates, if trees are affected and cultivated by the affected sharecropper/tenant/encroacher/squatter.</li> <li>Cash payment for loss of future crop production (if affected) at market rates for the period of loss of crops due to restriction of access.</li> <li>Partial payment to the sharecropper/tenant/encroacher/squatter for loss of crops based on their specific sharecropping/tenancy agreement with the owner/possessor (verbal or written)</li> </ul>
Severance impacts (permanent or temporary)	Access restricted to: <ul style="list-style-type: none"> <li>agriculture lands cultivated by landholders/ male or female seasonal agriculture labor/ sharecroppers/s</li> </ul>	All affected persons (Non-titled user or squatter on private or state land)	<ul style="list-style-type: none"> <li>Connect severed pieces of lands through access ways, roads or bridges.</li> <li>Restoration of pipes to irrigate severed land plots.</li> <li>Restoration of water supply pipeline or installation of water points within 30 minutes round-trip travel time<sup>2</sup>.</li> <li>Restoration of formal and informal walkways, roads or bridges.</li> <li>The affected titleholders of injurious affection and severance will be eligible for 25% of the replacement cost determined for the acquired land as compensation for injurious affection and severance.</li> </ul>

<sup>2</sup> The United Nations definition of access to an improved water source being within 30 minutes total round-trip travel time

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
	quatters /encroachers, <ul style="list-style-type: none"> <li>• infrastructure,</li> <li>• social services,</li> <li>• social networks;</li> <li>• drinking water supply,</li> <li>• irrigation water channels,</li> <li>• walkways, formal or informal roads, bridges</li> </ul>		The remaining plot will remain the property of the affected persons. <ul style="list-style-type: none"> <li>• The lessees or tenants of injurious affection and severance will receive cash payment at the rate of the rental fee proportionate to the size of the severed piece of land for the duration of the remaining lease/rental period as per written agreement.</li> <li>• Non-titled land users (squatters or encroachers) of affected land will not receive any payments for injurious affection and severance.</li> </ul>
Temporary impacts on arable land or non-arable land	Land required temporarily during civil works	Titleholders/landholders under customary rights / leaseholders	<ul style="list-style-type: none"> <li>• No payment for loss of land</li> <li>• Land will be temporarily acquired by a short-term lease agreement between the landholders /leaseholder and contractor with the approval of Project Director. Rental terms to be negotiated to the satisfaction of the affected persons.</li> <li>• Full restoration / reclamation of land to original use by the contractor, as agreed with affected persons.</li> <li>• The contractor will make the payment of temporary land acquisition and full restoration cost.</li> <li>• Crop compensation in cash at full market rate for one harvest (either winter or summer) by default for impacts caused.</li> </ul>
		Sharecroppers/ tenants/ squatters/ encroachers (registered or not)	<ul style="list-style-type: none"> <li>• No payment for loss of land</li> <li>• Cash payment for loss of standing crops and trees (if affected) at market rates.</li> <li>• Cash payment for income loss if any for the duration of the temporary impacts.</li> <li>• The contractor will make the payment of temporary land acquisition and restoration.</li> <li>• Crop compensation in cash at full market rate for one harvest (either winter or summer) by default for impacts caused.</li> </ul>
Loss of crops	Arable land	Titleholders/landholders under customary rights	<ul style="list-style-type: none"> <li>• Compensation at full gross market rate for the standing crops based on average production as calculated by Agriculture Department, GoKP.</li> </ul>
Loss of wood trees	Trees affected	All affected persons owning trees (including squatters)	<ul style="list-style-type: none"> <li>• Cash compensation of timber trees at replacement cost to the cultivator based on the market value of their dry wood volume as calculated by Forest Department, GoKP.</li> <li>• The wood of the fallen tree will remain with the owner and its value will not be deducted from the compensation.</li> </ul>
Loss of fruit	Affected trees	Title holders/ cultivators	<ul style="list-style-type: none"> <li>• Cash compensation to reflect income replacement based on market value of annual net product multiplied</li> </ul>

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
trees			<p>by 5 years and investment cost needed to re-grow the tree to the fruit bearing age, based on the information provided by Department of Horticulture, University of Agriculture, Peshawar.</p> <ul style="list-style-type: none"> <li>The wood of the fallen tree will remain with the owner and its value will not be deducted from the compensation.</li> </ul>
Loss of structures	All type of structures	Owners of built up structures both titled or non-titleholders (squatters/ encroachers), in case of community structures, the members of the committee or appointed administrator by concerned gov't department /community	<ul style="list-style-type: none"> <li>Cash compensation at replacement cost<sup>3</sup> for affected structures by type of construction and other fixed assets calculated at the latest Market Rate System as fixed by the Communication and Works Department-GoKP, free of depreciation, exclusive of taxes. Cost of salvaged material will not be deducted either and salvaged material will be the property of affected Person(s).</li> <li>In case of partial loss, cash assistance (compensation) will be provided to restore the remaining structure. If more than 25% of the building's area is affected, cash compensation will be computed for the entire building/structure without deducting depreciation and salvaged material costs.</li> <li>Cash compensation at the replacement cost for immovable assets attached to the land and/ or buildings based on the latest MRS pf GoKP with Communication and Works Department.</li> <li>Provision of allowance to transport salvage material of structure to owners of structures to cover transport expenses of salvage material including loading/unloading labor charges and other items.</li> </ul>
Permanent Loss of commercial Space	Operators of micro businesses	Squatters/static vendors occupying land for Stalls/ Kiosks	<ul style="list-style-type: none"> <li>Self-relocation allowance equivalent to 6 months income calculated at the prevailing official minimum monthly wage rate.</li> <li>Vendors will be allowed to self-relocate their businesses to alternative spaces for vending at locations comparable to the lost ones.</li> </ul>
Loss of common property resources	Community/ Public assets	Community/ Government	<ul style="list-style-type: none"> <li>Reconstruction of the loss of resource/asset in consultation with affected communities and restoration of their functions.</li> </ul>
Severe impact due to loss of income and	Land and non-land losses based on severe impacts	All households lose more than 10% of family income	<ul style="list-style-type: none"> <li>One-time lump-sum allowance for severe impact to the landholders equal to market value of gross annual yield of lost agriculture land for three years.</li> <li>One-time lump-sum transitional allowance equal to</li> </ul>

<sup>3</sup>Replacement cost for structures includes reference to the market price of materials and labor, and the cost of transporting materials to the building site. The replacement cost further includes the cost of any registration and transfer taxes for land and buildings. The compensation against loss of structures will be compensated at the replacement cost calculated by following latest MRS rates of the GoKP

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
employment	due to loss of agriculture land or productive asset/income		<p>one-year loss of income based on assessment of annual income.</p> <ul style="list-style-type: none"> <li>If placement of a tower or installation of transmission line damaged more than 10% of crop of an affected person, the compensation against loss of crop will be one-time lump-sum allowance for severe impact to the landholders equal to market value of gross annual yield of lost agriculture land for one years.</li> </ul>
	Loss of farm-based employment	Full-time agriculture workers	<ul style="list-style-type: none"> <li>One-time lump-sum assistance to full time agriculture workers for severe impact due to loss of employment equal to minimum wage rate of GoKP for one year.</li> </ul>
Dislocation Allowance	Loss of residence or land	Physically displaced households of owners/tenants/ sharecroppers/squatters	<ul style="list-style-type: none"> <li>Provisions of shifting allowance to physically displaced households to cover transportation cost of belongings, loading and unloading expenses based on average rent of local transport.</li> <li>One-time cash assistance as dislocation subsidy equivalent to one-year prevailing average rent of the area for moving to alternate premises.</li> <li>Provision of one-time transitional allowance to cover extraordinary living expenses at the rate of PKR 50,000/ household (lump-sum) to the AHs relocating within the affected village and PKR100,000/household to the AHs relocating to another area.</li> <li>Cash compensation to residents for loss of utilities instead of owners if installation expenses born by the residents.</li> </ul>
Loss of livelihood	Livelihood restoration and rehabilitation of vulnerable affected households	All vulnerable affected households (below poverty line (small landholders /tenants/ squatters, full time agriculture workers, female headed households, disabled headed households)	<ul style="list-style-type: none"> <li>One adult member of the affected household will be entitled for skill development and improvement training or setting up micro enterprises with 100,000/ cash assistance to utilize the existing or new income generating skills or establishment of micro enterprises with technical assistance under Livelihood Restoration Plan.</li> <li>Eligibility of affected households to livelihood restoration interventions as per provisions under the Livelihood Restoration Plan.</li> <li>Provision of credit up to 200,000/ from revolving fund to men and women to support alternate on-farm and non-farm livelihood activities through a non-profit organization.</li> <li>Preference for full time employment opportunity to at least one member of the affected household during construction and operation, subject to meeting the requirements.</li> </ul>
Permanent loss of business due to loss of business		Business operators or Squatters/ <sup>4</sup> static vendors Owner of	<ul style="list-style-type: none"> <li>Cash grant for net income loss for duration of one year based in income tax receipts or social impact assessment.<sup>5</sup></li> </ul>

<sup>4</sup> Vendors with permanent business locations, occupying land for Stalls/ Kiosks or without structures if identified by the Census and Inventory of losses before the cut-off date.

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
structure/ space		business (registered, unregistered, unauthorized or informal)	<ul style="list-style-type: none"> <li>• One-time transition allowance to affected business operators for renting alternate shops/space during transition period, for a period of 12 months based on prevailing average monthly rent in the project area.</li> <li>• A one- time cash grant will be paid to affected employees equivalent to 6 months @ official monthly minimum wage rate of GoKP.</li> <li>• Right to safely shift furniture, fixtures and business goods.</li> <li>• Compensation against loss of loss of non-moveable/damages to fixtures as per assessment survey,</li> <li>• One- time shifting allowance for transportation of goods, furniture/fixtures based on average rent of local transportation.</li> <li>• The vendors will be allowed to self-relocate their businesses to alternative public spaces for vending at locations comparable to the lost ones or travel areas/tourist destinations.</li> <li>• The affected business operators will be given preference in establishing their businesses in designated eco-tourism spots by PEDO.</li> <li>• Severally affected and vulnerable AHs will have right to benefit from Livelihood Restoration Plan.</li> <li>• Notification 6 months in advance to formal business operators and 1 month in advance to vendors before the loss occur, to vacate business structure or occupied spaces with schedule of construction activities.</li> </ul>
Temporary loss of business income/ employment due to stoppage/ disruption	Business loss due to construction works without possibility of establishing business at alternative location	Formal business operators/owners/ or static vendors/squatter (registered or not)	<ul style="list-style-type: none"> <li>• Cash grant for net income loss for duration of business stoppage (no more than 6 months for static vendors or squatter) based on income tax record or, in its absence, comparable rates from income tax payer businesses of the same type, or at least equal to monthly minimum wage rate.</li> <li>• A one- time cash grant will be paid to affected employees @ official monthly minimum wage rate of GoKP (not more than 3 months).</li> <li>• Notification 6 months in advance to formal business operators and 3 months in advance to vendors/squatters before start of civil works including detail of construction activities, duration and type of disruption, in which they will stop/remove their stalls/kiosks/shops.</li> <li>• One- time shifting allowance for transportation of goods, based on average rent of local transportation.</li> <li>• Preference in employment in project related</li> </ul>

<sup>5</sup> Where income tax receipts are not available to establish net business losses of impacted businesses the fixed monthly rate is based on APs average monthly income to be determined through participatory impact assessments. It is assumed that permanently affected business are able to re-establish themselves at another location within a period of one year to the level it was lost.

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
			construction works.
Loss of public services and facilities/ community assets	Schools, health centers, administrative services, infrastructure services, graveyards etc.	Service provider	<ul style="list-style-type: none"> <li>• Full restoration/rehabilitation/substitution at original site or reestablishment at relocation site of lost public services and facilities or community assets, including replacement of related land and relocation of structures according to provisions (i.e. mosques, footbridges, roads, schools, health centers, etc.)</li> </ul>
Project benefits		All affected persons	<ul style="list-style-type: none"> <li>• All affected households are entitled to get benefit from the interventions under Social Development Program.</li> </ul>
Unanticipated impacts			<ul style="list-style-type: none"> <li>• During the entire course of project implementation, the PMO will deal with any unanticipated adverse impacts in the light of spirit of the Entitlement Matrix, if required, the Entitlement Matrix will be updated to mitigate adverse impacts by following WB Operational Policy on Involuntary Resettlement OP 4.12.</li> </ul>

A Livelihood Restoration and Improvement Plan (LRIP) and Social Development Plan (SDP) will be designed by exploring possible options to mitigate impacts of imposed socioeconomic changes, and is to promote human and community well-being and the well-being of vulnerable groups, based on assessments of AHs and analysis of facts and figures of the project impacts.

### **Socio-economic Profile of the Program Area**

The Program area includes Upper Dir and Swat districts, which are part of the Malakand Division of Khyber Pakhtunkhwa province in Pakistan. The topography of the program area is dominated by high mountains, located among the foothills of the Hindukush mountain range. The people of Swat are mainly Pakhtuns (mainly of the Yusufzai clan), Kohistan (of Dardic descent) and Gujjars. Pashtu is predominantly spoken and understood, and is used by a majority of the population. According to the 2017 census report, the population of Upper Dir district is 946,421 and the number of households is 120,228. About 95 percent of the population lives in rural areas. The population of Swat District is 2,309,570, making it the third-largest district of KP after Peshawar and Mardan districts. Farming, trade and working overseas are the main sources of income for the people. A very small proportion of the population is employed in government departments. The women share work with men in the agriculture sector, in addition to performing household chores. Although poverty is dominant in both districts of the program area, Upper Dir is one of the poorest districts in the KP province.

### **Consultation, Participation and Disclosure**

The WB Policy requires the provision of relevant project information in a timely manner, at an accessible place and in a form and language(s) understandable to the affected persons and other stakeholders. The community consultation process should be interwoven into all stages of the numerous projects and last for the duration of the program. The EA will be responsible for managing and conducting meaningful consultation with directly affected persons and other affected groups throughout the project lifecycle. Consultations were conducted in all three

proposed projects areas with potential APs, respective district government departments, academia, NGOs, public representatives, and community leaders including women and vulnerable APs. The key issues raised by participants were to avoid or minimize land acquisition due to land scarcity, adequate compensation of lost assets prior to construction, provision of social infrastructure and provision of employment opportunities to the affected population.

### **Institutional Arrangement and Implementation**

A Program Steering Committee (PSC) will be established for policy guidance and to coordinate program implementation. The Energy and Power Department (EPD) will be the lead counterpart agency. The Pakhtunkhwa Energy Development Organization (PEDO) will be the EA of the Program. PEDO has the overall responsibility of Program implementation, projects' design under the Program, land acquisition and resettlement, construction, environment and social management during construction, supervision and monitoring of the Program and projects implementation. PEDO will exercise its functions through Program Management Organization (PMO) which will be responsible for planning and implementation of all Program related activities, including social safeguards management. The PMO will establish an Environment and Social Unit (ESU) having one Director Social supported by two (2) social deputy directors. The ESU field office staff will facilitate the RAP implementation activities in the field. The ESU will be supported by district-based agencies, affected persons committees and consultant support for social and environment safeguards and Third-Party Monitoring Agency.

### **Grievance Redress Mechanism**

A program specific grievance redress mechanism (GRM) will be established to receive, evaluate, and facilitate the resolution of affected parties' concerns, complaints, and grievances about the environmental and social performance at the level of the Project. PEDO will follow the Grievance Redress Mechanism (GRM) to address any dissatisfaction and complaints by APs through a multi-tiered GRM to provide a time-bound, early, transparent and fair resolution for APs and other stakeholder grievances. In addition, communities and individuals who believe that they are being adversely affected by a World Bank supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS).

### **Monitoring and Reporting**

A Monitoring and Reporting system will be developed for the timely identification, analysis and removal of the bottlenecks at various stages of program/projects implementation and expediting actions. PMO will conduct internal monitoring that will include review of status of RAP implementation in the light of policy, principles, targets, budget and duration as lay down in the RAPs. The PMO, with the assistance of social, resettlement and IT staff of PMO, will establish a Management Information System (MIS) to collect and organize monitoring outputs on a regular basis. The database generated through the census, baseline socioeconomic survey, land acquisition, resettlement and rehabilitation payments, and consultations/stakeholder engagement activities will become essential inputs of the MIS. The PMO will hire services of a qualified and experienced Social and Resettlement Specialist or a firm for third party monitoring,

with advice and concurrence of WB on the selection process, to verify monitoring information of project as to undertake resettlement monitoring during the RAP implementation and to conduct an evaluation after the implementation of respective RAPs.

### **Cost and Financing**

The cost of preparation and implementation of RAPs, including the cost of compensation and resettlement and administration, will be part of the overall budget of the Program and respective projects' budget. PEDO will be responsible for securing project-related financing. The budget will also make provisions for additional resettlement assistance for vulnerable and severely affected Aps, and particularly for their resettlement and livelihood restoration. The compensation and resettlement and rehabilitation assistance payments will be completed prior to the start of civil works. The RAPs will include procedures for compensation and resettlement and rehabilitation assistance. The cost of preparing and implementing A/RAPs, including resettlement and local area development programs, has been estimated at USD 50 million, respectively, for the overall Program. The estimated costs for the procurement of ESIA consultants for the preparation of ESIA/ESMP and A/RAP for the projects are estimated to be USD 500,000. Detailed cost estimates will be provided in the ESMPs and RAPs of respective projects.

## 1. INTRODUCTION

### 1.1. Context

Pakistan possesses rich renewable energy resources, including hydropower, and about 50 percent of 40,000 MW of hydropower potential lies in the Khyber Pakhtunkhwa (KP) Province. In the province, hydropower potential is concentrated in districts of Chitral, Dir, Swat, Kohistan, Mansehra and in merged tribal districts. Despite being rich in hydropower resources, some of these remote areas are also facing acute shortage of electricity. The Program will thus support the development of Cascade on Swat River and Panjkora River and their power evacuation. Three run-of-river hydropower projects have been identified – two each on Swat and Panjkora River divided into following three components based on their status – 1) with feasibility, 2) identified sites without feasibility, 3) assessment of new and ongoing schemes for possible WB financing.

Government of Khyber Pakhtunkhwa (GoKP), therefore, is pursuing development of several of these projects through public and private sector, and is seeking WB financing for Gabral-Kalam (GKH), Kalkot-Barikot-Patruk (KBP) and Patruk-Shringal (PS) hydropower projects, and associated/ancillary infrastructure and activities including roads, transmission lines, offices, colonies, preparation, and other projects like Solar Photovoltaic (PV), Development of Swat cascade and implementation of resettlement and environment and social management plans. These sites identified in collaboration with German Agency for Technical Cooperation (GTZ) during the 1990s, and are amongst the priority projects of the Govt of KP. The design and feasibility of the GKH project is at the advanced stage, therefore, Environmental and Social Impact Assessment (ESIA) and Resettlement Action Plan (RAP) have been prepared for this project under separate cover. For other projects, their footprint and designs have not been prepared; therefore, these will be covered under this RPF, in addition to any new component which may be added to GKH Project.

The Program will support generation of low-cost renewable energy during the peak demand period of summer months when shortages are at their worst. Increased supply at competitive prices from these hydro schemes would support economic growth for all enterprises that use electricity, particularly in the Districts of Swat and Dir where the identified schemes are located. These two districts rank poorly in terms of socio-economic indicators. Thus, in addition to increasing the supply, the proposed Program supports the World Bank's twin goals of poverty reduction and shared prosperity. Development of the hydropower projects by KP will not only meet its energy needs but will also generate revenues for the GoKP.<sup>6</sup>

This document presents the Resettlement Policy Framework (RPF) for Pakhtunkhwa Hydropower Renewable Energy Development Program (The Program) to be executed by Pakhtunkhwa Energy Development Organization (PEDO). As the World Bank (WB) has in principle agreed to finance the Program, it is obligatory that the program complies with the World Bank's environment and social safeguard policies.

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<sup>6</sup>Project Information Document/Integrated Safeguards Data Sheet 25-Sep-2017, World Bank

Under the Program, a number of projects will be developed. PEDO has identified some potential projects at this stage that may involve involuntary Resettlement and will cause adverse socio-economic impacts on the people in terms of permanent and temporary loss of productive and non-productive lands, crops, trees, housing structures, tribal/village common assets such as lands and trees, livelihood and employment, informal access ways, formal roads, water supply pipelines, electricity and telecommunication.

## **1.2. The Resettlement Policy Framework (RPF)**

The overall objective of the RPF is to provide a policy framework for land acquisition and resettlement for all the projects to be financed under the Program. The principles underpinning this resettlement framework are either to avoid or minimize the involuntary resettlement impacts and that the persons affected by the projects will be better off, or at least no worse off than before involuntary resettlement; that their assets and livelihoods affected by the projects will be compensated at full replacement cost; and that affected persons will receive assistance to relocate and re-establish/recover their livelihoods. The detailed principles/procedures of the land acquisition and resettlement are outlined in OP 4.12 for Involuntary Resettlement, the Land Acquisition Act (the Act), and related regulations of Government of Khyber Pakhtunkhwa (GoKP).

The purpose of RPF is to provide a set of principles, procedures and guidelines for PEDO, its Program Management Organization (PMO) and other implementing parties to be applied to the projects requiring Land Acquisition and Resettlement (LAR). It is a framework to guide the preparation of an Abbreviated or a full Resettlement Action Plan (A/RAP) in compliance with the requirements specified in the World Bank OP 4.12 and law and regulations of Government of Pakistan/Khyber Pakhtunkhwa. A RAP has been prepared for one the projects under the Program, whilst rest of the RAPs will need to be prepared for the projects to be financed under the Program during its implementation phase, in compliance with this RPF. There are gaps between WB OP 4.12 requirements and laws and regulations of Government of Pakistan/Khyber Pakhtunkhwa for land acquisition and resettlement. These gaps have been identified and measures have been defined for addressal in this document.

The resettlement planning under the Program comprises of project specific RAPs, Livelihood Restoration and Improvement Plans (LRIPs) and Social Development Plans (SDPs), and will be executed as a sustainable development program and will ensure that people affected by the projects are given the opportunity for meaningful consultation and are able to participate in the planning and implementation of the RAPs and related plans.

This RPF has been prepared to comply mainly with World Bank's OP 4.12 Involuntary Resettlement and has been referred to as 'the Policy' in this document. The other WB Operational Policies applicable to this Program are OP 4.01 on Environment Assessment and OP 4.11 on Physical Cultural Heritage. By following these polices, an Environment and Social Management Framework (ESMF) and the present RPF have been prepared for the Program, and an Environment and Social Impact Assessment (ESIA) report and a Resettlement Action Plan (RAP) have been prepared for one of the projects under the Program -the GKH Project. Similar documents for the rest of the projects under the Program will be prepared during the

Program implementation, once their footprints are identified and their designs are prepared. All of these documents will be prepared by PEDO, reviewed and cleared by the World Bank and disclosed on the PEDO website and the World Bank's external website.

The RPF has been prepared based on review of existing relevant documents<sup>7</sup>, interactions and consultations with a number of staff of Program's proponent (PEDO), technical design consultants, LAR consultants; consultations and formal workshops with potential affected persons (APs) and institutional stakeholders. During the field visits, anecdotal information was collected at and around the anticipated project sites on socioeconomic aspects such as demography, occupations, income and livelihood sources, expenditure, housing, land use, land holdings, settlements, poverty level, social amenities, and any social sensitivity. The detailed data collection will be carried out during RAP preparation of individual projects.

### **1.3. Program Description**

The Program will support generation of low-cost renewable energy during the peak demand period of summer months when shortages are at their worst. Increased supply at competitive prices from these hydro schemes would support economic growth for all enterprises that use electricity, particularly in the Districts of Swat and Dir where the identified schemes are located. These two districts rank poorly in terms of socio-economic indicators. Thus, in addition to increasing the supply, the proposed Program supports the World Bank's twin goals of poverty reduction and shared prosperity. Development of the hydropower projects by KP will not only meet its energy needs but will also generate revenues for the GoKP.

The Program Development Objective is to increase installed hydropower capacity and build institutional capacity for further hydropower development in Khyber Pakhtunkhwa. The key results include:

- Hydropower capacity constructed under the program
- Increase in electricity supply
- Mobilization of additional finances to accelerate hydropower development by GoKP

In addition to the above key results, the Program will also track improved socio-economic services in the project areas. Social Development Plan will be developed as part of each RAP to improve local living. Social assessment will help identify specific social schemes in consultation with women and will be implemented under Resettlement Action Plan to directly benefit women of the area. The Program will improve economic development locally during construction and operation, benefiting the households and businesses alike.

The program will have four components and the details are provided below.

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<sup>7</sup>Feasibility studies of proposed sub-projects (2013); Project Information Document and Integrated Safeguards Data Sheet, World Bank 25-Sep-2017; Amended Land Acquisition Act of GoKP; technical design of Gabral Kalam as of Oct 2019.

### **1.3.1. Component A: Development of renewable energy projects and associated facilities**

This component will support development of renewable energy projects in a sequenced manner through following sub-components.

(A1) Gabral-Kalam Hydropower Project. Initially, Gabral-Kalam HPP (GKH), for which feasibility and safeguard documents have been prepared, will be tendered. GKH is 88MW run-of-river hydropower project located 8 km upstream of Kalam town in District Swat, a major tourist destination. The Project is expected to have a generation capacity of 110 MW and will generate about 400 GWh annually. Two main contracts will be:

(A1.1) Civil Works for river diversion, weir, tunnel, power house building/cavern, access roads, project colony, offices, houses, and other ancillary infrastructure; and

(A1.2) Machinery and Equipment. This sub-component will comprise of installation of turbines, generators and electro-mechanical equipment for the sub-station/switch-yard, transmission line substations, etc.

(A2) Cascade Development of Swat River Basin. Total hydropower potential of the Swat Basin is about 1,200 MW for which several projects have been identified. 2-3 hydropower projects will be selected for inclusion under this sub-component for which detailed design, including the environment and social assessment will be carried out and will form the basis for financing [1]. At this stage KBP and PS HPPs are candidates that meet overall agreed criteria. However, other projects in particular of the Swat basin, can also be considered for inclusion in the project.

(A3) Solar PV on Hydropower Assets. Suitable areas for installation of solar panels on existing and/or planned hydro power projects including GKH to complement hydropower generation can be selected along the river banks, floating panels on lake behind weir, tunnel and on other project infrastructure to allow additional generation through solar. Cost of solar PVs has come down significantly over the past few years, and solar PVs can be developed quickly and in a modular manner. Costs are expected to be even less when solar PVs are installed on hydropower assets as there will be no land cost and existing facilities (roads, transmission lines) can be utilized for installation of solar PVs. Floating and land based solar PVs when combined with GKH will help start generation early, increase total generation, meet local demand and reduce the average generation cost.

### **1.3.2. Component B: Institutional Strengthening and Energy Sector Development**

This component will help prepare and implement a strategic roadmap and business plan for development of KP energy systems and associated infrastructure to promote renewable energy, maximize investments and government revenue. It will also entail strengthening of institutional systems and processes so that the Energy Department GoKP and PEDO can efficiently and effectively manage their duties as the developer of renewable energy program, as well as, operations and maintenance of existing and future energy projects. The objectives of this component will be achieved through the following activities/sub-components: hiring of consultants for Planning and Management and preparing future project to accelerate renewable energy development.

## (B1) Project Planning and Institutional Strengthening

(B1.1) Preparation of Plans, Feasibilities and Design Studies. The work will be carried out with the support of the Planning Consultants. Key elements would be to develop a framework to select and prioritize projects, ensure their readiness through pre-feasibility, feasibility, design and safeguard studies, carryout geological investigations and surveys required for each stage, devise project structuring and financing strategy, development of power evacuation plan and grid connectivity and help secure commercial financing and private investments.

(B1.2) Institutional Strengthening. This sub-component will help PEDO enhance its capacity to carry out various functions more effectively for a growing portfolio of investments. Management Support Consultants (MSC) will be engaged to support PEDO in implementing Project & Contract Management Systems, Monitoring & Evaluation Program and Information Systems/ERP for various functions e.g. planning, financial management, procurement, operations & maintenance, human resources, etc. The MSC will also support PEDO in program execution and its management and carry-out day-to-day activities. Specific tasks will include developing financing, legal and institutional strategies, recruitment and management of financial and legal services for mobilizing investments, carry-out monitoring and evaluation of plans and project implementation including their environment and social management plans, and contract management including advice on variation orders and settlement of disputes/claims.

(B2) Accelerating Renewable Energy Development in KP. This sub-component will help finance upfront preparatory works or common infrastructure to reduce project risk for investors and financiers and fast track project implementation of selected hydropower and renewable energy projects that will be identified under sub-component B1. The IDA funding will supplement government/PEDO's contributions to fund the cost of common infrastructure such as access roads, transmission lines, local distribution network, and social and environmental cost so that the projects can then be taken-up through public, private or public-private-partnership mode of financing.

### **1.3.3. Component C: Environment and Social Management**

The objective of this component is to improve environment, local living and economic development in the project area for GKH and other hydropower projects under component A2. These hydropower sites are in areas with limited access but vast potential for development of local economy. This component will help align hydropower development with broader objectives to support local area development through tourism, social services and improving access and electricity supply in the project area. For example, GKH project which is located upstream of main tourist hub will be structured in a manner that promotes winter and summer tourism primarily by meeting year-round energy needs, and also by embedding development of tourist attractions/recreational activities for tourists (e.g., water parks in lake area, walking/bicycle tracks, tourist/education centers) in the design of the project.

### **1.3.4. Component D: Project Implementation Support and Technical Assistance**

Project Implementation Support. This component would cover the cost of the consulting and other services to implement the three hydropower projects, starting with GKH and solar PV

project, as defined under Component A and fulfill training and capacity building needs of PEDO and PMO to effectively implement project related activities. It will have the following sub-components.

(D1) Project Implementation. It will cover the cost of Project Implementation Consultants (PIC) for construction supervision of GKH and preparation and construction supervision of two-three other projects of the Swat Cascade, audits, Independent Panel of Experts for design and construction quality, safety enhancement or any other issues that may have to be addressed during the project implementation. It would cover implementation of all activities under the project including: procurement, contract administration, quality control, financial management, preparation of any additional designs and bidding documents, etc., as well as support in implementation of Social Risk Mitigation Project (SRMP) and RAP.

(D2) Technical Assistance, training and capacity building

#### **1.4. Project Locations**

The projects that have currently been identified under Component A of the Program are listed below, and additional projects may be selected during the Program implementation.

- Gabral-Kalam Hydropower Project (GHKPP) on the Gabral River, near the Kalam town in the Swat District, to develop an 88-megawatt (MW) hydropower and generate about 341-gigawatt hours (Gwh) annually.
- KBP Hydropower Project on the Panjkora River, in the Upper Dir District, to develop a 47 MW hydropower and generate about 225 GWh annually.
- PS Hydropower Project on the Panjkora River, in the Upper District, to develop a 22 MW hydropower and generate about 109 GWh annually.
- Solar PV projects to be installed on the above-listed hydropower projects.

The locations of these projects have been shown in **Figure 1**.

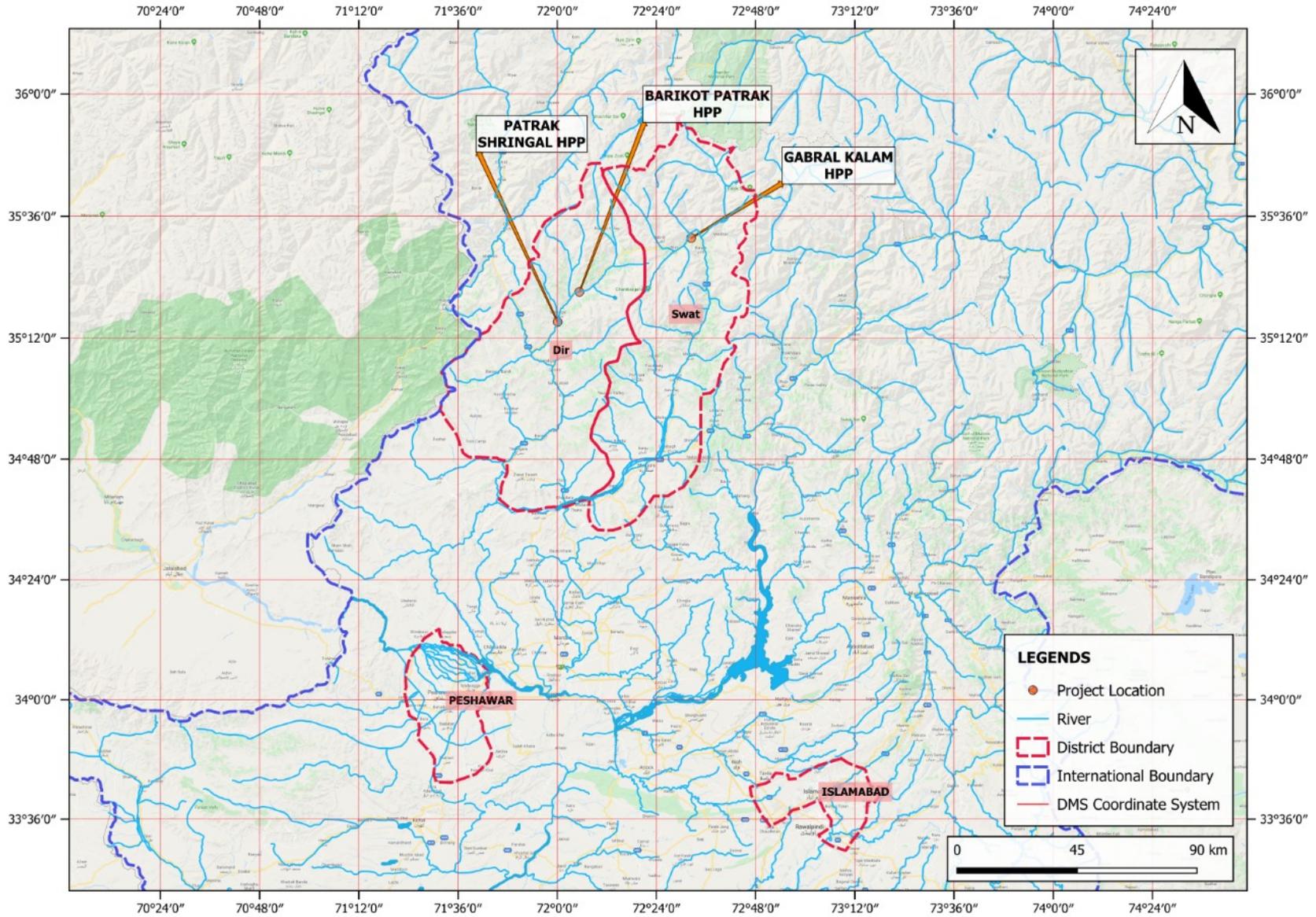


Figure 1: Projects Location

### **1.5. Program Proponent**

The Pakhtunkhwa Energy Development Organization (PEDO) is the Program's proponent as well as executing agency (EA) of the proposed Program. PEDO is an autonomous body and is an attached department of Energy and Power Department (EPD), GoKP.

### **1.6. Program Implementation Timeline and Cost**

The program implementation timeline is six (6) years with a cost of USD 757 million.

## **2. LEGAL AND POLICY FRAMEWORK**

### **2.1. Resettlement Legal Policy Framework**

The potential projects under the Program may involve land acquisition and resettlement (LAR), which will cause adverse social and resettlement impacts. To mitigate the LAR impacts sufficiently and promptly, the requirements of Land Acquisition Act 1894 ('the Act'), GoKP and Land Acquisition Rules and the World Bank OP 4.12 on Involuntary Resettlement are to be complied with under this Program. Specific provisions are included in the framework to address any gaps between laws and regulations of GoKP and the WB Policy, that are not fully addressed in the GoKP laws and regulations. In case of gaps between the legal framework of GoKP (the Act and Rules) and WB OP 4.12 shall prevail, as per the Program Loan and Legal Agreements to be signed between Government of Pakistan and the World Bank.

#### **2.1.1. Constitution of the Islamic Republic of Pakistan**

Presently the Land Acquisition Act of Pakistan derives its sanctity under Article 24 of the Constitution of Pakistan 1973. The Article 24(1) states "no person shall be compulsorily deprived of his/her property save in accordance with law". Article 24(2) provides that: "no property shall be compulsorily acquired or taken possession of save for a public purpose and save by the authority of law<sup>8</sup>, which provides for compensation therefore and either fixes the amount of compensation or specifies the principles on, and the manner in which, compensation is to be determined and given". The Article 4 (2a) also protects the legislative right of people of Pakistan and states: "No action detrimental to the life, liberty, body, reputation or property of any person shall be taken except in accordance with law".

#### **2.1.2. National/Provincial Legal Instruments**

The concept of land acquisition in the sub-continent was brought into operation by the British by promulgation of Land Acquisition Act, 1894 (the Act). After emergence of Pakistan as an independent country, the Act continued to apply to Pakistan. The Act with successive amendments is the main law regulating land acquisition for public purpose in Pakistan. It regulates the land acquisition process and empowers the provincial governments to exercise the right of eminent domain. The Act facilitates project executing/implementing agencies (EAs/IAs) in land acquisition for development projects. The provinces have developed province specific rules to guide the application of the Act. The Act does not inherently mandate specifically for resettlement assistance and rehabilitation provisions benefiting the non-title holders and other vulnerable groups, or severely AHs, nor directly provides for rehabilitation of income/livelihood losses or resettlement costs. The Act mandates only for titleholders and registered leaseholders and sharecroppers of land and associated assets attached to affected land such as structures, crops and trees. The Act and related rules of GoKP will apply for land acquisition and compensation payments to the titleholders and registered non-titleholders (leaseholders and sharecroppers) for loss of land and associated assets in this Program.

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<sup>8</sup>The expression —save by authority of law" in this Article provides for acquisition in accordance with law which in the present case is the Act.

The Act specifies a systematic approach for acquisition and compensation of land and other properties fixed to the land. The right of the government to acquire land for public purpose is established through issuance of Section 4 notification of the Act. It stipulates various sections pertaining to notifications, surveys, acquisition, compensation and apportionment awards, along with the right to raise objections and hearing, penalties and exemptions. A brief description of the salient features of different sections of the Act is given in **Table 1**.

**Table 1 : Salient Features of Land Acquisition Act 1894 and Successive Amendments**

<b>Key Sections</b>	<b>Salient Features with GoKP Amendments</b>
Section 4	Publication of preliminary notification by District Collector (DC) to inform the <sup>9</sup> persons interested that the land in a locality is needed or likely to be needed for public purpose and power for conducting survey
Section 5	Formal notification by DC that a particular land needed for a public purpose and inquires for objections or concerns from persons interested (Section 5a)
Section 6	The DC makes a more formal declaration of intent to acquire land. Under the Act, the date of the publication of Section 6 may consider as a cut-off date.
Section 7	The Land Commissioner directs the DC to take order the acquisition of the specific land.
Section 8	DC directs that land required to be physically marked, measured and planned.
Section 9	DC gives notice to all persons interested that the Government intends to take possession of the land and requests to approach him/her if they have any claims for compensation then these claims are to be made to him at an appointed time.
Section 10	DC delegate power to the LAC to record statements of persons interested in the area of land to be acquired or any part thereof as co-proprietor, sub-proprietor, mortgagee, and tenant or otherwise.
Section 11	Enables the Collector to make enquiries into the measurements, value and claim and then to issue the final "award". <sup>10</sup> 11 A-acquisition through private negotiation. 11 B Process of Compensation requires that the land acquisition process should be completed within a period of 6 months.
Section 16	Upon issuance of award under Section 11, the Collector may take possession of the land which shall thereupon vest absolutely in the Government, free from all encumbrances.
Section 18	In case of dissatisfaction with the award, persons interested may request the Collector to refer the case onward to the court for a decision. This does not affect the Government taking possession of the land.
Section 23	Matters to be considered in determining compensation: i) market value of the land, ii) loss of standing crops, trees and structures, iii) any damage sustained at the time of possession, iv) injurious affect to other property (moveable or immoveable) or earnings, v) expanses incidental to compelled relocation of the residence or business, and vi) diminution of the profits between the time of publication of Section 6 and the time of taking possession. A 15% premium is added to the

<sup>9</sup>In the LAA, "persons interested" are those who: (a) claim an interest in compensation to be made for the acquisition of land; and (b) have an interest in an easement affecting the land, such persons may also be the tenants, lessees, mortgages, etc.

<sup>10</sup> 11 A and 11 B Inserted vide Khyber Pakhtunkhwa Ordinance No. XVII Of 2001

<b>Key Sections</b>	<b>Salient Features with GoKP Amendments</b>
	amount in view of the compulsory nature of the acquisition for public purposes.
Section 28	Relates to the determination of compensation values and interest premium for land acquisition.
Section 31	Payment of compensation or deposit of the same in Court. Notwithstanding anything in this section the Collector may, with the sanction of the [Commissioner] <sup>11</sup> instead of awarding a money compensation in respect of any land, make any arrangement with a person having a limited interest in such land, either by the grant of other lands in exchange, the remission of land-revenue on other lands held under the same tide, or in such other way as may be equitable having regard to the interests of the parties concerned.
Section 48A	If within a period of one year from the date of publication of declaration under section 6 in respect of any land, the Collector has not made an award under section 11 in respect to such land, the owner of the land shall, unless he has been to a material extent responsible for the delay be entitled to receive compensation for the damage suffered by him in consequence of the delay.

### **2.1.3. Legal Framework Used in Transmission Lines**

Two legal instruments are used for temporary use of land for construction of transmission lines that include Telegraph Act 1885 and WAPDA Act 1958, these provide a legal framework for access and use of land for the transmission lines. The Telegraphic Act of 1885 enacted to define the authority and responsibility of the Telegraph Authority. Under this Act, the land required for the towers is not acquired from the owners, nor the title of the land transferred. Compensation is only paid to the owners for affected structures, crop or tree that exists on the land. PEDO will install the transmission lines and their towers, and would determine the associated compensation, on the basis of this Act. Table 2 summarizes the differences between the Act and OP 4.12.

### **2.2. World Bank Involuntary Resettlement Policy (OP 4.12)**

The involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out. For these reasons, the overall objectives of the WB's policy on involuntary resettlement are: (i) avoid where feasible or minimize involuntary resettlement, exploring all viable alternative project designs; (ii) if not feasible to avoid resettlement, resettlement activities be conceived and executed as sustainable development programs providing sufficient resources to enable the displaced persons to share project benefits; (iii) ensure that the displaced persons are informed about their options and rights pertaining to resettlement; (iv) meaningfully consult the displaced persons and provide them with opportunities to participate in the planning and implementation of resettlement programs; (v) assist the displaced persons in their efforts to improve their standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

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<sup>11</sup> Inserted vide Khyber Pakhtunkhwa Ordinance No. XVII of 2001

### **2.2.1. Scope and Application of OP 4.12**

The policy covers both direct economic and social impacts that are caused by involuntary taking of land, resulting in (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihoods, whether or not the affected persons must move to another location; or (iv) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons. Displaced persons that are eligible for compensation and resettlement assistance will include not only the affected persons with legal rights under the law but all those without formal legal rights to own or use land and other assets or natural resources such as people with customary rights. The policy also requires that compensation and resettlement assistance should be paid prior to the displacement or before the impacts occur.

According to the WB Policy, RPF should be prepared for programs, where the projects that have not been fully prepared could potentially involve involuntary resettlement. For such programs, the borrower submits, prior to appraisal, a resettlement policy framework that conforms to the policy. The RPF sets out the principles for social safeguards management, the procedures to screen and conduct social impact assessment and to prepare RAPs/ARAPs for the specific projects. The key objective of resettlement planning is that the living standard of affected persons is better than or at least equal to the levels prevailing prior to the project implementation. RAPs are required in order to ensure that displaced persons are (i) informed about the options and rights pertaining to resettlement; (ii) consulted on and provided with technically and economically feasible resettlement alternatives; and (iii) provided with prompt and sufficient compensation at full replacement cost. Further, where the impacts on the entire displaced population are minor, or fewer than 25 HHs or 200 people are insignificantly displaced, the borrower requires to prepare an abbreviated resettlement plan. Impacts are considered “minor” if the affected persons are not physically displaced and less than 10 per cent of their productive assets are lost. The borrow requires preparing RAPs as part of the Project preparation based on an inventory of losses and livelihood restoration measures as per the applicable Act and related rules GoP/GoKP and principles of WB OP 4.12 on involuntary resettlement. Where gaps exist in the interpretation of the GoKP laws and regulations and WB OP 4.12, the provisions under the OP 4.12 on Involuntary Resettlement shall prevail. Civil works on sub-components of respective projects with LAR shall only proceed after payment of compensation and resettlement assistance for loss of land, assets, income and livelihoods, that will be budgeted and approved as part of the project cost.

If a project involves physical relocation, the borrower will ensure that displaced persons are provided with (i) assistance for relocation such as moving allowances; (ii) improved housing; (iii) agricultural sites for which a combination of productive potential, locational advantages, and other factors are at least equivalent to the advantages of the old site; (iv) support for a transition period, based on a reasonable estimate of the time likely to be needed to restore the livelihoods and standards of living; (v) development assistance in addition to compensation measures such as land preparation, training, credit, or job opportunities; (vi) specific measures should be taken to address the needs of vulnerable affected persons. If land for land is not provided due to

scarcity of land, non-land options should also be provided in addition to cash compensation at full replacement cost<sup>12</sup> such as employment or self-employment.

## 2.2.2. Harmonization with World Bank OP 4.12 Involuntary Resettlement

The Acts diverge on some key points, the RPF has been developed to harmonize the gaps between LAA 1894, Telegraph Act 1885, WAPDA Act 1958 and WB OP 4.12 on involuntary resettlement. The measures specific to the involuntary resettlement impacts of the Program have been addressed through provision of resettlement and rehabilitation assistance to the affected households that need physical relocation, will lose land and situated assets or lose income and livelihoods. **Table 2** summarizes the differences between the Acts and OP 4.12. The GoKP and WB agreed on measures to address these gaps. An outline for preparing RAPs is provided in **Annex-A**.

**Table 2: GAPS between Land Acquisition Act 1894, Telegraph Act 1885, WAPDA Act 1958 and World Bank OP 4.12 on Involuntary Resettlement, and Measures to Address Gaps**

No.	WB Involuntary Resettlement Policy Principles	Pakistan Land Acquisition Act/ Telegraphic Act/ WAPDA Act	Approaches to Address the GAPS
1	Screen the project early to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through surveys related to resettlement impacts and risks.	No equivalent Requirements (though the Pakistan Environmental Protection Act (PEPA) 1997 does require screening of social impacts that also include resettlement impacts)	Screening and categorization will be done as a part of social and resettlement planning. Scope will be defined; social, poverty and gender assessment will be undertaken.
2	Carry out meaningful consultations with APs, host communities, concerned nongovernment organizations and other stakeholders. Inform all APs of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring & evaluation of RAPs. Pay particular attention to the needs of vulnerable groups and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the APs' and other stakeholder concerns. Support the Social and cultural institutions of APs and their host population. Where involuntary resettlement impacts	No equivalent requirements other than consultations being a key requirement of PEPA 1997 Land Acquisition Collector (LAC) or District Judge (in case of the Telegraph act) are the final authorities to decide disputes and address complaints regarding quantification and assessment of compensation for the affected lands and	Consultations will be conducted during the preparation and implementation of RAPs; Grievance Redress Mechanism (GRM) included in the present RPF and will be implemented as a part of each RAP. RPF including provisions to address the needs of vulnerable groups.

<sup>12</sup>The compensation should be sufficient to replace the lost land and other assets.

No.	WB Involuntary Resettlement Policy Principles	Pakistan Land Acquisition Act/ Telegraphic Act/ WAPDA Act	Approaches to Address the GAPS
	and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.	other assets.	
3	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.	Partially equivalent, provide opportunity to affected persons for negotiated prices but no clear procedure. No livelihoods restoration requirements	Procedures put in place for negotiated resettlement. A livelihood restoration plan will be prepared and included as a part of each RAP, and implemented along with respective RAPs.
4	Compensation to titleholders or registered non-titleholders.	The LAA recognizes only the titleholder as eligible for compensation and compensation provided only to titleholders and registered share-crop/lease tenants	Compensation for losses will be provided to all APs even without having legal titles of the land or other assets to be affected, whether registered or not
5	Provide needed resettlement and rehabilitation assistance to physically and economically displaced persons.	No provisions for the resettlement and rehabilitation assistance.	The present RPF addresses the requirements for requisite allowances and Social Development Plan will also be developed and implemented to share benefits of each Project.
6	Compensation for the land taken for construction of towers of transmission lines (loss of economic value)	No provision, the Telegraph Act (TA) provides that land for Tower construction or under a transmission line is not to be acquired or compensated as long as the land's permanent productive potential is not affected. Under the TA therefore only temporary impacts on crops are compensated.	Compensation will be paid at the negotiated value for each tower.
7	Pay compensation and provide other resettlement entitlements before physical	Partially equivalent	Compensation payments will be

No.	WB Involuntary Resettlement Policy Principles	Pakistan Land Acquisition Act/ Telegraphic Act/ WAPDA Act	Approaches to Address the GAPS
	or economic displacement.		made before damages occur.
8	Implement the RAP under close supervision throughout project implementation.	No requirement for RAP development and implementation including supervision and monitoring	RAP implementation, supervision, monitoring, and evaluation will be done. The requirements have been included in RPF.
9	Disclosure requirements	Partially covered. The decisions regarding land acquisition and compensations to be paid are published in the official Gazette and notified in convenient places so that the people affected are aware.	Information related to losses of land, structures and other affected assets, and entitlements will be disclosed to the affected persons. The amounts of compensation and financial assistance will be disclosed to relevant individuals only. The present RPF will be disclosed locally as well as internationally through multiple means of communication.
10	Monitor and assess resettlement outcomes, their impacts on the standards of living of project affected 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.	No evaluation of resettlement outcomes and impacts on living standards.	Evaluation will be conducted, reports will be prepared and disclosed. The requirements have been included in RPF.

### 2.2.3. “Good Practices” in TL Projects

The overall impacts of the project will be significantly reduced by the temporary nature of the use of land without any acquisition or land transfer/loss of ownership but with full compensation for the TL. However, for the tower siting, a special provision has been made in this program to pay compensation for land under the towers due to lack of easy access unlike the line alignment. Although the footprint of the towers is not acquired under the provisions of Telegraphic Act of 1885, it is recognized that access to the land under the towers is decreased and cultivation may become more difficult as compared to the pre-project conditions. The

Project will pay a negotiated compensation for each tower to compensate for this land. Title to the land shall still remain with the owner(s).

The project will design a benefit-sharing program in the form of Social Development Plan for the affected communities. This is beyond mitigation and compensation for losses to maximizing development benefits. The objectives of benefit sharing programs will be promoting local development in a socially and environmentally sustainable way and meeting the needs and expectations of affected communities in the project area.

### **2.3. Resettlement Policy for the Program**

Based on identified gaps between World Bank's OP 4.12 requirements and LAA practice and procedures following LAR policy is formulated for the projects to be implemented:

The PEDO has the obligation to prepare RAPs to compensate the involuntary resettlement impacts resulting from the projects by following the requirements of the WB policy on Involuntary Resettlement. The objective of the RAPs is to ensure that the livelihoods and standards of living of displaced persons are improved, or at least restored to pre-project (physical and/or economic) levels and that the standards of living of the displaced poor and other vulnerable groups are improved by providing adequate compensation; and sustainable income and livelihood sources.

The RAPs will address requirements of the WB Policy OP 4.12, Land Acquisition Act 1984 and Rules of GoKP. The level of detail and comprehensiveness of the RAPs will correspond to the significance of involuntary resettlement impacts. The outline of RAP is provided in **Annex-A** of RPF. This RPF for the Program will guide the process of identification and addressing of LAR issues including compensation, resettlement and rehabilitation (R&R) assistance by following the key principles:

- (i) Involuntary resettlement should be avoided where feasible or minimized to the extent possible. During the project preparation process, consideration of technical options shall involve a concurrent assessment of potential associated land acquisition impacts so that, where feasible, design alternatives to minimize such impacts can be identified as early as possible;
- (ii) Where it is not feasible to avoid resettlement, APs will be assisted in their efforts to improve their livelihoods and standards of living to a level at least equal to those in their previous living situation;
- (iii) Gender equality and equity will be ensured and adhered to throughout the resettlement program
- (iv) No impoverishment of affected people shall result as a consequence of compulsory land acquisition;
- (v) Non-titleholders should receive fair and just compensation and R&R assistance to mitigate the losses;
- (vi) APs will receive adequate compensation based on a calculation of the real replacement cost of the assets they lose as a result of the project. Any affected assets and all eligible persons will be compensated;

- (vii) APs will be fully consulted and should receive proper information on their rights and will be provided with opportunities to participate in the planning and implementation of land acquisition and resettlement;
- (viii) The livelihood of APs will be reestablished; and
- (ix) Vulnerable groups will be identified and given appropriate assistance to improve their living standards.

The following categories of APs that are envisaged:

- (i) APs that legally possess lands and have some sort of documentation proving ownership:
  - a. These APs will receive compensation for the land, loss of crops, buildings and structures, and any other fixed assets;
  - b. APs will receive transport allowance to move their belongings and salvage material;
  - c. APs whose income will be affected due to the resettlement, will receive resettlement and rehabilitation assistance to increase their ability to restore/improve their livelihoods.
- (ii) APs that occupy land for agriculture, residential or other purpose in the project area under the customary rights:
  - a. APs will not receive compensation for land, structures; and fixed assets affected by the Project;
  - b. APs who need to relocate will receive a transport allowance to move their belongings and salvage material;
  - c. APs that suffer a decline in income due to resettlement will also receive resettlement and rehabilitation assistance to restore/improve their livelihoods.
- (iii) APs that occupy public/state/forest land in the project area and are recorded in the census, will receive compensation for all non-land assets at replacement cost.
- (iv) APs who are leaseholders, tenants, squatters, encroachers and are recorded in the census will be assisted to find a new rental property or housing site of similar value to the one they lost to the maximum possible extent.
- (v) All community structures, pathways, resources and assets will be restored during early phase of projects implementation at relocation sites.
- (vi) In the case of married couples/households, the compensation will be paid to the one who owns the assets. This is usually the man but if these assets are jointly owned by couple, then the amount is paid to both the parties. However, when assets are owned by single/unmarried/separated women, they will receive compensation directly. Compensation will be paid through cross cheques to the entitled individuals. In case of married couples, if assets are jointly owned then then the amount is paid to both the parties. These provisions for payments were also discussed during consultation with women.

### **3. SCOPE AND PLANNING OF INVOLUNTARY RESETTLEMENT IMPACTS**

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

The projects under the Program by their nature may cause physical and economic displacement. The detailed social impact assessment of GKHPP and preliminary assessment of involuntary resettlement impacts of KBP and PS HPP revealed that the proposed projects will cause impact on people's land, crops, trees, residential structures, informal pathways, formal roads, water supply pipelines, access to resources, impact on public utilities, and communities will/may be indirectly affected. There will be significant impacts on livelihoods and employment as plain and fertile land is scarce in the proposed projects areas.

#### **3.2. Involuntary Resettlement Impacts of Proposed Hydropower Projects**

##### **3.2.1. Gabral Kalam Hydropower Project**

The detailed social impact assessment of Gabral-Kalam Hydropower Project (HPP) revealed that the proposed projects will cause impact on people's land, crops, trees, residential structures, roads, water supply pipelines, access to resources, impact on public utilities, and communities will/may be indirectly affected. A Resettlement Action Plan (RAP) has been prepared and presented under a separate cover to deal with these impacts.

##### **3.2.2. Kalkot-Barikot-Patruk HPP**

It is anticipated that the project will involve permanent land acquisition of agricultural land and non-agricultural land. The contractor will require temporary acquisition of land for establishment of aggregate quarries, contractor's camp and other facilities. The permanent and temporary acquisition of lands will cause loss of crops, trees, housing structures, pathways, and is likely to cause loss of employment and livelihoods. The relocation of public utilities is also involved (telephone and electricity poles and lines). The specific impacts will be known following the design finalization by the PEDO during the first quarter of the year 2020.

##### **3.2.3. Patruk-Shringal HPP**

It is anticipated that the project will involve acquisition of agricultural land and non-agricultural land. The contractor will require temporary acquisition of land for establishing aggregate quarries, camp and other facilities. The acquisition of land will cause loss of crops, trees, structures, informal pathways, telephone and electricity poles and lines. It will also cause the loss of livelihoods by subsistence farmers. The specific impacts will be known following the design finalization during the first quarter of the year 2020.

##### **3.2.4. Other Projects**

It is estimated that the solar **photovoltaic (PV)** projects may not involve significant LAR issues; however, other projects along Swat cascade will involve acquisition of agricultural and non-agricultural land. The contractor will require temporary acquisition of land for establishing aggregate quarries, camp and other facilities. The acquisition of land will cause loss of crops, trees, structures, informal pathways, telephone and electricity poles and lines. It will also cause the loss of livelihoods

by subsistence farmers. The specific impacts will be known following the design finalization during the first quarter of the year 2020.

### **3.3. Resettlement Planning Process**

#### **3.3.1. Key steps for Screening, Planning and Preparation of RAPs**

The key steps in resettlement planning are: (i) social screening; (ii) social impact assessment; (iii) inventory and valuation; (iv) determining eligibility and entitlements; (v) consultation and disclosure of findings; (vi) preparation of A/RAP; (vii) consultation and finalization of A/RAP; (viii) disclosure of the final A/RAP (which analyses and describes the impacts, entitlements, detail of parties involved in project implementation, A/RAP implementation schedule, inventory of eligible APs, grievance redress mechanism (GRM), initiation of land acquisition and resettlement process; disbursement of compensation and R&R entitlements, relocation (planning and actual relocation), redressed of grievances, site clearance and handover to contractor for civil works; post resettlement support measures. The process starts with assessment and categorization of projects from social perspective as described below:

##### Screening for Inventory Resettlement

Once a project is conceived to be financed under the Program, the first step in the process would be to conduct screening. The purpose of screening is to assess the scope of involuntary resettlement. The EA will conduct an initial social screening exercise for each project to identify type and nature of involuntary resettlement risks and impacts due to proposed activities. The screening exercise will be conducted jointly by the social staff of the implementing agency, along with technical design team, to fully orient themselves with the potential impacts of the main and associated infrastructure. The preliminary assessments conducted during preparation of the RPF indicate that social risks and impacts of some of the proposed projects can be significant (more than 25 HHs or 100 persons affected significantly) requiring full RAPs to be prepared. The screening exercise would thus be conducted for identification of E&S risks and impacts, and categorization of projects based on nature of activities, scale of operations, technology, locations, significance and severity of E&S risks and impacts.

##### Analysis/Screening of Alternatives to Avoid/Minimize Impacts

One of the key principles with respect to WB OP 4.12 for the projects to be financed is to avoid and/or minimize land acquisition and involuntary resettlement. At this stage efforts will be made to avoid or minimize the LAR impacts by exploring alternative design options. It is essential for the design team to consider how the need for land acquisition and involuntary resettlement can be avoided and/or minimized. The screening results will be documented and reported in a screening checklist, provided in **Annex-B**. If screening of project impacts would reveal that the project will cause significant social impacts, the technical team jointly with social and environment specialists, will explore all feasible design alternatives to modify the technical designs of the main and associated infrastructure and construction methodology with an aim to avoid and/or minimize the involuntary resettlement impacts, both temporary and longer-term.

The social team, design team and the PMO will maintain close coordination to identify opportunities to avoid or minimize resettlement impacts for screening of each project.

### Social Impact Assessment

Preparation of RAP for each project with resettlement impacts will require a detailed social impact assessment which will be initiated at early stage as part of planning and design of all projects to be implemented. The social impact assessment will include initial land acquisition and resettlement impact assessment, screening and involuntary resettlement (IR) categorization of projects, preparation of inventory of lost assets (ILA) followed by a detailed measurement survey (DMS) and census of APs, a socio-economic survey (SES), and valuation of lost assets (VLA). The results of the IR and social impact assessment will be presented in aggregate form in the subproject RAP and an impact inventory, linked to respective AHs, will be annexed in the RAP document. However, the publicly disclosed A/RAPs will not include personalized entitlement and compensation.

If results of social screening of a project would indicate that the project is likely to lead to risks and impacts associated with involuntary resettlement, and the involuntary resettlement impacts are unavoidable, the next step will be to determine the appropriate safeguards instrument to be prepared. The following guidance will be used to make a decision for a full RAP or an ARAP.

If it is determined that more than 200 people would be affected, then that would require the preparation of a full RAP. If less than 200 persons are affected by a sub-project, ARAP will have to be prepared in accordance with OP 4.12 where impact on the entire population are minor, or fewer than 200 people are displaced, an ARAP may be agreed with the borrowers. This will inform the choice of resettlement and compensation options and help estimate compensation cost. If there is no resettlement impact identified, no RAP/ARAP is required. However, the project will document the outcome of the screening report that shows there are no land acquisition and resettlement impacts.

For preparing RAP/ARAP, the PMO conduct the SIA and prepares the instrument through its own staff or consultants depending on their expertise, nature, urgency and scale of LAR impacts. For substantial risks and impacts, and large projects, external consultants would be a preferred option. The PMO and technical design consultants will provide full support to the consultants in conducting SIA and resettlement planning. The sample TORs for conducting SIA and RAP preparation are provided in **Annex-C**. The SIA will be carried out based on final conceptual, preliminary or detailed technical design, as appropriate. The SIA will include both quantitative surveys and qualitative assessments, as described below:

- Review of secondary data;
- Census of 100% directly affected households will be carried out to record actual impacts and prepare the inventory of losses;
- Land demarcation and detailed measurement survey (DMS) of the affected land and/or non-land assets;

- Assessment of replacement costs through private negotiations or independent assessments of prevailing market rates of land and other assets;
- Consultations with affected persons and other key stakeholders through Focus group discussions, key informant interviews and in-depth interviews to a) obtain APs and stakeholder inputs on how to avoid or at least minimize involuntary resettlement; (b) in-depth analysis of impacts; and (c) identify the needs and preferences of APs on involuntary resettlement and development opportunities;
- Poverty, social and gender assessment;
- Socio-economic survey of a representative sample of affected households to prepare a profile of the affected households including demographic and socio-economic details, landownership, usage and productivity and income, scope and nature of involuntary resettlement impacts, including impacts on vulnerable groups of APs.

A poverty and social assessment will also be conducted through participatory rapid appraisal tools. The key aspects of poverty analysis of affected households will include, resource and assets mapping, analysis of means of livelihoods, income and expenditure pattern, education and skills base and the impact of losses on the social and economic conditions. A broader social assessment of the project area will also be conducted to prepare a profile of the project area of influence based on socio-economic characteristics. The SIA will provide information on the potential losses and damages to be incurred by APs, households, and communities, impacts on women and vulnerable communities directly or indirectly. The census and detail measurement survey of the affected land and/or non-land assets and census of the affected households will be carried out to record the actual impacts and prepare the inventory of losses. Further, the EA, with support from the consultants, if relevant, will ensure that prior to conducting the census, the cut-off date is announced in the vicinity of affected population (villages). This will be done to inform the public and potential APs, and to facilitate data gathering through their participation in the census, socioeconomic survey, and other field surveys and studies. The cut-off date for the entitlement/s will be the end date of the census for the A/RAP. The information about cut-off-date will be disseminated to the affected and non-affected persons of the project areas. A socio-economic survey of a representative sample of affected households will be conducted to prepare a profile of the affected households including demographic and other socio-economic details such as ownership of land and other assets, usage and productivity, income and livelihoods, assessment of impacts on vulnerable households.

Additional information, if relevant, will be gathered through primary and secondary stakeholder consultations (formal or informal Focus Group Discussions, in-depth interviews and key informant interviews). Consultations will be conducted with APs to understand their priorities, expectations and views about the project and intensity of resettlement impacts. All categories of APs will be included in the consultations including women and youth. Similarly, vulnerable groups (for example, the very poor, those without formal title, ethnic or religious minorities, households headed by women, the elderly, chronically sick and the disabled) who might require special assistance during relocation and resettlement process will be identified and consulted.

Overall, the discussions during consultations will focus on the positive and negative impacts, measures to enhance positive impacts and reduce or mitigate negative impacts.

### Gender Impact Assessment and Mitigation Measures

The gender assessment will be conducted by including gender specific questions in the social assessment tools of the project area of influence. The gender assessment of targeted beneficiary population will be conducted through gender specific questions in socio-economic questionnaire and qualitative participatory assessment tools to collect gender disaggregated data on all social and economic aspects, specifically related to resettlement impacts and risks. The key information will include analysis of production and income stream data by gender in order to differentiate the roles that men and women play in maintaining a household's livelihood, which will be used to design a livelihood restoration and improvement plan. The gender gap analysis of women's participation in their own development activities and day to day household tasks will also be carried out. A gender action plan (GAP) will be prepared for each Project for gender mainstreaming in each of the Projects. The GAP will comprise of actions that will both mitigate adverse impacts and provide opportunities to improve quality of women's lives. The GAP will be prepared based on key findings of the poverty social and gender assessment and consultations carried out during RAP and ESIA preparation. The RAP will be implemented in consonance with the GAP.

The impacts on community assets, social services, village common natural resources will also be assessed and documented to prepare mitigation measures or restoration. The upstream and downstream impacts will also be studied to fully mitigate them. A vulnerability assessment will be conducted to identify additional measures to the vulnerable households or communities to develop additional measures to mitigate impacts sufficiently. The vulnerable may include the very poor, APs with no formal titles, ethnic or religious minorities, female, disabled or elderly headed households with dependents, the elderly, chronically sick and the disabled. The men and women APs will be consulted closely for the assessment of their expectations, views, concerns and priorities about impacts and resettlement options. Overall, the discussions during consultations will focus on the positive and negative impacts; measures to enhance positive impacts and to minimize or mitigate negative impacts.

The assessment of replacement cost will be carried out through valuation of prevailing market rates of land and other assets, which will provide basis for determining the compensation for the affected land and other assets.

### Consultation

Consultations will be conducted with APs and other key stakeholders throughout the project lifecycle. The purpose of consultations during resettlement planning is to inform APs about the nature and scale of project impacts, and decision making in all LAR aspects especially eligibility, entitlements, unit rates of compensation, and resettlement and rehabilitation assistance. The EA

will ensure that consultation will continue during the all phases of RAP preparation, implementation, monitoring, and evaluation of compensation payment and R&R assistance.

The consultations with other key stakeholders will also be conducted; these include government departments, civil society/non-profit organizations, non-Governmental organizations, community leaders, public representatives, academia, religious leaders, ethnic minorities and local voluntary organizations.

### **3.4. Preparing of Resettlement Action Plan**

The RAP preparation activities will be initiated as part of the preparation of each new project involving resettlement impacts. The requirement will be to take the completed detailed design of proposed project and carry out a measurement survey and enumeration.

Following the SIA, an A/RAP shall be prepared. The A/RAP will be prepared in consultation with APs, particularly in relation to the cut-off date for eligibility, scale of impacts to income and livelihoods, methods of valuation, compensation payments, potential assistance, and time frame for RAP implementation. The RAP will be submitted to the WB for review and clearance.

#### **3.4.1. Valuation of Land and other Assets**

As a part of the land acquisition and resettlement planning process, an assessment of replacement costs or asset valuation will also be carried out through independent assessment, which will form the basis for determining the compensation for the affected land and assets at prevailing market rates (can be based on negotiations) in a project area. The census will be based on preliminary engineering/technical designs of the project. The census data will be updated once the final and detailed engineering designs are completed.

#### **3.4.2. Information Dissemination Relating to IR and Mitigation Measures**

The EA will disseminate all information relevant to the land acquisition and other involuntary resettlement impacts, together with social team of consultants that include the orientation on potential social and environment impacts of the project, results of social impact assessment, measures to mitigate the impacts, meaningful consultations, eligibility, entitlements, cut-off-date, RAP disclosure, grievance redressal mechanism, unit costs for compensation, resettlement and rehabilitation assistance, RAP implementation procedures, institutional responsibilities of RAP implementation, time frames, cost estimates, monitoring, and the resettlement planning process. During resettlement plan preparation, resettlement information will be disclosed to all APs in their own language, and their views and opinions will be taken into consideration in finalizing the plans. The PMO will establish village information centers at locations that are easily accessible by the APs. The site office social staff will be assigned with the responsibility to keep close coordination and communication with the information centers to attend to the inquiries from the APs and general public, and to receive any complaints or grievances. These information centers would strengthen trust between PEDO, the consultants, the Revenue and other relevant departments, and the affected persons. The information brochure in Urdu language will also be disseminated to all affected households. The brochure will provide brief project description;

summary of project impacts; eligibility and entitlements; valuation of losses at full replacement cost; grievance redressal mechanism; RAP implementation procedures, livelihood restoration and improvement plan; implementation procedures; budget; contact details of PMO and site office staff for additional information.

### 3.4.3. RAPs Approval, Clearance and Disclosure

Following the incorporation of comments from disclosure, the draft RAP will be reviewed and approved by the PMO Program Director of PMO, and the designated Chief Compliance Officer. The Program Director will ensure that the RAP complies with the RPF and after approval, will submit it to the WB for compliance review with WB policies and procedures prior to providing clearance. The approved RAP, together with translation in Urdu, will be posted on the website of the Program and PEDO. The WB will also disclose the RAP to its website. The translation of the RAP will include the Cut-off date. This will exclude the cash compensation amounts to be paid to the AHs. Any changes to the RAP would have to follow the same clearance/ approval procedures and disclosure.

### 3.4.4. Summary of Process for Screening, Preparing and Approving RAPs

**Table 3** provides a summary of step by step process to determine whether a project will result in physical or economic displacements, and whether a RAP is required and if so, how to prepare and implement one.

**Table 3: Summary of Process for Screening, Preparing and Approving RAPs**

Steps	Actions	Responsibility	Stage
1.	Screening of each project against LAR impacts	ESU of PMO	As soon as a project a project is identified and initial draft of the project technical design is ready
2.	Determining the appropriate safeguard instrument to be prepared (A/RAP)	Program Director of PMO	Based on screening report
3.	Preparation of ToRs for conducting SIA and appointment of consultants or preparation of ARAP by PMO	ESU of PMO	Mobilization of consultants soon after finalization of project design or preparation of ARAP by PMO
4.	Social Impact Assessment <ul style="list-style-type: none"> <li>• consultations with potential APs and other stakeholders</li> <li>• census and inventory</li> <li>• socio-economic survey</li> <li>• identification of vulnerable and</li> </ul>	RAP consultants	After contract award to consultants for the full RAP or by PMO for ARAP preparation

	<p>severally affected households</p> <ul style="list-style-type: none"> <li>• assessment of impacts on livelihoods</li> <li>• valuation of land and other assets at replacement cost</li> <li>• determination of compensation for each category of AHs</li> </ul>		
5.	Establish GRM and notify GRC at each site of respective project	PMO	At preliminary stage of SIA
6.	Preparation of RAP report including livelihood restoration plan	RAP consultants	Duration depends on nature and scale of LAR impacts/urgency of project preparation
7.	Review of draft A/RAP	PMO	5 to 7 working days after availability of draft A/RAP
8.	Finalization of A/RAP	RAP consultant	5 to 7 working days after receiving PMO comments
9.	Approval of A/RAP by PMO Submission of A/RAP for the WB's compliance review and clearance	PMO and PEDO	5 working days after receiving revised A/RAP
10.	Disclosure of A/RAP	PMO/WB	
11.	<p>A/RAP implementation</p> <ul style="list-style-type: none"> <li>• confirmation of APs and the associated project resettlement impacts, if any</li> <li>• finalization of compensation amount</li> <li>• development of standard operating procedures for making compensation and R&amp;R assistance</li> <li>• complete documents for payments</li> <li>• payment of compensation and</li> </ul>	PMO	Before start of civil works

	<p>R&amp;R assistance</p> <ul style="list-style-type: none"> <li>• grievance redressal</li> <li>• continuous coordination and communication with APs and key stakeholders</li> <li>• documentation and reporting</li> </ul>		
12.	Consultation with APs and other and stakeholders	PMO, PIC, Contractors	Throughout the project duration
13.	Internal monitoring of A/RAP implementation and reporting	PIC	During A/RAP implementation
14.	Grievance redressal (on-going)	PMO	At all stages of resettlement planning
15.	Hiring of Third-Party Monitoring Agency (TPMA)	PMO	Well in advance before completion of first RAP implementation
16.	Third-Party Monitoring of RAP implementation (for full RAPs only)	TPMA	Once when RAP implementation is completed and then after every six months
17.	Taking possession of site	PMO	After completion of payments as per entitlements
18.	Evaluation of post RAP implementation	TPMA	Three months after implementation completion of each RAP
	A/RAP Completion Report	PIC	Within two months after completion of RAP implementation

## **4. COMPENSATION, ELIGIBILITY AND ENTITLEMENTS**

### **4.1. Objectives of the Program IR Policy**

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 economically APs in real terms, relative to pre-project levels; and to improve standards of living of the affected poor and other vulnerable groups.

### **4.2. Resettlement Principles and Policy adopted for the Program**

A resettlement policy for the Program has been developed based on WB OP 4.12 on involuntary resettlement. The resettlement policy evolved in consultations with APs and other stakeholders. By following the objectives and principles of OP 4.12, the core involuntary resettlement principles for this project are:

- (i) land acquisition, and other involuntary resettlement impacts will be avoided or minimized by exploring all viable alternatives of the project design;
- (ii) where unavoidable, time-bound Resettlement Action Plan (RAP) will be prepared and APs will be assisted in improving or at least regaining their pre-project standard of living;
- (iii) provision of income restoration and rehabilitation to agriculture tenants, permanent and seasonal agriculture laborer;
- (iv) consultations with APs on compensation and resettlement options, disclosure of resettlement information to APs, and participation of APs in planning and implementation of project will be ensured;
- (v) payment of compensation to AHs including non-titled persons (e.g., informal dwellers/squatters and encroachers) for acquired assets at replacement rates;
- (vi) vulnerable groups and severely affected Persons will be provided special assistance;
- (vii) payment of compensation and resettlement assistance prior to the construction contractor taking physical acquisition of the land and prior to the commencement of any construction activities; and
- (viii) establishment of appropriate institutional, grievance redress, internal and external monitoring and reporting mechanisms.

### **4.3. Eligibility**

Any persons or households or communities that suffer from loss of lands, crops, wood or fruit trees, residential or business structures, income, loss of access to land or other resources sources of livelihoods due to the projects under the Program, will be eligible for the receiving compensation or resettlement and rehabilitation assistance to mitigate such losses and restoration of living standards to improved or equal to prior to the projects. The eligibility will be determined as a result of social impact assessment surveys and studies.

#### 4.4. Cut-of Date

Eligibility to receive compensation and resettlement and rehabilitation assistance will be limited by a cut-off date as set for each Project. Under the Program, the cut-off date for eligibility of entitlements will be the completion date of census of the APs. If Section-4 would have been announced by the Government by the time when surveys are started, then that would be the cut-off date for title holders and for non-title holders, the date of relevant census and surveys, as described above, will be cut-off date. All eligible APs will be informed about the cut-off date of each project. The cut-off date will be publicly announced and there will be widely disseminated in the project area to prevent influx of ineligible population. People moving in the Project affected area after the cut-off date will not be eligible for compensation and/or other assistance. Likewise, fixed assets such as built structures or planted trees after the cut-off date will not be covered and compensated.

#### 4.5. Entitlement

Adequate provisions have been made in the RPF to mitigate adverse impacts on the socio-economic conditions and livelihood of AHs. The eligibility, entitlements, and compensation and resettlement and rehabilitation assistance are based on the provisions in the LAA 1894 and the WB OP 4.12, the details are provided in the entitlement matrix in **Table4**. The AHs eligible for compensation or resettlement and rehabilitation provisions under the KPHD Program are:

- i. Persons losing land and situated assets including crops, fruit and wood trees, structures, with or without legal titles or covered under customary rights, whether temporarily or permanently;
- ii. Tenants and share-croppers, whether registered or not, based on prevailing tenancy arrangements, verbal or written;
- iii. Persons losing the use or access to lands, natural resources, structures and utilities, including both titled and non-titleholders, registered or unregistered tenants, sharecroppers, leaseholders, encroachers or squatters;
- iv. Persons losing business, income, salaries or wages both permanently or temporarily during construction;
- v. Loss of communal lands, properties or public infrastructure;
- vi. Vulnerable affected persons;

The AHs will be compensated through effective relocation, rehabilitation and income restoration strategies that have been derived in from the analysis of living condition of AHs and vulnerable groups from the social impact assessment of the Program. The entitled compensation and assistance include the following;

An entitlement matrix (Table 4) has been designed to (i) cover all AHs regardless of formal legal rights; and (ii) restore or enhance the livelihoods of all categories of AHs, particularly those who are non-title holders and vulnerable. Those affected by the project will receive additional measures in the form of resettlement and rehabilitation assistance and full support during the resettlement process to ensure that those affected are not disadvantaged, and regain, and even

improve their lost income and source of livelihood. Based on the above broad principles, the AHs will be entitled to a combination of resettlement and rehabilitation assistance, depending on the scope of the impact, including social and economic vulnerabilities of the AHs. Consultations were conducted with the potentially affected Persons on the entitlements, first they were oriented about potential impacts of relocation on their income and livelihood, estimated period of disruption due to construction, and they were asked to share their views/expectations on the extent of impacts on their income and livelihood and options for mitigation measures. The details of entitlements are given in **Table 4** below:

**Table 4: Entitlement Matrix**

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
Permanent loss of on-the-road and off-the-road land for siting of Project facilities	All land losses (arable, commercial, residential and barren)	Titleholders and landholders under customary rights	<ul style="list-style-type: none"> <li>• Cash compensation of off-the-road land at full replacement cost<sup>13</sup> on prevailing market rate through private negotiations free of taxes, registration, and transfer costs.</li> <li>• Cash compensation of 50 feet offset to road land at prevailing commercial rates free of taxes, registration, and transfer costs.</li> </ul>
Land taken to erect transmission line towers	All adverse effects on land use independent of severity of impact	Titleholders and landholders under customary rights	<ul style="list-style-type: none"> <li>• Cash compensation for land taken for towers through private negotiations.</li> <li>• Compensation, in cash, for all damaged crops and trees.</li> </ul>
		Leaseholders (registered or not)	• Renewal of lease in other plots of equal value/productivity of plots lost, or Cash equivalent to market value of gross yield of affected land for the remaining lease years (up to a maximum of 3 years).
		Sharecroppers (registered or not)	• Cash compensation equal to the market value of the lost harvest share once for temporary impact or twice for permanent impact.
		Agricultural workers losing their contract	• Cash indemnity corresponding to their salary (including portions in kind) for the remaining part of the agricultural year.
		Squatters/encroachers	• 1 rehabilitation allowance equal to market value of 1 gross harvest (in addition to crop compensation) for land use loss.
	Access is not restricted and existing or current land use will remain unchanged due to installation of	Titleholder	<ul style="list-style-type: none"> <li>• No compensation for land provided that the land is rehabilitated/restored to its former quality following completion of works.</li> <li>• Compensation, in cash, for all damaged crops and trees.</li> </ul>
	Leaseholders	• No payment for loss of land provided that the land is rehabilitated/restored to its former quality following	

<sup>13</sup>The replacement cost is equivalent to the market value of the land/assets, sufficient to replace the lost assets and cover transaction costs.

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
	tower or transmission line		<ul style="list-style-type: none"> <li>completion of construction works.</li> <li>• Compensation, in cash, for all damaged crops and trees.</li> </ul>
		Sharecroppers (registered or not)/encroachers/squatters	<ul style="list-style-type: none"> <li>• Compensation, in cash for all damaged crops and trees.</li> </ul>
		Agricultural workers	<ul style="list-style-type: none"> <li>• Cash indemnity corresponding to their salary (including cash for portions in kind) for the remaining part of the cropping season.</li> </ul>
Loss of arable government land	State/Gov't owned arable land	Leaseholders/ Renter  <i>(registered or not having written lease documents)</i>	<ul style="list-style-type: none"> <li>• No payment for loss of land</li> <li>• Cash compensation for the loss of standing crops and trees at market rates;</li> <li>• Cash payment for loss of net income from the affected portion of land for the remaining lease years.</li> <li>• Assistance to vulnerable affected persons in negotiating new lease agreements on alternative lands to the maximum possible extent.</li> </ul>
		Sharecroppers / Encroachers/  Squatters/ tenants	<ul style="list-style-type: none"> <li>• No payment for loss of land</li> <li>• One-time allowance equal to the market value of the harvest of lost land for one year, in addition to the cash payment for the standing crops and trees.</li> <li>• Assistance to vulnerable affected persons in identifying suitable land plots for cultivation to the maximum possible extent.</li> </ul>
Loss of temporary access to agriculture land / productive asset	Restriction to access	Titleholders/land holders under customary rights	<ul style="list-style-type: none"> <li>• No payment for loss of land.</li> <li>• Cash payment for loss of standing crops and trees (if affected) at market rates;</li> <li>• Cash payment for loss of future crop production (if affected) at market rates for the period of loss of crops due to restriction of access.</li> <li>• In case of sharecropping/tenancy agreement, partial payment based on specific sharecropping/tenancy agreement with the sharecropper/tenant (written or verbal).</li> <li>• Cash payment for loss of income for the period of loss.</li> </ul>
		Sharecroppers/ tenants / encroachers/ squatters/	<ul style="list-style-type: none"> <li>• No payment for loss of land.</li> <li>• Cash payment for loss of standing crops and trees at market rates, if trees are affected and cultivated by the affected sharecropper/tenant/encroacher/squatter.</li> <li>• Cash payment for loss of future crop production (if affected) at market rates for the period of loss of crops due to restriction of access.</li> <li>• Partial payment to the sharecropper/tenant/encroacher/ squatter for loss of crops based on their specific sharecropping/tenancy agreement with the owner/possessor (verbal or written)</li> </ul>
Severance	Access restricted	All affected	<ul style="list-style-type: none"> <li>• Connect severed pieces of lands through access</li> </ul>

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
impacts (permanent or temporary)	to: <ul style="list-style-type: none"> <li>• agriculture lands cultivated by landholders/ male or female seasonal agriculture labor/ sharecroppers/s quatters /encroachers,</li> <li>• infrastructure,</li> <li>• social services,</li> <li>• social networks;</li> <li>• drinking water supply,</li> <li>• irrigation water channels,</li> <li>• walkways, formal or informal roads, bridges</li> </ul>	persons (Non-titled user or squatter on private or state land)	ways, roads or bridges. <ul style="list-style-type: none"> <li>• Restoration of pipes to irrigate severed land plots.</li> <li>• Restoration of water supply pipeline or installation of water points within 30 minutes round-trip travel time<sup>14</sup>.</li> <li>• Restoration of formal and informal walkways, roads or bridges.</li> <li>• The affected titleholders of injurious affection and severance will be eligible for 25% of the replacement cost determined for the acquired land as compensation for injurious affection and severance. The remaining plot will remain the property of the affected persons.</li> <li>• The lessees or tenants of injurious affection and severance will receive cash payment at the rate of the rental fee proportionate to the size of the severed piece of land for the duration of the remaining lease/rental period as per written agreement.</li> <li>• Non-titled land users (squatters or encroachers) of affected land will not receive any payments for injurious affection and severance.</li> </ul>
Temporary impacts on arable land or non-arable land	Land required temporarily during civil works	Titleholders/landholders under customary rights / leaseholders	<ul style="list-style-type: none"> <li>• No payment for loss of land</li> <li>• Land will be temporarily acquired by a short-term lease agreement between the landholders /leaseholder and contractor with the approval of Project Director. Rental terms to be negotiated to the satisfaction of the affected persons.</li> <li>• Full restoration / reclamation of land to original use by the contractor, as agreed with affected persons.</li> <li>• The contractor will make the payment of temporary land acquisition and full restoration cost.</li> <li>• Crop compensation in cash at full market rate for one harvest (either winter or summer) by default for impacts caused.</li> </ul>
		Sharecroppers/ tenants/ squatters/ encroachers (registered or not)	<ul style="list-style-type: none"> <li>• No payment for loss of land</li> <li>• Cash payment for loss of standing crops and trees (if affected) at market rates.</li> <li>• Cash payment for income loss if any for the duration of the temporary impacts.</li> <li>• The contractor will make the payment of temporary land acquisition and restoration.</li> </ul>

<sup>14</sup> The United Nations definition of access to an improved water source being within 30 minutes total round-trip travel time

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
			<ul style="list-style-type: none"> <li>• Crop compensation in cash at full market rate for one harvest (either winter or summer) by default for impacts caused.</li> </ul>
Loss of crops	Arable land	Titleholders/landholders under customary rights	<ul style="list-style-type: none"> <li>• Compensation at full gross market rate for the standing crops based on average production as calculated by Agriculture Department, GoKP.</li> </ul>
Loss of wood trees	Trees affected	All affected persons owning trees (including squatters)	<ul style="list-style-type: none"> <li>• Cash compensation of timber trees at replacement cost to the cultivator based on the market value of their dry wood volume as calculated by Forest Department, GoKP.</li> <li>• The wood of the fallen tree will remain with the owner and its value will not be deducted from the compensation.</li> </ul>
Loss of fruit trees	Affected trees	Title holders/cultivators	<ul style="list-style-type: none"> <li>• Cash compensation to reflect income replacement based on market value of annual net product multiplied by 5 years and investment cost needed to re-grow the tree to the fruit bearing age, based on the information provided by Department of Horticulture, University of Agriculture, Peshawar.</li> <li>• The wood of the fallen tree will remain with the owner and its value will not be deducted from the compensation.</li> </ul>
Loss of structures	All type of structures	Owners of built up structures both titled or non-titleholders (squatters/encroachers), in case of community structures, the members of the committee or appointed administrator by concerned gov't department /community	<ul style="list-style-type: none"> <li>• Cash compensation at replacement cost<sup>15</sup> for affected structures by type of construction and other fixed assets calculated at the latest Market Rate System as fixed by the Communication and Works Department-GoKP, free of depreciation, exclusive of taxes. Cost of salvaged material will not be deducted either and salvaged material will be the property of affected Person(s).</li> <li>• In case of partial loss, cash assistance (compensation) will be provided to restore the remaining structure. If more than 25% of the building's area is affected, cash compensation will be computed for the entire building/structure without deducting depreciation and salvaged material costs.</li> <li>• Cash compensation at the replacement cost for immovable assets attached to the land and/ or buildings based on the latest MRS pf GoKP with Communication and Works Department.</li> <li>• Provision of allowance to transport salvage material of structure to owners of structures to cover transport</li> </ul>

<sup>15</sup>Replacement cost for structures includes reference to the market price of materials and labor, and the cost of transporting materials to the building site. The replacement cost further includes the cost of any registration and transfer taxes for land and buildings. The compensation against loss of structures will be compensated at the replacement cost calculated by following latest MRS rates of the GoKP

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
			expenses of salvage material including loading/unloading labor charges and other items.
Permanent Loss of commercial Space	Operators of micro businesses	Squatters/static vendors occupying land for Stalls/ Kiosks	<ul style="list-style-type: none"> <li>• Self-relocation allowance equivalent to 6 months income calculated at the prevailing official minimum monthly wage rate.</li> <li>• Vendors will be allowed to self-relocate their businesses to alternative spaces for vending at locations comparable to the lost ones.</li> </ul>
Loss of common property resources	Community/ Public assets	Community/ Government	<ul style="list-style-type: none"> <li>• Reconstruction of the loss of resource/asset in consultation with affected communities and restoration of their functions.</li> </ul>
Severe impact due to loss of income and employment	Land and non-land losses based on severe impacts due to loss of agriculture land or productive asset/income	All households lose more than 10% of family income	<ul style="list-style-type: none"> <li>• One-time lump-sum allowance for severe impact to the landholders equal to market value of gross annual yield of lost agriculture land for three years.</li> <li>• One-time lump-sum transitional allowance equal to one-year loss of income based on assessment of annual income.</li> <li>• If placement of a tower or installation of transmission line damaged more than 10% of crop of an affected person, the compensation against loss of crop will be one-time lump-sum allowance for severe impact to the landholders equal to market value of gross annual yield of lost agriculture land for one year.</li> </ul>
	Loss of farm-based employment	Full-time agriculture workers	<ul style="list-style-type: none"> <li>• One-time lump-sum assistance to full time agriculture workers for severe impact due to loss of employment equal to minimum wage rate of GoKP for one year.</li> </ul>
Dislocation Allowance	Loss of residence or land	Physically displaced households of owners/tenants/ sharecroppers/squatters	<ul style="list-style-type: none"> <li>• Provisions of shifting allowance to physically displaced households to cover transportation cost of belongings, loading and unloading expenses based on average rent of local transport.</li> <li>• One-time cash assistance as dislocation subsidy equivalent to one-year prevailing average rent of the area for moving to alternate premises.</li> <li>• Provision of one-time transitional allowance to cover extraordinary living expenses at the rate of PKR 50,000/ household (lump-sum) to the AHs relocating within the affected village and PKR100,000/household to the AHs relocating to another area.</li> <li>• Cash compensation to residents for loss of utilities instead of owners if installation expenses born by the residents.</li> </ul>
Loss of	Livelihood	All vulnerable	<ul style="list-style-type: none"> <li>• One adult member of the affected household will be</li> </ul>

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
livelihood	restoration and rehabilitation of vulnerable affected households	affected households (below poverty line (small landholders /tenants/ squatters, full time agriculture workers, female headed households, disabled headed households)	<p>entitled for skill development and improvement training or setting up micro enterprises with 100,000/ cash assistance to utilize the existing or new income generating skills or establishment of micro enterprises with technical assistance under Livelihood Restoration Plan.</p> <ul style="list-style-type: none"> <li>• Eligibility of affected households to livelihood restoration interventions as per provisions under the Livelihood Restoration Plan.</li> <li>• Provision of credit up to 200,000/ from revolving fund to men and women to support alternate on-farm and non-farm livelihood activities through a non-profit organization.</li> <li>• Preference for full time employment opportunity to at least one member of the affected household during construction and operation, subject to meeting the requirements.</li> </ul>
Permanent loss of business due to loss of business structure/ space		Business operators or Squatters/ <sup>16</sup> static vendors Owner of business (registered, unregistered, unauthorized or informal)	<ul style="list-style-type: none"> <li>• Cash grant for net income loss for duration of one year based in income tax receipts or social impact assessment.<sup>17</sup></li> <li>• One-time transition allowance to affected business operators for renting alternate shops/space during transition period, for a period of 12 months based on prevailing average monthly rent in the project area.</li> <li>• A one- time cash grant will be paid to affected employees equivalent to 6 months @ official monthly minimum wage rate of GoKP.</li> <li>• Right to safely shift furniture, fixtures and business goods.</li> <li>• Compensation against loss of loss of non-moveable/damages to fixtures as per assessment survey,</li> <li>• One- time shifting allowance for transportation of goods, furniture/fixtures based on average rent of local transportation.</li> <li>• The vendors will be allowed to self-relocate their businesses to alternative public spaces for vending at locations comparable to the lost ones or travel areas/tourist destinations.</li> <li>• The affected business operators will be given preference in establishing their businesses in designated eco-tourism spots by PEDO.</li> <li>• Severally affected and vulnerable APs will have right to benefit from Livelihood Restoration Plan.</li> </ul>

<sup>16</sup> Vendors with permanent business locations, occupying land for Stalls/ Kiosks or without structures if identified by the Census and Inventory of losses before the cut-off date.

<sup>17</sup> Where income tax receipts are not available to establish net business losses of impacted businesses the fixed monthly rate is based on APs average monthly income to be determined through participatory impact assessments. It is assumed that permanently affected business are able to re-establish themselves at another location within a period of one year to the level it was lost.

Type of Loss/Impact	Application	Entitled APs/AHs	Entitlements for Compensation, Resettlement and Rehabilitation
			<ul style="list-style-type: none"> <li>Notification 6 months in advance to formal business operators and 1 month in advance to vendors before the loss occur, to vacate business structure or occupied spaces with schedule of construction activities.</li> </ul>
Temporary loss of business income/ employment due to stoppage/ disruption	Business loss due to construction works without possibility of establishing business at alternative location	Formal business operators/owners/ or static vendors/squatter (registered or not)	<ul style="list-style-type: none"> <li>Cash grant for net income loss for duration of business stoppage (no more than 6 months for static vendors or squatter) based on income tax record or, in its absence, comparable rates from income tax payer businesses of the same type, or at least equal to monthly minimum wage rate.</li> <li>A one-time cash grant will be paid to affected employees @ official monthly minimum wage rate of GoKP (not more than 3 months).</li> <li>Notification 6 months in advance to formal business operators and 3 months in advance to vendors/squatters before start of civil works including detail of construction activities, duration and type of disruption, in which they will stop/remove their stalls/kiosks/shops.</li> <li>One-time shifting allowance for transportation of goods, based on average rent of local transportation.</li> <li>Preference in employment in project related construction works.</li> </ul>
Loss of public services and facilities/ community assets	Schools, health centers, administrative services, infrastructure services, graveyards etc.	Service provider	<ul style="list-style-type: none"> <li>Full restoration/rehabilitation/substitution at original site or reestablishment at relocation site of lost public services and facilities or community assets, including replacement of related land and relocation of structures according to provisions (i.e. mosques, footbridges, roads, schools, health centers, etc.)</li> </ul>
Project benefits		All affected persons	<ul style="list-style-type: none"> <li>All affected households are entitled to get benefit from the interventions under Social Development Program.</li> </ul>
Unanticipated impacts			<ul style="list-style-type: none"> <li>During the entire course of project implementation, the PMO will deal with any unanticipated adverse impacts in the light of spirit of the Entitlement Matrix, if required, the Entitlement Matrix will be updated to mitigate adverse impacts by following WB Operational Policy on Involuntary Resettlement OP 4.12.</li> </ul>

#### 4.6. Methodology for Determining Unit Rates

Full replacement cost as compensation is the basic principle guiding the entitlements regardless of formal legal rights. The compensation amount will be sufficient to replace the lost asset including land, crops, trees structures, livelihood, community common resources and services, with special provisions for the improvement of livelihoods of severally affected and vulnerable APs. The entitlement matrix for each project will be specific to the type and severity of impacts of impacts/losses for the eligible affected persons of a project, while provisions made in the

RPF, the entitlements, include a wider range of possible impacts based on the detailed impact assessment of Gabral Kalam HPP and preliminary impact assessment of two other proposed projects. Each affected person may be eligible for a combination of entitlements specific to his/her particular losses including compensation against loss of asset and resettlement assistance. The details of entitlements are described in the following sections:

#### **4.6.1. Permanent Loss of all Types of Lands**

The unit rates for types of land including agriculture, residential and commercial will be assessed at full replacement cost based on prevailing market price of comparable most recent land transactions in the vicinity without transaction costs and taxes. The owners are further entitled to a 15% premium for compulsory land acquisition. The full replacement cost will be based on: (i) fair market value; (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, if any.

As per provision in the LAA with KP amendments, firstly land will be acquired through private negotiation, and in case the negotiations fail, expropriation at full replacement cost<sup>18</sup> free of taxes, registration, and transfer costs. For the negotiated purchase, after the issuance of Section 4 notification, PEDO will constitute an independent committee consisting of the DC (or his representative, if agreed by DC), officials of relevant departments, (i.e., agriculture, irrigation, if affected land is arable) and representatives of the APs. The committee will hold its meeting(s) to negotiate the land rates with the APs, which has to be completed within 60 days of the start date of negotiations. If successful, the collector proceeds with registering the deed of sale between the parties. While determining the market prices, the committee may consider the following: (i) the price paid for land recently acquired in the vicinity; (ii) the price paid in private transactions as discoverable from the register of mutations and the record of the registration department; (iii) all other information available, including instructions provided in the LAA; and (iv) the committee may consult highly respectable/well regarded persons from the project vicinity who do not have any interest in the affected land with regard to the value. The prices must be determined equivalent to full replacement costs of lost lands in compliance with the key principle of WB OP 4.12, the full replacement cost.

The proposed project sites are located in mountainous and uneven area and thus flat land is scarce. Particularly, the agriculture lands due to rugged topography and the rigors of the climate, are scarce and only summer cropping is practiced. People own small plots of agriculture land and rely on subsistence farming due to scarcity of arable land and lack of off-farm employment opportunities. Though functioning markets exist, the sale and purchase volume are low. The two preferred options to acquire the land are: (i) private negotiation; (ii) the replacement cost to be established through third party/independent and competent real estate valuation firm, plus transaction costs. In this connection, the consultations with the APs and well respected and informed persons will also be conducted to obtain adequate information about

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<sup>18</sup>Full replacement cost involves fair market value, transaction costs, interest accrued, transitional and restoration costs and other applicable payments without depreciation.

recent land transactions, land value by types, location, productive potential, availability of alternative lands in the project area, and other related parameters.

Under the program, the preferred method “negotiated settlement” will be used to purchase the lands at replacement cost. If an agreement on land prices could not be achieved, the land will be acquired through expropriation (LAA) at full replacement cost/prevaling market rates free of taxes, registration, and transfer costs. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, land reclamation/development/improvement/restoration charges and any similar costs imposed on affected persons.

The valuation method to be used for determining the replacement cost of land will be documented in each RAP, to ensure compliance with the key principle of WB OP 4.12, the full replacement cost.

The compensation for 50 feet land offset to road will be paid at prevailing commercial rates plus 15% compulsory acquisition surcharge free of taxes, registration, and transfer costs.

#### **4.6.2. Compensation for Injurious Affection and Severance**

Injurious affection<sup>19</sup> causes when only a part of the land is acquired or no land is acquired at all (McCarthy Rules). Severance or partial loss of a plot can be caused when the land is severed by the acquisition taking into account functional viability of remaining plot. The regulatory framework of GoKP (LAA) does not have provisions to mitigate the severance impacts. Under the Program, in case of acquisition of more than 25% a land plot, if the severed piece of remaining land plot will become non-viable to its original use (to be verified by the PIC social staff), the AH will be eligible for payment against injurious affection and severance. The remaining plot will remain the property of the AP. The titleholders of such cases are entitled to receive compensation not only for the part of the land that will be acquired, but also for severance and other injury which may be caused to the remaining land formerly held with it. The affected titleholders of severance impacts on their remaining land plots will be eligible for 25% of the replacement cost determined for the acquired land as compensation for injurious affection and severance. The lessees or tenants will receive a cash payment at the rate of the rental fee proportionate to the size of the affected plot and the duration of the remaining lease period.

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<sup>19</sup> Injurious affection means (a) where a statutory authority acquires part of the land of an owner, (i) the reduction in market value thereby caused to the remaining land of the owner by the acquisition or by the construction of the works thereon or by the use of the works thereon or any combination of them, and (ii) such personal and business damages, resulting from the construction or use, or both, of the works as the statutory authority would be liable for if the construction or use were not under the authority of a statute, (b) where the statutory authority does not acquire part of the land of an owner, (i) such reduction in the market value of the land of the owner, and (ii) such personal and business damages, resulting from the construction and not the use of the works by the statutory authority, as the statutory authority would be liable for if the construction were not under the authority of a statute, and for the purposes of this clause, part of the lands of an owner shall be deemed to have been acquired where the owner from whom lands are acquired retains lands contiguous to those acquired or retains lands of which the use is enhanced by unified ownership with those acquired;

Non-titled land users (squatters or encroachers) on affected land will not receive any payments for such losses of land.

#### **4.6.3. Temporary Acquisition of Land**

Temporary use of land may be required for a short period during construction phase. Leaseholders and tenants will receive a rental fee commensurate with prevailing local rent rates or as agreed for the period of use of land through a formal rental agreement. The rental terms to be negotiated to the satisfaction of the owners, leaseholder or tenant. The land will be restored to its original condition and use after completion of rental agreement to the satisfaction of owner/lessee/tenant.

#### **4.6.4. Valuation of Crops, Fruit / Wood Trees and Structures Crops**

Crops: In case of standing crops, compensation would be done at full gross market rate for the standing crops based on average production of crops as calculated by Agriculture Department, GoKP. The market rate of crops will be determined as the net market rates at the farm gate. The price of sowed seeds, fertilizers, and farming costs are also considered and compensated at market rate. Crop compensation will also be paid to tenants, leaseholders or sharecroppers based on their agreements, verbal or written.

Fruit Trees: The mature fruit bearing trees will be calculated based on market rate of the yearly yield multiplied by 5 years and expenses required to grow such a tree to the productive level it will be cut, based on the information to be acquired from Horticulture Department, Agriculture University Peshawar. For the immature trees, that are yet to bear fruit, compensation will be based on the gross expense needed to reproduce the tree to the fruit bearing age. The uprooted trees will remain the property of the owner; the owner can salvage them free of cost.

Wood trees: Wood trees will be valued based on the market value of their dry wood volume. The wood of the fallen tree will remain with the owner and its value will not be deducted from the compensation. Rates of wood trees will be provided by the by the Forest Department.

All Type of Structures (houses/buildings/structures): The compensation against loss of structures will be valued at full replacement cost to be calculated by Communication and Works (C&W) Department by following latest MRS rates of the GoKP without depreciation cost to ensure replacement of lost assets with assets of equal value without additional expenses. As standard practice the C&W Department assesses the construction rates and updates periodically (annually) or more frequently, in case of inflation hike, based on cost of construction material, labor and transportation etc. including inflation and price hike for construction of different categories in different parts of the country. The prices assessed are called schedule rates for construction and serve as benchmark prices for all types of construction, while assessing the rates, no depreciation cost, and the salvage material will be property of the affected persons, free of any deductions.

Community Structures: the affected communality structures that will be restored by the project to the satisfaction of the affected communities.

Relocation Assistance: Self-relocation allowance equivalent to 6 months income calculated at the prevailing official minimum monthly wage rate. Vendors will be allowed to self-relocate their businesses to alternative spaces for vending at locations comparable to the lost ones.

Transportation/Shifting Allowance: All AHs, who need physical relocation due to loss of land or structures, including agricultural land, houses, business structures or business spaces, are entitled to receive a cash assistance to cover the cost of transport to shift their household goods, personal belongings, furniture, business inventory, machinery, usable salvage material to their new location based on average rent of local transport, to hire vehicle, loading and unloading (labor wages), and other related costs.

Rent Allowance: House rent will be paid to the AHs who need physical relocation for the transition period based on the average house rent in the project area.

Transition Allowances: To facilitate settling at new place, a transition allowance to cover extraordinary living expenses at the rate of PKR 50,000/ household (lump-sum) to the AHs relocating within the affected village and PKR100, 000/household to the AHs relocating to another area to reestablish at new place.

#### **4.6.5. Loss of Business Income**

The businesses affected by the project will be compensated on the basis of income of the businesses for a period of business loss (no more than six months for statics vendors or squatters). In the absence of documentary proof of income and expenditure the compensation will be determined through analysis of similar non-affected businesses or at least equal to monthly minimum wage rate.

Severely Impacted: Affected households losing 10% or more of their productive assets or overall income. The AH will receive one-time lump-sum allowance for severe impact to the landholders equal to market value of gross annual yield of lost agriculture land for three years. One-time lump-sum allowance would equal to one-year loss of income based on assessment of annual income. If placement of a tower or installation of transmission line have had damaged more than 10% of crop of an affected person, the compensation against loss of crop will be one-time lump-sum allowance for severe impact to the landholders equal to market value of gross annual yield of lost agriculture land for one years.

The amount of assistance for transitional period has been derived by considering the disruption in income in new circumstances from transition to recovery after shifting in attainment of same level of income.

All affected households and affected communities, both male and female, irrespective of categories of eligibility and entitlements, will be given advance notices in writing before the loss

occurs (i) first notice 3 months in advance; (ii) second notice one month in advance; (iii) third notice 7 days in advance; and (iv) fourth notice 24 hours advance.

#### **4.6.6. Special Provisions for Vulnerable APs**

Households who might not be falling below the poverty line but are losing their source of livelihood, women headed and household headed by elderly with dependents. One adult member of the affected household will be entitled for skill development and improvement training, or setting up micro enterprises with 100,000/ cash assistance, as to utilize the existing or new income generating skills or/and for the establishment of micro enterprises with technical assistance under Livelihood Restoration Plan. All vulnerable APs, in addition to applicable compensation for lost assets, including relocation and income restoration as explained in above sections, will be entitled to livelihood restoration/improvement support in the form of cash and preference to project-based employment or training with additional financial support and micro-credit facilities as well as organizational and logistical support to establish the AP in an alternative income generation activity.

#### **4.6.7. Public Utilities**

The public utilities will be restored with the assistance of the concerned departments. The restoration cost will be transferred in the account of concerned department as per the agreement.

#### **4.6.8. Mitigation of Additional Impacts**

The erection of tower and installation of 220 kV transmission lines are also part of the hydropower projects which will involve construction of tower base; towers erection; and stringing of wires from powerhouse to nearest grid station at the stage of project implementation. EA will make efforts to avoid and/or minimize resettlement impacts in selecting locations of the towers and route of the transmission lines. In case of any unavoidable adverse impacts, the EA will make an assessment of impacts and prepare an abbreviated RAP to fully and sufficiently mitigate the impacts by following WB OP 4.12.

PEDO will pay negotiated compensation for the land taken for tower sittings. If access of any person/groups is restricted to agriculture lands, the EA will provide access to severed piece of land and will establish entry and exit points for people's movement. If restriction of access to any commercial, residential areas/structures or community structures/social services, walkways/roads is restricted, the EA will provide/restore appropriate access to severed structure/building or walkways/roads. All alternative access ways will be established in close consultations with APs.

In case of non-resident APs, the EA will make efforts to find them by involving the APs representatives. In case of their non-availability, the EA will notify non-resident APs for salvaging the structure directly. For this purpose, EA will reserve the entitled amounts for those

non-resident APs. The absentees are eligible to receive their entitled compensation/assistance during or before completion of Project, by presenting their NICs as a proof of identity and evidence of two APC representatives.

#### **4.7. Livelihood Restoration**

A Livelihood Restoration and Improvement Plan(LRIP) will be designed by exploring possible options to mitigate impacts of imposed socioeconomic changes and meet development needs of economically affected, severally affected and vulnerable persons based on assessments of APs and analysis of facts and figures of the project impacts. The LRIP will assist APs in recovering their income levels that would have prevailed in the absence of the Project and enhance supplementary income of APs, to enable them to have diverse means of incomes that are sustainable and robust to cope with social and economic shocks such as the resettlement under the Project and ensure access of APs to project related benefits.

##### **4.7.1. Livelihood Restoration and Improvement Plan**

Impacts on income and livelihood could be due to; i) the acquisition of land on which people depend for their livelihood; ii) imposition of restrictions on access or use of land that people use for their livelihood; and, iii) displacement of people from their homes and businesses, leading to relocation and resettlement.

#### World Bank's Involuntary Resettlement Policy Principles on Livelihood Restoration

The World Bank OP 4.12 highlights the following principles:

- Assist the displaced persons in their efforts to improve their standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.
- If the impacts include physical relocation, support for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihoods and standard of living
- Provide development assistance in addition to compensation measures such as land preparation, credit facilities, training, or job opportunities.
- If land is not the preferred option of the displaced persons, or sufficient land is not available at a reasonable price; non-land-based options, built around opportunities for employment or self-employment, should be provided in addition to cash compensation for land and other assets.

A number of measures for restoration of livelihood and rehabilitation have been defined in the RPF for potential APs to restore their social and economic status prior to the project. These include:

- (i) subsistence/transitional allowance;

- (ii) right to shift to alternative locations to vendors to continue economic activity during and after construction the period;
- (iii) relocation assistance to formal businesses;
- (iv) provision of transition allowance;
- (v) severe impact allowance;
- (vi) additional vulnerability allowance;
- (vii) employment during project Implementation;
- (viii) opportunities for skill up-gradation;

In addition, by following the WB policy principles, a comprehensive livelihood restoration and improvement plan (LRIP) will be developed under each project based on the identification of diverse needs of the persons whose livelihoods shall be affected. In this regard, the project will conduct adequate consultations with the APs, and other stakeholder agencies, and will ensure their proactive participation in the design, planning and implementation of the livelihood restoration plan. The LRIP will also include specific measures or components for the vulnerable households, such as female-headed households, families that include members with chronic illness or disability, and households living below the poverty line. The EA will closely monitor the situation of the resettled families and business owners/operators continuously, up to the project completion, to ensure they are able to recover their livelihoods. At the end of LRIP, an evaluation will be conducted to document the lessons learned to be used as guidance for other projects for PEDO and World Bank.

#### **4.8. Social Development Plan**

A social development plan (SDP) will be developed and implemented as a part of each Project. The purpose of SDP is to share project benefits and promote human and community well-being. SDPs, through their interventions, assist people to address their priority needs and issues, which may vary as per the needs of the target population. The SDP may require the support of government line departments or non-profit organizations to implement the development interventions. A certain amount will be allocated under each project for the social development plan. According to the need assessment of the GKHPP, the communities prioritized the need for a school for the local children, especially for the girls, water supply and a health center. During the early period implementation period of each project, the SDP will be developed along with appropriate institutional mechanism and implemented with the assistance of social staff of the EA.

## **5. SOCIO-ECONOMIC PROFILE OF PROGRAM AREA**

### **5.1. Overview**

This section includes the socio-economic profile of the Upper Dir and Swat districts which cover the entire program area. Both districts are part of the Malakand Division of Khyber Pakhtunkhwa province in Pakistan. The topography of the program area is dominated by high mountains.

In the Upper Dir District, the most important mountain range is the Hindu Raj. It runs from the north-east to the south-west along the northern borders of Chitral district. In winter the area remains snow-covered. The mountains in the western part of the district are covered with forests, while the eastern mountain range, Dir Kohistan, is barren. The main river in Chitral, Panjkora River, originates from the Dir Kohistan. District headquarter Upper Dir is connected with metal led or shingled roads to all Tehsil Headquarters. District Upper Dir is divided into Dir and Wari subdivisions and 6 tehsils, which include Dir, Barawal, Kalkot, Wari, Chaper and Khal. There are 28 UCs in district Upper Dir; 13 UCs in tehsil Dir, 8 UCs in tehsil Wari, 3 UCs in both tehsils Barawal, Chaper, and Kalkot and 01 UC in Tesil Khall, all settlements are rural, and their elected representatives formulate district and tehsil councils.

The valley of Swat is situated in the north of KP province. Within the Swat area, Chitral and Gilgit are situated in the North, Dir in the West, and Mardan in the South, while Indus separates it from Hazara in the east. The district is enclosed by sky-high mountains, located among the foothills of the Hindukush mountain range. Topographically, the area is a mountainous region, located among the foothills of the Hindukush mountain range. The Swat region, containing the meandering Swat River, is also home to lush green valleys, snow-covered glaciers, forests, meadows and plains. The District Headquarter of Swat is Saidu Sharif, but the main town in the district is Mingora. Saidu Sharif is at a distance of 131 Kilometer (km.) from Peshawar, the provincial capital, towards the northeast. The total area of District Swat is 5337 Square Kilometer (sq. km), divided into two tehsils, namely Matta (683 sq. km) and Swat (4654 sq. km). The District of Swat is subdivided into 7 Tehsils. There are 65 Union councils in District Swat: 56 rural and 9 urban.

### **5.2. Tribes Ethnic Groups and Languages**

Kohistani and Yousafzai is the main tribes of Upper Dir while Padina Khel and Sultan Khel are the main sections. Besides these tribes, there are other small tribes like Catani, Roghani, Wordag, Sadat (Miangan), Swati, Hunches, Tajik, Mishwani, and Gujjars. In the project area, Kohistani tribe and its sub-sections are dominant. Kohistani of the Dir Kohistan area and Pashto are commonly spoken languages. Urdu is understood in the area as during winters the locals move to Punjab and Sindh provinces to earn a livelihood.

The people of Swat are mainly Pakhtuns (mainly of the Yousufzai clan), Kohistan (of Dardic descent) and Gujjars. Gurjjar, which is also one of the main tribes of the district, has its people divided in different clans like Khatana, Bajarh, Chichi, Ahir, Chuhan, Pamra, Gangal etc. The Dardic people of the Kalam region in northern Swat are known as Kohistanis. Pashtu is

predominantly spoken in Swat, and is understood and used by roughly 93 percent of the population as their mother tongue. A variety of other languages are also used in the area, like Torwali, Kalami and Khwar, spoken by the Kalam and Kohistani people in the Northern part of Swat; Gujro, a mix of Pashto and Punjabi, is spoken by the Ajar and Gujjar people.

### **5.3. Demography**

According to the 2017 census report, the population of Upper Dir district is 946,421 and the number of households is 120,228. About 95 percent of the population lives in rural areas. The average population density of the district is 260/km<sup>2</sup>. The average number of persons in each household is 7.9. Kalkot and Patrak are the major villages in the project area, with a population of 1841 (212 households) and 4394 (616 households).

The population of Swat District is 2,309,570 as per the 2017 census, making it the third-largest district of KP after Peshawar and Mardan Districts. Total male population in the area is 1,172,974 and for female is 1,136,544. Average annual population growth is 3.24 from 1998 to 2017. Swat is populated mostly by ethnic Pashtuns and Kohistani communities.

### **5.4. Occupations**

In the program area, agricultural land is limited. In Upper Dir, 33.7 % male population has been reported as economically active, including skilled and semi-skilled agricultural and fishery workers, service workers, shop and market sales workers, plant and machine operators, technicians, forest labor and craft and related trade workers. Farming, trade and working overseas are the main sources of income for the people. A very small proportion of the population is employed in government departments. The women, in addition to the household chores, share work with men in the agriculture sector.

Most of the Upper Dir district is mountainous terrain. Agricultural land is available only on the hilly slopes and in the valleys. Farming is usually carried out with crude tools such as ploughs drawn by bullocks, which is the traditional method of plowing done by men, and assisted by women. The irrigation system is also not ideal; agriculture mostly depends upon rain fall. Cropping pattern suited to the climate of Upper Dir includes maize, rice, wheat, barley, mustard, onion, and vegetables. Fruits include walnut, persimmon, apple, pears, plums, apricot, fig, loquat, and mulberry. Walnut trees are in abundance in the project area.

In Swat, with the largest share in the cropped area, maize is sown on 60,470 hectares. This is followed by wheat (59,850 hectares). The district is also famous for producing quality fruits. A variety of fruits like peaches, apple, pear, apricot, plum, persimmon, walnut, etc. are produced and marketed all over the country. Fruits and vegetables are planted on 12,470 and 8,380 hectares respectively. Rice, rapeseed and mustard, onion and canola have also significant shares in the cropped areas and are sown on more than 1,000 hectares. River Swat is the main source of irrigation water for agriculture. Most of the cultivation is carried out in the southern areas of the district consisting of Mingora, Kabal, Barikot, Matta and Khawazakhela. Major portion of the cultivated land in Rabi season is allocated to wheat and maize as it is the major

crop in Kharif season. Beside this, almost all types of vegetables are produced in the district due to its favorable climatic condition, irrigation water and fertile land. Swat, at its heart, is an agrarian community and agriculture accounts for roughly 50% of the economic activities of district Swat; a major source of income for much of the rural population.

Goats, sheep, and cows are common livestock reared in the program area. The animal products are utilized domestically as well as for marketing. Agricultural produce is usually utilized for domestic use because landholdings are small.

## **5.5. Social Infrastructure**

The program area is accessible by road (N45) from Dir, and has access to medical and educational facilities. However, the major hospitals and institutions are located in Dir. The district includes five hospitals, and 32 basic health units, two maternity hospitals, and 10 dispensaries. The educational facilities in the district include 783 primary schools (580 for boys and 203 for girls), 86 middle schools (63 for boys and 23 for girls), and 43 high schools (36 for boys and seven for girls). In addition, the district also includes three-degree colleges and one vocational training center.

In Swat the health facilities include ten hospitals, three basic health units, three maternity hospitals and 41 dispensaries. The educational facilities in the district include 1,381 primary schools with 3,188 male and 1,808 female teachers, 136 middle schools with 541 male and 280 female teachers (63 for boys and 23 for girls), and 18 high secondary schools, 256 private schools and ten colleges.

Animal husbandry and other related departments are available in the area and provide services to the local farmers. Loan facilities are available from the commercial banks. The marketing of produce is done easily through trucks and small vehicles.

## **5.6. Gender Roles**

The Program area, like the rest of rural KP, is a male-dominated, where gender roles and responsibilities are defined. In both Upper Dir and Swat districts societal norms are very traditional and conservative, holding to the popular value system deriving the basic principles from religion. The concepts of hospitality and Purdah are predominant within the local communities. Traditional division of labor is obvious; women generally manage domestic life whereas the male members of the family are responsible for earning a living and representing their families in the community. Only a few women have permission to go out without permission. Only very few women are able to go to health centers / friends, while the large majority (95%) cannot go alone to the market centers. The male population works outside for livelihood an earning, whilst women shoulder the responsibility of household activities. Some agricultural activities are also shared by women. Female decision-making is confined to the domestic sphere. Women strictly observe panda (veil) and interaction with the outsiders is not allowed.

## **5.7. Poverty and Vulnerability**

Poverty is rampant in both districts of the program area; however, Upper Dir is one of the poorest districts in the KP. The majority of the people in the project can be considered poor due to limited livelihood opportunities. In a brief survey carried out by PEDO, it was observed that about 60% of the households are living on a monthly income of less than PKR 5,000 per month. Poverty, food insecurity and an increased vulnerability of women were also prevalent in the area.

## **5.8. Conflict and Dispute Resolution**

Along with the formal justice system in the program area, there is a strong system of informal justice or Alternate Dispute Resolution (ADR) under the centuries' long Pakhtuns code of life. A majority of the locals refer their cases to this informal system, known as the Jirga. The Jirga plays a very active role for conflict resolution in the area.

The Jirga has been adapted as a source of ADR in Swat and is referred to as Dispute Resolution Councils (DRC). There is one DRC working at every police station level under the government umbrella. This is a trained group of 18-21 elders from the local area and work with the police station to solve disputes and day to day problems/ conflicts of people at the local level. In March 2012, a woman-led Jirga was also established in Swat called the Sister's Council. This Jirga is working very effectively for mobilizing the local women and sorting out local conflicts.

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

### **6.1. Public Consultation and Participation Strategy**

According to OP 4.12, APs must be meaningfully consulted and provided with opportunities to participate in the planning and implementation of the RAP. Under the same principles, APs must be informed in an appropriate and timely manner of the outcomes of resettlement planning process, as well as the schedules and procedures for the preparation and implementation of the A/RAP, including entitlements, payment procedures, and relocation.

The community consultation process should be interwoven into all stages of the projects and last for the duration of the program. The consultations encompass involvement of the primary stakeholders as well as other key stakeholder groups. Consultation and participation are closely linked with information disclosure. The flow of information is a two-way communication process between the borrower/client and APs, and a platform where all relevant information will be taken into consideration in the project planning and implementation phases. Meaningful and continuous consultations create a platform for the stakeholders' participation/inclusion in the project processes. Consultations must be wide and open to all people that would like to participate. At a later stage, consultations with directly affected people only may be held, to discuss more concrete measures related to the affected persons.

### **6.2. Stakeholder Engagement**

#### **6.2.1. Stakeholder Consultations during Preparation**

Consultations were conducted in all three proposed project areas with potential APs, respective district government departments, academia, NGOs, public representatives, and community leaders including women and vulnerable APs. Extensive consultations were conducted for the preparation of Gabral-Kalam HHP (GKHPP) with primary and secondary stakeholders mentioned above. The objectives of these consultations were: (i) to understand and discuss the socio-economic, cultural and environmental context of the proposed project areas under the Program; that includes areas within the administrative boundaries of these divisions; (ii) to share information about the Program with primary and secondary key stakeholders; and to assess the level of interest and roles and responsibilities of different stakeholders in the Program implementation.

Feedback from the primary and secondary stakeholder consultations was overall supportive of the Program and the three proposed projects but request was made to enhance the benefits of the projects to the local population through provision of social services in addition to compensation, resettlement and rehabilitation assistance. Participants appreciated gathering of a variety of stakeholders and representatives of affected persons.

The consultation meetings, FGDs and key informant interviews were conducted individually and meetings were also conducted with the village/tribal elders (*Jirgas*). Three consultative workshops were conducted on land acquisition, resettlement and environment aspects of the Program. The summary of Program was disclosed to the APs and other key stakeholders in the form of information dissemination material in order to inform the representatives of APs on (i) key potential land acquisition and resettlement impacts; (ii) to agree on eligibility criteria, cut-off-date and entitlements; (iii) proposed draft GRM to the APs for their comments and agreement; and (iv) discussion on the way forward. The summary of consultation activities is given in **Table 5**.

**Table 5: Details of Public Consultation and Disclosure Meetings**

	Location	Date	Number of Participants	Type of Participants
1	Village level community Consultations for Gabral Kalam project	August to October 2019	312	Communities around the project sites, including affected communities
2	PEDO Complex, Peshawar	21 Oct 2019	24	Relevant gov't departments, academia, civil society organizations,
3	Golden Start Hotel, Kalam	7 Nov 2019	70	Affected Persons, relevant gov't departments, public representative, and civil society organizations,
4	Sangam Hotel, Patrak, Upper Dir	9 Nov 2019	65	Affected Persons, relevant gov't departments, public representative, and civil society organizations

The key issues raised by participants and discussed at these community consultations are summarized in **Table 6**. The project will engage in continuous consultations with communities and other stakeholders to address the issues and concerns that emerged during initial consultations.

**Table 6: Key Concerns of Project APs and their Addressal**

Feedback from Stakeholders	Actions by PEDO
Minimize land acquisition to the extent feasible since the availability of suitable agricultural land is scarce in the project area.	While carrying out the feasibility studies for the GKHP, PEDO ensured the minimum acquisition of private land.
Adequate compensation for the loss of land. Payments to be made only to the legitimate owners at the prevailing market rates.	The principles and procedures for the valuation of assets at market rate have been laid down in RAP, in detail.
Compensation for land and structures to be paid prior to the construction.	Construction activities will start only after the payment of compensation to the affected communities of their lost land and other assets including resettlement and rehabilitation assistance.
Development schemes such as schools, health centers, mother and child health care centers, vocational training centers, separately for men and women, should be implemented in the affected villages. And the access road from Kalam to Utror should be rehabilitated.	Local area development programs will be implemented as a part of the Program having several interventions to address priority needs of the local communities particularly the affected population. In addition, a livelihood restoration and improvement plan will be implemented to support the improvement of existing means of livelihoods and alternative off-farm income-earning opportunities including women-specific interventions.
Employment opportunities in the construction phase of the project.	Local workers will be given preference for employment in construction-related works. PEDO will also support the local communities to improve their skills in construction activities.
Construction of fish ladders.	Fish ladders will be designed in the Project technical design.
Employment opportunities should be provided to local skilled and unskilled labor in the project, to improve the livelihood of the locals. At least one-third of the local community, especially	Contractors will give preference to the local skilled and unskilled labor. Preference will also be given to the APs.

Feedback from Stakeholders	Actions by PEDO
APs, should be engaged in the project-related jobs.	
The clearance of land should be minimized to the best possible extent.	Cultivation fields will be avoided to the possible extent while selecting the area for the proposed sites. Where unavoidable, compensation will be paid as detailed in the present RAP/ entitlement matrix. The contractor will curtail the clearance through astute planning.
Compensation for land acquisition should be paid before the commencement of work.	Compensation for loss of land, crops, trees, and structures will be paid in accordance with the entitlement matrix presented in this RAP including compensation based on the market rate as well as replacement cost. Vulnerable APs have been identified and assistance will be provided to them in addition to entitled compensation.
Compensation should be fair and should be delivered before start of work. Payment of compensation for project-affected person especially vulnerable APs should be ensured.	Compensation for any loss to crops, trees, and structures will be paid in accordance with the rates given in the present RAP. These rates have been established based upon the official rates. APC will be established to ensure that compensation is fair and paid in a timely manner. Vulnerable APs have been identified and assistance will be provided to them in addition to the compensation.
While selecting the place for weir and powerhouse, impacts on the structures should be avoided and relocation of settlements should be minimized by changing the design, where possible.	Settlements, houses, and other structures would be avoided to the extent possible until and unless impacts cannot be mitigated and the settlement falls under the proposed site. In such a situation compensation will be paid as per the RAP.
Transport for the relocation of assets and timely compensation to all affected people should be provided.	Transition/ shifting assistance will be provided to the eligible/ entitled persons in addition to the compensation for the lost assets.
The policy framework should be made for compensation of land at market rate.	Compensation against losses of land, crops, trees, structures and other assets will be paid to the affected people in accordance with the RAP.
Spoiled/ damaged lands should be rehabilitated/ restored after the construction work is completed.	The contractor will rehabilitate/ restore the lands damaged by the construction activities.
Local norms should be honored; and construction work should be completed in time	Liaison with the community will be maintained during construction activities. The construction staff will be provided trainings regarding local norms. The construction staff will comply with the code of conduct. Construction activities will be completed in the shortest possible time.
Compensation for the affected cropped area, houses and other private assets should be in harmony with existing market rates/ replacement cost	Compensation against losses of crops, trees, structures and other assets will be paid to the affected people in accordance with the RAP. The compensation rates have been recognized based upon the official rates.

Consultations were also carried out with women and the entitlement matrix was also discussed. During the consultations, the affected women and vulnerable groups were explained the structure of compensations, the types of allowances and the mechanism of disbursements. The consultation attendance also included NGOs working in the area.

### **6.2.2. Consultations Framework during Project Implementation**

The PMO will be responsible for managing and conducting meaningful consultation with directly affected persons and other affected groups throughout the project lifecycle. The most commonly used approaches to consultations, information sharing and engagement with stakeholders are outlined as follows:

- Wider community consultations include a broad representation of the communities through mass public meetings;
- One-to-one consultations with the people that will be directly affected by the Project;
- Targeted stakeholders consultations including specific groups of affected persons such as APs losing agricultural land, communities losing common land and forest trees under customary rights, communities losing access, etc.
- Workshops including representatives of local authorities and representatives of the affected persons and communities;
- Focus group discussions including representatives of local authorities, communities, women's groups, youth groups, and any other third parties to discuss specific project-related issues and gather participant opinions, suggestions and concerns;
- Key informant interviews are conducted mostly during the project preparation phase to generate information and ideas about the Project. The key informants may include community leaders, public representatives, heads of the AHs, women heads of the AHs, community organizations, NGO, officials of relevant institutions, experts from academia and civil society;
- Face-to-face meetings with the APs will be held to clarify confidential information on the compensation amount, particular entitlements related to the APs' affected lands and other assets, complaints or concerns related to the project, as needed;

Consultation proceedings will be properly documented. The essential documents will include: date, location, a list of the key issues raised by the participants, agreed actions, photographic records, and list(s) of participants. The minutes of the consultations, together with scanned sign-in sheets of the participants will be included in the monthly and quarterly reports and in the RAPs. The data should be disaggregated by gender, with the key information recorded at the top of the minutes, stating the number of participants, the number of men, and the number of female participants. A Stakeholder Engagement Plan (SEP) has been provided in the ESMF.

### **6.2.3. Stages for Stakeholder Engagement and Consultation**

As mentioned above, in principle, consultations are aimed at obtaining stakeholder co-operation and their engagement throughout a project lifecycle, providing both primary and secondary stakeholders with opportunities to meaningfully contribute to the project development and implementation process. Under the program the following processes would be undertaken during project identification, planning, and implementation.

Project Planning Stage: Information on each stage of the Project will be disclosed to the affected communities in order to inform them and ascertain their potential roles and responsibilities. At the planning stage, the participants would be engaged in an interactive process that allows the affected communities, Project design team and planners to identify the most appropriate alternatives and options for finalizing the detailed designs. An analysis of the project affected persons, and consultation with the APs are mandatory for preparation of the RAP.

Project implementation Stage: The PMO will interact closely with the affected communities during project implementation. Much of the discussion will focus on the issues relating to relocation, loss of livelihood, vulnerabilities, assistance to minimize the impacts on livelihoods, and on the resources that may be affected during implementation of the Project. The PMO will also co-ordinate closely with the relevant line agencies responsible for land acquisition, recovery, and improvement of livelihood and income generation. **Table 7** indicates the key activities relating to consultations that will be undertaken during Project identification, planning, design, and implementation. The exact timing of these activities will be determined by factors that include progress of the general and detailed designs for each intervention, the prioritization of the project activities, and the staffing and resource availability to the PMO.

**Table 7: Consultations with Stakeholders during Project Lifecycle**

Project Stage	Consultation Activities
Project identification	<ul style="list-style-type: none"> <li>• While selecting a site for a structure for any of the project or activities associated with the projects, conduct detailed consultations with customarily recognized or legally titled landowners and any non-titled affected people, such as squatters, tenants, and herders that may have traditional access to these areas. The PMO/project team will facilitate meetings to reach consensus for locations that have least adverse impact. The donors of such land could be a community/clan or sub-clan that owns undivided land collectively or as individuals. Identify primary and secondary stakeholders of respective project</li> <li>• Engage stakeholders in consultation process</li> <li>• Prepare information dissemination material and plan the most appropriate modes of dissemination</li> <li>• Organize and document meetings with stakeholders, and</li> <li>• Identify the need for preparation of RAP.</li> </ul>
Project planning and Designing	<ul style="list-style-type: none"> <li>• Convene and record meetings with potential APs and or potential host population</li> <li>• Involve APs in assessing project impacts</li> <li>• Consult APs about entitlements, relocation alternatives and income restoration options</li> <li>• Obtain inputs from potentially affected persons, hosts, community organizations on selection and development of resettlement sites, if applicable</li> <li>• Establish Grievance Redress Mechanism and notify grievance redressal committees (GRCs) at the appropriate level of respective project with representation of APs, in addition to a program level GRC</li> <li>• Involve potentially affected persons in the review of the A/RAP salient aspects relevant to them.</li> </ul>

Implementation	<ul style="list-style-type: none"> <li>• Facilitate participation of APs in the implementation of RAP</li> <li>• Involve relevant gov't department, community organizations and other suitable institutions in resettlement efforts</li> <li>• Obtain support from community organizations, NGO, private or gov't institutions or any other appropriate institutions in livelihood and improvement plan</li> <li>• Involve APs in decision-making committees</li> <li>• Ensure that GRC procedure is functional</li> <li>• Involve APs in monitoring and evaluation of RAP implementation.</li> </ul>
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The PMO will keep records including photographs and videos of consultation activities including dates, locations, participants, key issues raised, and responses/redressal to such issues. The procedures for consultation and communication, as well as the dissemination of information, will be formalized by the PMO.

### 6.3. Information Disclosure

The WB Policy requires the provision of relevant project information in a timely manner, at an accessible place and in a form and language(s) understandable to the affected persons and other stakeholders. Information disclosure involves delivering information about a proposed project to the affected persons and other stakeholders. The purpose of the information disclosure requirement specified under WB Policy is to facilitate engagement of people so that a constructive relationship between the parties is established at the outset and maintained over the life of the project. Special efforts will be made to reach vulnerable groups lacking access to public media and information exchange.

Some of the disclosing information methods to be considered are:

- (i) information campaigns through electronic and print media;
- (i) public meetings;
- (ii) focus group discussions;
- (iii) household/individual interviews;
- (iv) workshops/seminars;
- (v) program websites; and
- (vi) local information boards at village information centers.

## **7. INSTITUTIONAL ARRANGEMENTS AND IMPLEMENTATION**

### **7.1. Program Steering Committee**

A Program Steering Committee (PSC) will be established for policy guidance and to coordinate program implementation with members. The committee may comprise of senior officials of Planning and Development Department, PEDO, Energy and Power Development, Revenue Department, Forest, Wildlife and Environment Department, Labor Department, Communication and Works Department, Agriculture Department. The PSC will (i) meet every quarter or more frequently if required; (ii) take stock of program's progress; (iii) make policy decisions; (iv) resolve issues of Program implementation; (v) review semi-annual and annual program performance reports, and based on periodic discussions, issue directions for effective Program implementation.

### **7.2. Energy and Power Department (EPD)**

The Energy and Power Department (EPD) will be the lead counterpart agency. The EPD aims to develop the potential of the KP province in Hydel power generation, alternate energy and oil & gas resources to contribute significantly in mitigating energy crisis and to generate resources for self-sustainability of the Province. The Program will be implemented under the overall guidance of Secretary Energy and Power Department, Government of Khyber Pakhtunkhwa.

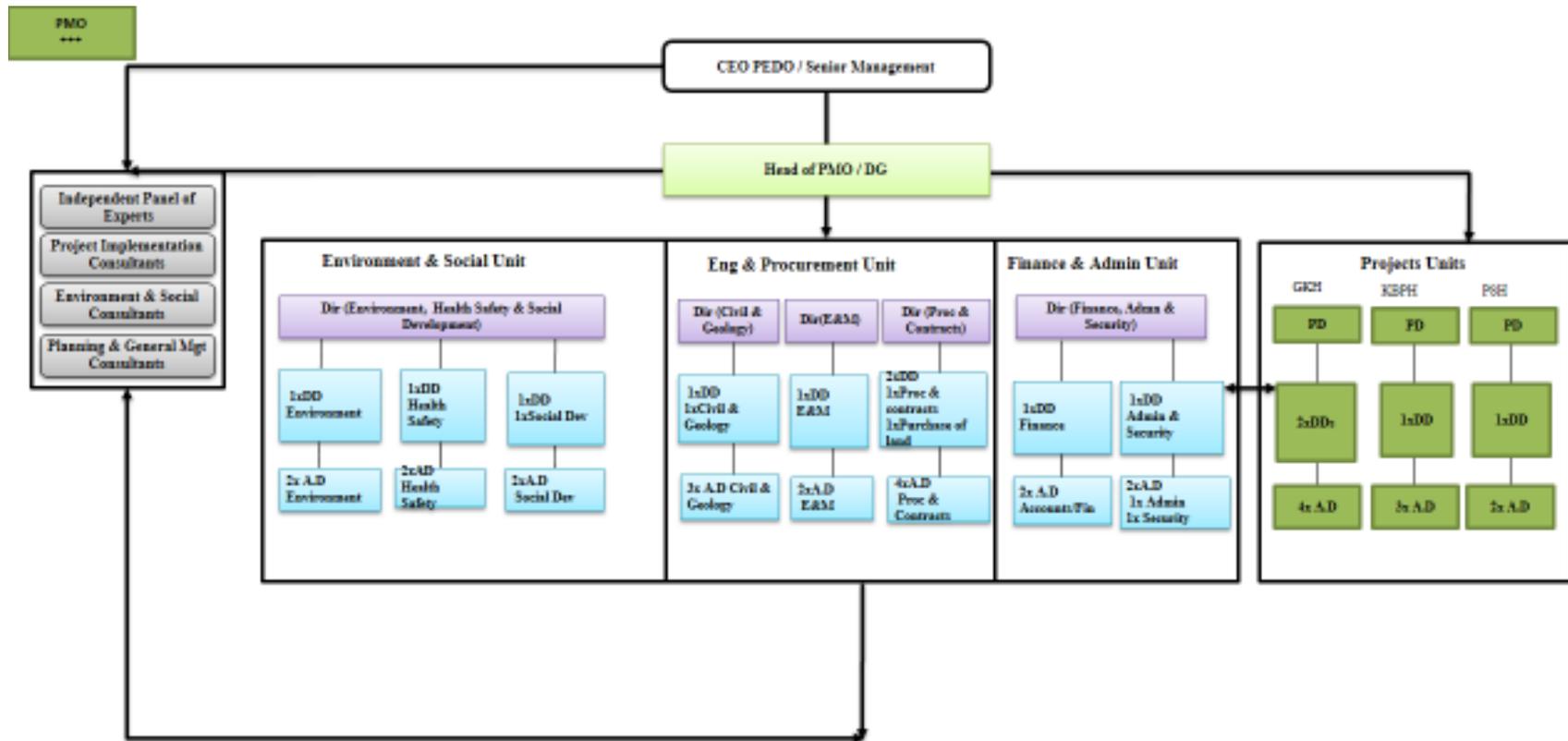
### **7.3. Pakhtunkhwa Energy Development Organization (PEDO)**

The Pakhtunkhwa Energy Development Organization (PEDO) will be the EA of the Program. PEDO is an autonomous body with a Board of Directors under the overall administration of Secretary Energy and Power Department. The PEDO is headed by a Chief Executive Officer (CEO) assisted by five General Managers and six Chief Engineers. GM hydel (PEDO) is responsible for oversight of the Program. PEDO has the overall responsibility of Program implementation, project design under the Program, land acquisition and resettlement, construction, environment and social management during construction, supervision and monitoring of the Program and projects implementation. PEDO will be overall responsible for preparation, implementation and financing of all RAPs related tasks. The specific responsibilities of PEDO include (i) establishment of PMO; (ii) For project duration, recruit and retention of social, resettlement and gender staff at PMO, by PIC, contractors and other project implementing parties and their capacity strengthening; (iii) Identification of projects to be developed under the Program; (iv) ensure that the program is compliant with the requirements of WB OP 4.12 Involuntary Resettlement, the RPF and LAA 1894 (with KP specific amendments); (v) cross-agency coordination; (vi) project specific social impact assessment and preparation of RAPs (vi) project specific poverty, social and gender assessment; (vii) review and approval of RAPs (viii) submission of approved RAPs to the WB for compliance review and clearance; (x) financing for RAPs implementation; (ix) implementation of RAPs ; (xi) monitoring and supervision of RAPs implementation.

### **7.3.1. Program Management Organization (PMO)**

PEDO will establish an office named Program Management Organization (PMO) which will manage the Program on a day-to-day basis with the support of PEDO. Overall responsibility for the Program's safeguard activities, including resettlement, lies with PEDO and PEDO will exercise its functions through PMO, which will be responsible for planning and implementation of all Program related activities, including social safeguards management. The organogram of PDO is provided as **Figure 2**.

Figure 2: Organogram of Project Management Organization



The PMO will establish an Environment and Social Unit (ESU) based in PMO and the Head of PMO will be designated as Chief Safeguards Compliance Officer. The PMO Social, Resettlement and Gender Team will comprise of one Director Social Safeguards and two deputy directors to be based at head office of PMO, and the social safeguards field team of PMO site offices will be headed by four Assistant Directors. The number of project specific social, gender and resettlement staff will depend on the scale and intensity of LAR impacts.

The Director Social Safeguards of ESU will support the PMO Head and the ESU staff of site office of the respective projects with their work through liaising with relevant officials of Revenue Department and other relevant departments. The site offices of PMO will facilitate communication and coordination with APs, district and tehsil staff of Revenue Department and other relevant departments, and assist in RAPs implementation.

The key responsibilities of ESU staff of PMO head office include (i) ensure that the Program comply with LAA 1984 and WB OP 4.12 on Involuntary Resettlement; (ii) take actions to avoid and minimize involuntary resettlement impacts by exploring alternative design options in collaboration with design engineers at the stage of project design; (iii) orient and coordinate closely with the Board of Revenue (BOR) and relevant departments at provincial, district and tehsil regarding LAR activities; (iv) ensure that bidding and contract documents include the clauses on the relevant provision of RAPs; (v) develop an action plan for the implementation of RAPs; (vi) ensure that the required funds for land acquisition and resettlement for RAPs implementation are approved and available; (vii) synchronization of LAR activities with projects construction schedules; (viii) facilitate disbursement of compensation in close coordination with the Revenue staff and the R&R assistance with the concerned Project Directors as per schedule; (ix) ensure transparency in compensation and R&R payments; (x) facilitate taking over possession of acquired lands free of encumbrances; (xi) implement grievance redressal mechanism by facilitating resolution of APs' concerns, complaints, and grievances about the projects social performance, monitor implementation of GRM; (xii) manage database of LAR, GRM and other related LAR activities in the Management Information System (xiii) internal monitoring and supervision of RAPs implementation; (xiv) based on the results of internal monitoring, identify corrective actions and prepare corrective action plans to redress the grievance by taking remedial action to rectify non-compliances of RFP principles/WB OP 4.12; (xv) in case of occurrence of unforeseen impacts, conduct social impact assessment and prepare addendums to the RAPs and facilitate approval from PEDO and subsequent clearance of the WB; (xvi) with support from in-house ESU staff, prepare semi-annual monitoring reports for submission to PMO, PEDO and WB; (xvii) submit monthly and quarterly progress reports and updates as required on RAPs implementation and other LAR activities; (xviii) facilitate hiring of third party monitoring agency for external monitoring of RAPs implementation; (xix) facilitate third party monitor in providing the record and all relevant data (xx) liaison with contractors, sub-contractors, and service for the provision of employment to APs during construction and operations phase of the respective projects under the KPHD Program.

### Local Level PMO Project Site Offices

The ESU field office staff will facilitate the RAP implementation activities and provide easy access for people who have concerns or grievances, or want to discuss specific aspects of the land acquisition and resettlement. The field staff will be provided with offices with adequate facilities including transport, computers and communication. The key tasks of the ESU Site Office staff are:

- Ensure that projects are implemented in compliance with LLA 1984 and WB OP 4.14
- Disclosure of RAPs at local level offices of district and tehsil governments, relevant government departments, academia, CSOs and other stakeholders
- Distribute information brochure and GRM brochure to APs and other stakeholders and orient APs through face-to-face meetings
- Disclosure LAR related information to APs through face-to-face meetings
- Close coordination with all stakeholders including APs, officials of district and tehsil Revenue and other relevant Departments, affected communities for smooth functioning of LAR activities
- Distribute advance notices to the APs for vacating structures or lands
- Support the PMO in conducting regular consultations with APs and for preparing and implementing the RAPs
- Distribute notices to the entitled APs of the project regarding their payment of compensation
- Facilitate the APs in completion of necessary documentation to receive their entitled payments
- Facilitate AHs in completion of necessary documentation for submission of their claims for compensation and to receive their entitled payments
- Provide proper guidance for the submission of their requests for compensation as per eligibility & entitlement
- Develop a close interaction with the APs, affected communities and general public to address their concerns
- Help the APs to put their complaints (if any) in front of GRC
- Update, and maintain the database on LAR activities
- Support the PMO in the effective implementation of the RAPs, including relocation and livelihood restoration activities
- Help resolve grievances of APs at local level, monitor and regularly report on the implementation of the GRM, and maintain a grievance log
- Prepare monthly progress report on the RAP implementation for submission to the Director Social Safeguards of PMO head office; and
- Help APs in other related activities.

#### **7.4. Local / District Government**

District-based agencies have jurisdiction over land acquisition and compensation through application of Land Acquisition Act 1894 (the Act), rules, orders, and notifications. Land

acquisition functions rest with Board of Revenue represented at District level by the District Collector (Deputy Commissioner) and Land Acquisition Collector (LAC). The LAC works under the powers of District collector/Deputy Commission as per LAA 1894. If required, PEDO will request to the Sr. Member Board of Revenue to designate a dedicated LAC for the PEDO to assist in the land acquisition and compensation activities. According the LAA, it is the LAC's responsibility to initiate and complete the process of land acquisition. LAC works as an arbitrator between land acquiring agency and public. The LAC is independent in the decision making as per LAA and under the powers of District Collector (the Deputy Commission). The LAC is bound to perform the duties as per LAA. The notification to land owners for the requirement of land for public interest in the official gazette, and the provision of a public notice. The LAC and the KP Revenue Department undertake the valuation and determine the unit cost/ rates of land to be acquired. The LAC can receive the objections / grievances, after notifications under the Act within a specific period of time under Section 5-A.

### **7.5. Other Government Departments**

The LAC requests the government departments to carry out detailed measurement surveys of (i) land; (ii) structures; (iii) crops; (iv) fruit trees; (v) wood trees. The assessment of the affected structures pertains to the Works and Communication Department (C&W); the assessment of affected wood trees pertains to the Forest Department; the assessment of crops and fruit trees pertains to the Agriculture Department. The LAC will be responsible for payment of the compensation to the affected titleholders and registered sharecroppers and cultivators of village common lands.

### **7.6. Affected Persons Committees**

In order to formalize the process of consultations and coordination with the APs and make fair and timely compensation, and R&R assistance, affected persons committees will be formed and shall be called Affected People Committee (APCs), and will function separately for men and women. Each committee will have four to seven members with a minimum of 2 female members. Each APC will comprise of a president, a vice president, a secretary and 1-4 executive members nominated by various categories of APs. These APCs will hold meetings a minimum of twice a month; however, during the process of RAP implementation, APCs will hold more frequent meetings, as and when required. The APCs act as forum/platform for: a) disclosure of information and consultations; b) maintaining an on-going interaction between the PMO and Contractor staff, LAC and the APs; and c) identify problems and undertake remedial/corrective actions by the PMO, LAC and relevant officials of other agencies before they turn into grievance.

## 7.7. Consultants Support for Social and Environment Safeguards

PEDO requires the services of a Consultancy Firm as Program Implementation Consultants (PIC) to act as Employer's Representative/the Engineer as defined in <sup>20</sup>FIDIC document to perform all the duties and obligations needed for the successful implementation and accomplishment of the Program activities. The PIC role and responsibilities include:

- The Social and Environment Specialists under PIC will ensure that prior to bidding stage; environment and social safeguard requirements are included in the design and bidding documents and contracts of contractor, sub-contractors and service providers for environment and social management throughout through development of TORs.
- Provide assistance to PMO in the overall Program management and implementation including implementation of RAP(s) and ESMP(s); review and finalize all kinds of reports including environment and social safeguard documents (ESIA/ESMP and RAP); and supervise and monitor all Program activities including implementation of social and environment safeguard instruments (ESMP and RAP) by assuming the role of "PEDO representative". The PIC will Prepare Standard Operating procedures for the implementation of ESMP and RAP prior to start the implementation.
- Carry out capacity building of PMO, PEDO, contractors and other relevant agencies in environment and social management. The PIC will shall ensure that the Contractor and other parties are fully coordinating with PEDO and WB, and other stakeholders for the implementation of ESMPs and A/RAPs.
- Conduct independent investigation of grievances and prepare factual documentation describing the circumstances of the grievances with necessary documentation, records and photographs, which may result in resolution or arbitration between the APs and PMO. Contractor, sub-contractors or service providers, and will attend hearings and provide all legal and other support to the PEDO.
- Ensure that proper Health and Safety measures are put in place as per WB's policy and standards.
- Maintain records, files and reports of A/RAP and ESMP implementation including necessary documentation, records, and photographs in a manner suitable to meet PEDO and WB requirements;
- Supervise the implementation by the Contractor of the required environmental and social mitigations measures as per the ESIA and A/RAP reports, and GAP;
- Prepare and issue all necessary reports on implementation of ESMPs, A/RAP and overall environment and social management as required by PEDO and WB. The reports shall include monthly photographs (referenced and dated) comprising overview and focal photograph of all key issues. The format of report will include the records of supervision

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<sup>20</sup>Federation Internationale des Ingenieurs-Conseil (**FIDIC**) /International Federation of Consulting Engineers [www.fidic.org](http://www.fidic.org)

and monitoring of ESMP, RAP implementation and other aspects of environment and social management.

- These specialists will oversee implementation and conduct internal supervision and monitoring of environment and social safeguard instruments (ESMP, RAP, Gender Action Plan) and Grievance Redress Mechanism (GRM) throughout the Program operations and ensure the quality of services provided by PMO in the implementation of ESMP, A/RAP, and validate the brief monthly and detailed quarterly reports on environment and safeguards to be prepared.
- The Social & Resettlement Specialist (SRS) of PMO in conducting safeguards capacity building activities for the PEDO and contractors' staff of other relevant departments as necessary.

A brief monthly progress report, and also supervise the work of the contractors in the field for the compliance with RAP. The PMO will also prepare monthly progress reports to be submitted to PIC, and in return the SRS of PIC will review, validate, and ensure quality of these reports and compile them into quarterly progress reports to submit to WB for review and clearance. The SRS will also provide support to PMO in the preparation of a compensation and resettlement assistance completion report(s), prior to the award of civil works contract, to indicate the clearance of those sections/sub-components, where civil works could not commence before full payment of compensation and resettlement assistance to APs.

#### **7.8. Compensation, Resettlement and Rehabilitation Assistance Disbursement Committee**

The funds for income restoration/livelihood and rehabilitation assistance for various categories of APs will be disbursed by the Resettlement and Rehabilitation Disbursement Committee (R&RDC) to the APs. The R&RDC will comprise of a) the Project Director (head); b) LAC; c) Assistant Director-Social Safeguards (secretary); and d) Assistant Director-Finance. This committee will meet fortnightly and approve weekly schedules for the payments against compensation and resettlement assistance including income restoration/livelihood and rehabilitation allowances as per provisions made in the Entitlement Matrix of respective RAPs.

The APs will be given advance written notices of the date, time, and place of payments in their own villages through APCs and public announcements through village information centers. The payments of compensation against land and other fixed assets will be made by LAC as per provisions in the LAA and by the cheques of the resettlement and rehabilitation assistance will be signed by the Project Director. All payments will be made through cross cheques. For assets owned by women, compensation will be paid directly to affected women. In the case of married couples/households, the compensation will be paid to the one who owns the assets. In most cases, it usually is the man but if these assets are jointly owned by couple, then the amount is paid to both the parties.

## **7.9. Third Party Monitoring Agency**

PEDO will appoint a third party for third party monitoring (TPM). The TPM will be executed by an individual expert or a firm. The TPM monitoring will cover all aspects of RAPs implementation. Details of tasks of the TMA provided in the M&E Section.

## **7.10. Capacity Enhancement**

The environment and social staff of PMO, technical staff of PMO, PIC, PEDO relevant staff, contractor(s), sub-contractors, service providers, and relevant staff from other concerned departments will require capacity enhancement particularly in relation to social safeguards management in both resettlement and post-resettlement phases. A series of orientation sessions, awareness raising and training workshops, share experience visits, a number of mentoring sessions and on-the-job training will be held with the assistance of national and international social safeguards specialists as and when required. The training program will help in enhancing their capabilities to better implement the RAPs, GAP and social aspects of ESMP, and enhance awareness and sensitivity of social and environment aspects of the projects.

## **8. GRIEVANCE REDRESS MECHANISM**

### **8.1. Regulatory Framework for Grievance Redress Mechanism**

The Land Acquisition Act 1894 contains provisions pertaining to objections and hearings of APs of land and associated assets. The Act is limited to address grievances pertaining to compensation and there is no provision in the legal framework for a continuous grievance redressal mechanism on the concerns and grievance of the affected persons and other stakeholders other than land acquisition, compensation and related matters.

### **8.2. World Bank OP 4.12 Involuntary Resettlement Requirements**

The WB requires establishment of a suitable Program level grievance redress mechanism in accordance with OP 4.12 Involuntary Resettlement to address concerns and grievances of project affected persons and other stakeholders. This mechanism can receive and facilitate resolution of the concerns or grievance of people who believe they are adversely affected by the project(s) under the Program's environmental or social impacts or the people who believe that their interest are at risk due to the project(s) including construction and operations activities. There is also provision for protection of complainants from retaliation and the right to remain anonymous, if requested, to receive and facilitate resolution of the affected people's concerns and grievances regarding the project's social, resettlement and environment performance.

### **8.3. Existing Grievance Redress Mechanism of PEDO**

PEDO has a provision for receiving written complaints manually and their redressal, but does not have standard operating procedures to receive and redress complaints and there is no practice of redressing anonymous complaints. There are a few examples that PEDO has established project specific GRM for donor financed projects/programs.

Currently PEDO has been receiving and redressing complaints under the "Pakistan Citizen Portal", a government-owned Mobile Application (available on both Android and iOS) established by Prime Minister's Performance Delivery Unit and is being used as a tool to promote citizen-centric and participatory governance. It is an integrated citizens' grievance redressal system connecting all government organizations both at federal and provincial levels. It provides a nation-wide window to connect people with government organizations at all levels for raising their issues with authorities, complaints' redressal and suggestions.

### **8.4. Grievance Redress and Mechanism for the Program**

A program -specific grievance redress mechanism (GRM) will be established to receive, evaluate, and facilitate the resolution of affected parties' concerns, complaints, and grievances about the environmental and social performance at the level of the Project. The existing grievance redress system may be used in conjunction with the project-related GRM. The GRM

will function during all phases of the project implementation. It will provide a time-bound and transparent mechanism to address and resolve grievances arising from the implementation of the project.

PEDO will follow the Grievance Redress Mechanism to address any dissatisfaction and complaints by APs or residents of area of influence of respective projects as set out in the Resettlement Policy Framework. This procedure will be applied to address any complaints or grievances during the implementation of respective projects.

#### **8.4.1. Aims and Objectives of GRM**

The GRM will aim to investigate charges of irregularities and complaints and grievances received from the APs and other stakeholders and provide a time-bound early, transparent and fair resolution to voice and resolve environmental and social concerns and grievances linked to the project. The fundamental objectives of the Grievance Redress Mechanism are to:

- allow APs and other stakeholders the opportunity to raise concerns, complaints and grievances anonymously with a clear process using several intake locations and modes;
- reach mutually agreed solutions satisfactory to both the Project and the APs, and to resolve any grievances locally, in consultation with the aggrieved parties;
- facilitate the smooth implementation of the A/RAPs and ESMPs, particularly to cut down on lengthy litigation processes and prevent delays in project implementation; and
- ensure that concerns and grievances are handled in a fair and transparent manner, in line with provincial laws and regulations, and WB's applicable Operational Policies.

#### **8.4.2. Nature of Complaints to be redressed**

It is anticipated that during the Project implementation and operational phase, the nature of such complaints will relate to compensation and resettlement and rehabilitation assistance; income and livelihood restoration matters; damages, mobility and access issues of general public or disruptions of services/utilities during civil works will be related to the project functionaries, environmental issues, non-observance of project principles, by different parties, as laid down in the RAP.

#### **8.4.3. Information Dissemination about GRM**

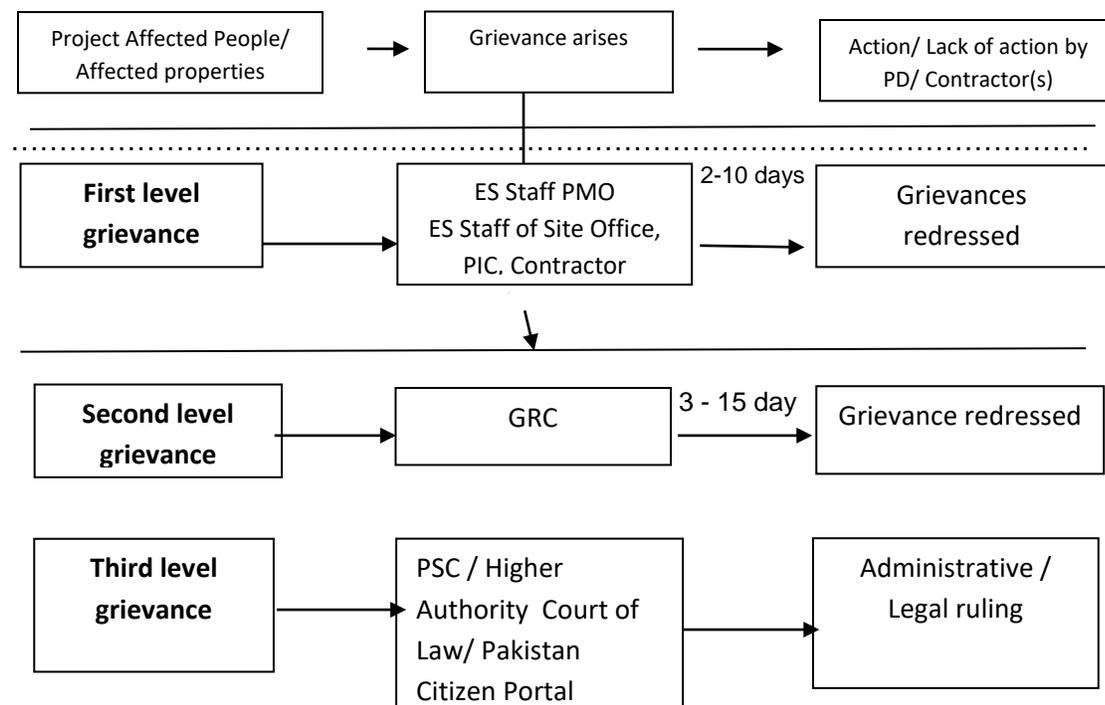
The APs will be fully informed of their rights and the procedures for addressing complaints, verbally, in writing or anonymously during the consultations in environment and social impact assessment surveys and studies, and will be informed again when the compensation is disbursed. The site office staff of ESU-PMO with the assistance of ES staff of PIC and contractor(s) shall make the male and female APs, general public and other concerned stakeholders aware of the GRM, particularly the APs, through information dissemination campaigns, information dissemination material, face-to-face meetings, and formal workshops for both literate and illiterate APs. The GRM shall be publicized through the notice boards at the projects site offices, Contractors' construction camps at accessible and visible locations and

along the corridor of the road and power transmission line to be constructed under the Project. The illiterate men and women will be facilitated in documenting their verbal complaints by the ESU site office staff, PIC and the Contractors' staff and subsequent follow ups until their resolution. The names of the ESU, PIC and contractors' focal person their addresses and contact numbers of PMO/complaint registration number of PEDO will serve as hotlines for registering verbal concerns, complaints and grievances. The project information brochure will include a section on GRM and a dedicated brochure on GRM will be prepared in Urdu language and shall be widely disseminated throughout the project area of influence and corridor of proposed roads and power transmission lines by the ES staff of PMO, PIC and Contractors'. Grievances may be reported verbally, can be placed in the complaint boxes or filed in writing in the form of a letter, the Program website or by phone through designated staff of the ESU of PMO, PIC Contractor or telephone of PEDO.

#### 8.4.4. Grievance Redress Mechanism

A three-tier GRM has been designed to provide a time-bound, early, transparent and fair resolution for APs and other stakeholder grievances (**Figure 3**). All complaints received verbally or in writing will be properly documented and recorded in the Complaint Management Register(s), sample provided in **Annex D**. In addition, an easy-to-access web-based GRM will be developed. All possible efforts will be made to redress complaints through project specific GRM and the complainants will also be encouraged to seek redressal of their complaints through this mechanism. Despite all these efforts, the complainant will have a right to lodge his/her complaint to the related court. The GRM for the projects is outlined below and consists of three levels with time-bound schedules for addressing grievances.

**Figure 3: Grievance Redress Mechanism**



### First Tier of GRM

The PMO's project site office will be the first tier of GRM which will offer the fastest and most accessible mechanism for resolution of grievances at local level either by the ES of PMO site office or any other site staff of PMO, PIC, and Contractors through the involvement of the representatives of APs Committee and informal mediators through negotiations. A local level GRC will be formed for this purpose headed by the Project Director with membership of Assistant Director-ESU, Land Acquisition Collector and other relevant staff of Revenue Department, contractors' representatives (chief resident engineer), representatives of other relevant departments, and PIC representative and two members from each APs Committee. These discussions will be conducted by led PMO and will involve the APs or other affected parties and members of the relevant grievance redress committee (GRC), and the site manager and chief engineer of the construction contractor. At this tier, the designated ES staff of PMO site office or other project implementing parties will make an attempt to resolve the complaints within two (2) to ten (10) working days, depending on the nature of grievance. The PD will convene the meetings of local GRC and conduct proceedings informally to reach an amicable settlement between the parties within 10 days of receiving a complaint (verbally or in writing) from an AP or their representative. The report of the GRM meetings will be recorded in writing, and copies will be provided to the parties involved. At this stage, ES staff of PMO or PIC may ask PMO head office staff support and guidance in grievance redressal matters. Investigation of grievances will involve site visits and consultations with relevant parties (e.g. affected people, staff of District Collector office, contractors, general public, utilities companies etc.). Grievances will be documented with personal details (name, address, date of complaint, nature of complaint etc.) will be included unless anonymity is requested. A tracking number shall be assigned to each complaint/grievance. Should the grievance remain unresolved or the AP not satisfied with the decision, the grievance can be lodged with the Program level grievance redress committee, led by the head of PMO.

### Second Tier of GRM

The ES staff in PMO will refer the unresolved issues or grievances (with written documentation) to the second tier of GRM, the PMO central level Grievance Redress Committee (GRC). The central level GRC shall be established by PEDO so that the APs and other stakeholders have recourse to refer their concerns and grievances. The GRC will consist of the following persons: (i) PEDO representative from senior management; (ii) head of PMO will act as secretary of the GRC; (iii) Project Director of respective projects; (iv) representative of DC office; (v) representative of PIC; (vi) Chief Resident Engineer (CRE) of Contractor (on call); (vii) representative of relevant government offices (on call); (viii) two to three representative of respective APC (on call).

A hearing can be called with the GRC, if necessary, where the AP(s) can present details of his/her/their concern/grievance. The GRC will meet as necessary when there are grievances to be addressed. The GRC will suggest corrective measures at the field level and assign clear responsibilities for implementing its decision within 3-15 working days, depending on the nature of grievance. All possible efforts will be made to redress complaints through project specific

GRM and the complainants will also be encouraged to seek redressal of their complaints through this mechanism. Despite all these efforts, the complainant will have a right to access to the government higher administrative or judicial remedies.

The functions of the GRC are: (i) resolve problems and provide support to APs arising from various social, resettlement and environmental issues such as land acquisition (temporary or permanent, as applicable), asset acquisition, eligibility for entitlements, compensation and resettlement assistance as well as environment issues including dust, noise, utilities (electric power, gas, telephone optical fiber, water supply), waste disposal, traffic interference, access and public safety; (ii) reconfirm grievances of APs, categorize and prioritize them and aim to provide solutions maximum within 3 to 15 working days; and (iii) report to the aggrieved parties about developments regarding their grievances and decision(s) of the GRC. The ES staff of PMO will be responsible for processing and presenting all relevant documents, field enquiries and evidences/proofs to the GRC, maintaining a database of complaints, recording decisions, issuing minutes of meetings and monitoring to see that formal orders are issued and to ensure that required actions against decisions are being carried out. The PIC and Contractor ES staff will assist PMO in these tasks as and when required.

#### Third Tier of GRM

In an event that a grievance cannot be resolved directly by the second tier GRC or if complainant is dissatisfied with the decision of GRC, the affected people can seek alternative redress through the CEO or Board of Directors of PEDO, district administration, the Secretary Energy and Power Department or higher-level administrative authorities, the Pakistan Citizen Portal or the court of law, as appropriate.

The monitoring reports of A/RAP and ESMP implementation shall include the following aspects pertaining to progress on grievances: (i) number of cases registered, level of jurisdiction (first, second, third tiers), number of hearings held, decisions made, status of pending cases; and (ii) lists of cases in process and already decided upon, may be prepared with details such as name with copy of NIC, complaint number, date of application, date of hearing, decisions, remarks, actions taken to resolve issue(s), and status of grievance (i.e., open, pending, closed).

#### **8.4.5. Grievance Redressal Committee**

The central level Grievance Redress Committee (GRC) will be formed by PEDO and as a continuing and functional structure, engaging personnel of PMO and other parties. PEDO will specify that representatives of local/community authorities, elders, auditors, displaced persons and any other persons or entities can be included in the Committee as members.

The purpose of this grievance redressal committee (GRC) is to provide means to seek investigation and effective resolution of grievances related to any of the issues on social, resettlement and environment performance of the program/projects. And the purpose of LAR Coordination Committee (LCC) is to provide means to seek effective redressal of issues related to land acquisition and compensation. The detail of GRC chair and members is provided in **Table 8**. A minimum two members of GRC will be female.

**Table 8: Composition-Program Level GRC**

1	PEDO Senior Management official	Chair of the Committee
2	PMO Head	Deputy Chair, will preside over meetings when Chair is unable to attend
3	Concerned Project Director of respective projects	Secretary
4	Concerned Land Acquisition Collector	Member
5	ESU Staff of PMO and respective site office	Member
6	Team Leader-PIC	Member (on call)
7	Chief Resident Engineer-Contractor	Member (on call)

At the Program level, the Director Social Safeguards of ESU-PMO will be responsible for processing and placing all papers before the PMO GRC, recording decisions, issuing minutes of the meetings, and taking follow-up action to see that formal orders are issued, and decisions carried out. In the event that a grievance is not addressed at the previous levels, the affected person can seek legal redress of the grievance in the appropriate courts.

#### 8.4.6. Role of Land Acquisition and Resettlement Coordination Committee

LAR Coordination Committee (LCC) will play the role of Grievance Redress Committee to redress the grievances related to land acquisition and compensation issues, detail of members provided in **Table 9**, minimum two members of LCC will be female. The ES staff will fully inform the APs of their rights and of the procedures under the LAA for addressing complaints both verbally or in writing during the process of land acquisition and compensation. Care will always be taken to prevent grievances rather than going through a redress process. This can only be obtained through careful implementation of the ESMP and RAP, by ensuring full participation and consultation of the APs, and by establishing extensive communication and coordination between the affected people, the PMO, the LAC and local government.

**Table 9: Composition- LAR Coordination Committee**

1	Concerned Deputy Commissioner (District Land Acquisition Collector)	Chair of the Committee
2	Additional Deputy Commissioner Revenue (land acquisition)	Deputy Chair, will preside over meetings when Chair is unable to attend
3	Land Acquisition Collector	Member (also act as secretary of the committee)

4	Tehsildar	Member
5	Environment and Social Staff-PMO	Member
6	Chief Resident Engineer-Design and Supervision Consultants	Member (on-call)
7	Staff of concerned departments	Member (on-call)

The LCC will serve a due diligence function on land acquisition. It will meet once every month and will review the progress of the land acquisition and compensation process of the Project, seek reports from the LAC, the Project Director and APCs, take cognizance of delays and anomalies in the process, suggest remedial measures and, if necessary, bring them to the notice of the Deputy Collector and KP Board of Revenue.

#### **8.4.7. Functions of GRC and LAR Coordination Committee**

The GRC and GRM will perform following functions:

- Ensure effective implementation of the Grievance Redressal Mechanism on the issues that fall under their jurisdiction.
- Ensure an easy access to GRM having provision to file grievances verbally or by phone, in writing or via web-based provision including the option of submitting grievances anonymously.
- GRC and LCC will investigate all referred grievances and effectively address and resolve them within 15 days from the receipt of the grievances, in a timely and impartial manner.
- The GRC and LCC will deal promptly with any issues relating to land acquisition, resettlement, compensation or resettlement assistance that is brought before it.
- The GRC and LCC will take decisions on the basis of consensus or majority of votes.
- When required, the GRC and LCC would seek the assistance of other persons/institutions.
- Speaking orders/decisions of the committee on the grievances shall be recorded and replied to aggrieved parties/persons with a copy kept as record.
- In case aggrieved is not satisfied by the decision of the GRC and LCC, s/he can prefer an appeal within 10 days of the receipt of decision, the GRC could refer the case to the appropriate forum after examining the appeal.
- In the event that a grievance cannot be resolved by GRC, the affected person can seek alternative redress through the higher administrative authority or court of law or as appropriate.

#### **8.5. Capacity Building**

The ES staff of PMO shall organize training on GRC for the PEDO relevant staff, PMO, contractor, sub-contractors and service providers with the assistance of ES staff of PIC to orient

about the GRM, grievance registration and handling procedures as laid down in the RPF. The orientation will focus on the methods of negotiations with community leaders and representatives of affected persons.

## **9. MONITORING AND REPORTING**

### **9.1. Introduction**

The Monitoring of A/RAPs implementation helps in timely identification, analysis and removal of the bottlenecks at various stages of program/projects implementation and expediting actions. The monitoring and evaluation of A/RAPs implementation will serve the interests of the program/project planners, executors, and financier, as they share the common concern for timely corrective measures. Specifically, the objectives of the monitoring and evaluation of RAP implementation are: (i) administrative monitoring whether the time lines of A/RAP implementation are being met, (ii) to assess whether compensation, resettlement and rehabilitation assistance measures are implemented and are sufficient, (iii) to identify problems or potential problems and ensure that grievances are dealt on a timely basis and consistent with the process defined in the A/RAP, (iv) to identify methods of responding immediately to mitigate hardships/issues, and most importantly, (v) socio-economic monitoring during and after the land acquisition and resettlement process to ensure that APs are settled and their standard of living is restored or improved. Monitoring and evaluation (M&E) of A/RAP implementation will be taken up at all stages of the project. The M&E activities to ensure the effective implementation of A/RAP are described as follows.

### **9.2. Internal Monitoring**

Internal monitoring will be a responsibility of the PMO which will be carried out routinely with the support of PIC and assisted by ESU of PMO, and the contractor's social staff. The internal monitoring will include review of status of A/RAP implementation in the light of policy, principles, targets, budget and duration as lay down in the RAPs. Indicators for the internal monitoring are related to processes and immediate outputs and results. Some of the key monitoring indicators (where applicable) will include:

- i. Review effectiveness of land acquisition and resettlement planning process, i.e., adequacy of enumeration of project land acquisition and resettlement impacts, timeframe, budgetary provision, institutional arrangements, GRM, mitigation of unforeseen resettlement impacts etc.).
- ii. Timeliness, adequacy of the consultations organized and information dissemination campaigns carried out with regard to RAP and APs are aware of entitlement packages, payment procedures, grievance redress mechanism, etc.
- iii. Status of compensation and resettlement and rehabilitation assistance, and relocation and Income/livelihood restoration activities.
- iv. Local level grievance redress committees are established to ensure fairness and transparency in RAPs implementation process.
- v. Provision of finances by PEDO/GoKP for compensation, resettlement and rehabilitation assistance provided on time.
- vi. Three-month advance notices to residents of houses for relocation before demolition.

- vii. Timely disbursement of compensation, resettlement and rehabilitation assistance amount to APs as per schedule in an efficient and transparent manner and is in conformity with the provisions in the Entitlement Matrix.
- viii. Provision of skilled, semi-skilled and unskilled labor and employment opportunities to APs with numbers including number of persons whose skills are upgraded.
- ix. Verify recording and addressing the concerns/grievances of APs are dealt on timely basis during and after land acquisition and resettlement process and consistent with the RAP.
- x. Major issues of conflict between APs and PMO, Revenue Department or contractors are addressed efficiently.
- xi. Effectiveness of implementation of livelihood restoration plan.
- xii. In case of additional impacts, immediate actions are taken and provision of additional funds to cover additional mitigation activities.
- xiii. Effective collection of gender disaggregated data and gender specific consultations with women.
- xiv. Conformity of contractors' compliance with provisions in the A/RAPs.
- xv. Degree of satisfaction of APs who received compensation, resettlement and rehabilitation assistance, support for restoration of their income and livelihood.
- xvi. Satisfaction level of APs and other users of services provided under the social development plan.
- xvii. Any changes in social and economic parameters related to living standards of APs.
- xviii. Efficient restoration of public utilities and/or other affected services/infrastructure.
- xix. Lease agreements signed for the temporary use of land and full restoration of land after completing construction.

#### **9.2.1. Management Information System (MIS)**

PMO with the assistance of social, resettlement and IT staff of PIC will establish a Management Information System (MIS) to collect and organize monitoring outputs on a regular basis. The database generated through the census, baseline socioeconomic survey, land acquisition, resettlement and rehabilitation payments, and consultations/stakeholder engagement activities will become essential inputs of the MIS. It will include specific systems to track the implementation of RAPs in accordance with the mechanism set out in the RPF and the respective A/RAPs. The monitoring data of RAPs implementation will be recorded in a database, analyzed and used to generate facts and figures for the monthly monitoring reports, which will be consolidated into quarterly monitoring reports. It will start tracking the progress from the social impact assessment to the implementation completion of A/RAPs, especially payment of compensation, and the resettlement and rehabilitation assistance, relocation and income restoration activities. It will also cover the land acquisition process.

#### **9.3. Third Party Monitoring**

The World Bank policy requires monitoring of activities to correspond with the Project's risks and impacts. The projects under the Program by their nature may cause physical and economic displacement. Therefore, third party/external monitoring will be carried out by a third-party

monitoring agency (TPMA). The frequency of TPMA will be determined in each A/RAP according to the project's risks and impacts. The TPM results will be included in the PMO periodic reports.

If unanticipated involuntary resettlement impacts are found during the projects implementation, the PMO will follow the mechanism set out in the RPF for monitoring and reporting of the implementation of safeguards plans; ensure compliance with LAA 1894 and WB OP 4.12 and disclose monitoring results; and identify necessary corrective and preventive actions if needed.

The PMO will hire services of a qualified and experienced Social and Resettlement Specialist or a firm for third party monitoring with advice and concurrence of WB on the selection process, to verify monitoring information of project to undertake resettlement monitoring during the RAP implementation and an evaluation after the implementation of respective RAPs. The schedule for the TPM will be developed and included in each RAP as per requirements. Prior to mobilization of civil works for project components/sub-components with LAR impacts, a completion report on payments of compensation and resettlement assistance and clearing of the site will be prepared by PMO which will be verified by a third-party monitoring expert/agency.

The key responsibilities of third-party monitor will be to assess the status of A/RAP implementation in the light of the policy, principles, targets, budget and duration that will be laid down in the A/RAPs, and providing inputs to the PMO by developing a corrective action plan with specific actions, responsibilities and timeframe to resolve any outstanding issues/grievances. The key tasks during third party monitoring include:

- (i) Develop specific monitoring indicators for undertaking monitoring and evaluation of A/RAP implementation including the participation, consultation and disclosure.
- (ii) Review results of internal monitoring and verify claims through random checking in the field to assess whether resettlement objectives have met. Involve the all categories of APs and their representatives in assessing the impacts of resettlement for monitoring and evaluation purposes.
- (iii) Review and verify the progress of A/RAP implementation and prepare quarterly/biannual/annual reports, as per schedule defined in the A/RAPs, for the PMO and including the implementation of GRM.
- (iv) Transparency in disbursement of compensation and R&R assistance.
- (v) Evaluate and assess the adequacy of compensation and resettlement and rehabilitation assistance given in the A/RAP and the livelihood opportunities and incomes as well as the quality of life of APs after project-induced changes.
- (vi) Evaluate and assess the adequacy and effectiveness of the consultation process with APs, particularly those vulnerable, including the adequacy and effectiveness of grievance procedures and legal redress available to the APs and other affected parties, and dissemination of information about these.
- (vii) Verify the A/RAP implementation completion report prepared by PMO on payments of compensation and resettlement assistance before clearing of the sites with resettlement impacts.

- (viii) Sufficiency of resettlement and rehabilitation assistance to cover loss of land, income and other assets.
- (ix) Were APs able to sustain their living standard
- (x) Were APs able to restore their sources of income
- (xi) How many semi-skilled, skilled and unskilled labor, and employment opportunities were provided to APs in the projects related works
- (xii) Any changes in restoration of income levels.
- (xiii) How do the APs assess the extent to which their own living standards and livelihoods have been restored.
- (xiv) Communications and reactions from APs on entitlements, resettlement and rehabilitation assistance.
- (xv) Grievance procedures; recording of complaints, reporting and processing time, and their redressal.

The results will be communicated by PMO to the PEDO and the WB through the quarterly Program progress reports or as specified in the respective RAPs. The ToRs for TMPA is provided as **Annex-D**.

#### **9.4. Evaluation of RAP Implementation and Management**

The third-party monitoring firm/ expert will also conduct evaluation of A/RAP implementation after its completion. Evaluation is summing up of an assessment of overall implementation approach and process, of A/RAPs implementation, and their intended objectives and outcomes. An assessment of resettlement objectives and outcomes is measured against baseline conditions. The evaluation exercise assesses resettlement efficacy, effectiveness, impact, and sustainability, drawing lessons to guide future resettlement planning. The evaluation will provide gender disaggregated information and concentrates on following parameters:

- (i) Efficacy of mechanisms and indicators for internal and third-party monitoring.
- (ii) Disclosure of monitoring reports as per procedures laid down in the RPF.
- (iii) Institutional arrangements and effectiveness and efficiency of PMO and PIC roles in RAP Implementation.
- (iv) Mechanism used for consultation, participation and disclosure of information to APs.
- (v) Evaluation and assessment of the adequacy and effectiveness of the consultations process with APs, particularly those vulnerable and severely affected, including the adequacy and effectiveness of livelihood restoration plan, grievance procedures and administrative and legal redress available to the affected parties, and dissemination of information about these.
- (vi) Assessment of the resettlement efficiency, effectiveness, impact and sustainability for drawing lessons for future resettlement policy formulation and planning.
- (vii) Evaluation of adequacy of compensation given to APs and livelihoods and employment opportunities and incomes as well as the quality of life of APs due to project-induced changes.
- (viii) The impact of compensation, resettlement and rehabilitation assistance, and livelihood restoration and improvement support on standards of living of APs, to evaluate whether the objectives of the A/RAP have been achieved and APs regained their living standards or improved.

- (ix) Evaluation of results of income restoration plan;
- (x) Level of satisfaction of APs in the post resettlement period.

#### **9.5. Disclosure of Monitoring and Evaluation Reports**

The PMO will submit third party monitoring reports of A/RAPs implementation to the WB for review and posting on the Program's and WB websites, and promptly disclose to the APs and other key stakeholders through localized means of communication with an executive summary in Urdu. The disclosure would particularly focus on the information relevant to APs interest such as information related to disbursement of compensation of land and related assets and R&R assistance, relocation, livelihood/income restoration, grievances; and corrective actions. These issues are of direct relevance to the APs, which also have the elements of participatory monitoring. The evaluation report of TPMA will be shared with PEDO and WB, and disclosed to the public. The provision of third-party monitoring and evaluation will be made in the A/RAPs/projects budget. A sample terms of reference for third party monitoring and evaluation firm is attached an **Annex-E**. However, these terms of reference for third party monitoring and evaluation will be finalized by the PMO and approved by the WB before start of hiring.

## **10. COST AND FINANCING**

### **10.1. Cost Provisions in the Social Safeguards**

The cost of preparation and implementation of A/RAPs, including the cost of compensation and resettlement and administration, will be part of the overall budget of the Program and respective projects' budget. The PEDO will be responsible for securing the project-related financing. Cost for land compensation will be borne by PEDO/GoKP. Project implementation costs will cover costs for the compensation of non-land assets and payment of commensurate resettlement. The RAP budget will include compensation against loss of land and associated assets and payments of resettlement and rehabilitation assistance irrespective of the ownership status of the affected persons. The budget will also make provisions for additional resettlement assistance for vulnerable and severely affected APs and particularly for their resettlement and livelihood restoration. Each RAP will contain information about the budget, including unit rates for compensation of all affected items and allowances by indicating methodologies for valuation of unit rates. A cost table for all compensation and resettlement and rehabilitation entitlements will be presented.

Furthermore, provisions will be made to cover the costs of hiring the services of an NGO or a consultancy firm to implement the livelihood restoration plan and a third-party monitoring agency, conducting consultations, updating the resettlement plan (if required), grievance redress and monitoring, and overall safeguards management. A contingency provision of the total resettlement budget will be set aside to cover the unanticipated costs which may have to be incurred during A/RAP implementation. Budget calculations will be supported by data collected through the census of APs and a market survey of prevailing land prices, and building rents. The budget will be updated with information from the valuation reports for each asset affected by respective projects.

The costs of land and compensation for land under towers, affected crops, trees and structures and other allowances to affected households will be borne by GoKP/PEDO. IDA resources will be used to implement, monitor and evaluate SDP (including Gender Action Plan) and EMP.

The cost of preparing and implementing A/RAPs, including resettlement and local area development programs, has been estimated at USD 50 million, respectively, for the overall Program. The estimated costs for the procurement of ESIA consultants for the preparation of ESIA/ESMP and A/RAP for the projects are estimated to be USD 500,000. Detailed cost estimates will be provided in the ESMPs and RAPs of respective projects.

In case the A/RAP implementation is delayed by more than one year, the unit costs will be updated to include the annual inflation rate. Any unanticipated losses that would occur during the projects' implementation will be documented, impacts will be assessed and addendum to the RAPs will be prepared to systematically compensate the losses. The addendums including budgetary provisions will be reviewed and cleared by the World Bank.

## 10.2. Management of Resettlement Budget

The compensation and resettlement and rehabilitation assistance payments will be completed prior to the start of civil works. The compensation against loss of land and situated assets (crops, trees and structures) will be paid by following the procedures defined in the LAA 1984 through Land Acquisition Collector of respective districts. The payments of resettlement and rehabilitation allowance by following Entitlement Matrix will be paid by respective Project Directors of PMO's site offices, with the assistance of ESU social and resettlement staff under the overall supervision of the head of PMO. The all other costs which are not covered under the LAA 1894 will be covered such as restoration of access, community structures, social services and social development plan, mitigation of severance impact. All payments will be made through cross cheques. The A/RAPs will include procedures for compensation and resettlement and rehabilitation assistance. An estimated budget for the implementation of RPF has been provided in Table 10 and an example of itemized budget of GKH RAP has been provided as **Annex-F** to guide preparation of A/RAP budgets of future projects.

**Table 10: Estimated Budget for RPF Implementation**

Sr. No.	Activities	Cost Million USD	Remarks
1	RAP of GKHPP	25.17	As designs of GKH are ready, RAP has been prepared under a separate cover
2	Hiring of RAP Implementation Consultants	0.250	Total estimated cost of consultants will be USD 0.5 million. Out of this total, USD 0.250 will be covered under RPF and same amount will be covered under ESMF
3	Conducting Consultations	0.100	During preparation of future A/RAPs
4	GRM Implementation	0.150	
5	Anticipated/expected amount of RAP to be prepared in future.	24.33	This the cost currently estimated for future A/RAPs.
	Total	50.000	

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## **Annex-A: Outline of ARAP and RAP**

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The suggested structure of the subproject-specific RAPs and ARAP is given below. The present RPF will also be carefully reviewed while compiling various Chapters described below.

- a) Executive Summary
- b) Introduction
- c) Project Description
- d) Government of Pakistan's Legal and Institutional Guidelines and Requirements:
- e) World Bank Safeguards Policies
- f) Baseline Conditions
- g) Eligibility Criteria for various Categories of Affected People
- h) Entitlement Matrix for proposed Resettlement and Compensation Policy
- i) Methods for Valuing Affected Assets
- j) Resettlement Impacts
- k) Consultation with and participation of Affected People
- l) Grievance Redress Mechanisms
- m) Resettlement Budget

### Abbreviated Resettlement Plan

An abbreviated plan covers the following minimum elements:

- a) A census survey of displaced persons and valuation of assets;
- b) Description of compensation and other resettlement assistance to be provided;
- c) Consultations with displaced people about acceptable alternatives;
- d) Institutional responsibility for implementation and procedures for grievance redress;
- e) Arrangements for monitoring and implementation; and
- f) A timetable and budget.

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## Annex-B: Social and Resettlement Screening Checklist

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Date \_\_\_\_\_

### I. Identification

Name of specialist \_\_\_\_\_ Name of project \_\_\_\_\_

Location: \_\_\_\_\_ District \_\_\_\_\_ Sub-district \_\_\_\_\_

Level of Project Impacts: \_\_\_\_\_

### II. Checklist

Potential Impacts	Yes (Tick)	No (Tick)	Expected	Remarks
Does the sub-project involve any physical construction work, i.e. rehabilitation/ augmentation, reconstruction or new construction? Also specify in "remarks" column.				
Does the sub-project involve impacts on land, crops, trees, assets and people, if "Yes" try to quantify the impacts and check following items. If "No" impacts, explain the situation in "remarks" and move to section 2.				
Potential impacts				
- Land (quantify and describe types of land & in "remarks column".				
- Government or state owned land free of occupation (agriculture or settlement)				
Private land				
- Residential				
- Commercial				
- Agriculture				
- Communal				
- Others (specify in "remarks").				
Land-based assets:				
- Residential structures				
- Commercial structures (specify in "remarks")				
- Agri./farm structures (specify in "remarks")				
- Community structures (specify)				
- Public utilities (specify in "remarks")				
- Others (specify in "remarks")				

Potential Impacts	Yes (Tick)	No (Tick)	Expected	Remarks
Agriculture related impacts				
- Crops and vegetables (specify types and cropping area in "remarks")				
- Trees (specify number and types in "remarks")				
- Others (specify in "remarks")				
Project Affected Persons (PAPs)				
- Number of PAPs				
o Males				
o Females				
- Titled land owners/				
- Customary rights				
- Tenants and sharecroppers				
- Leaseholders				
- Agriculture wage laborers				
- Encroachers and squatters (specify in remarks column)				
- Vulnerable PAPs (e.g. women headed households, minors and aged, orphans, disabled persons and those below the poverty line). Specify the number and vulnerability in "remarks".				
Others (specify in "remarks")				
Section 2				
Are there any tribal people, indigenous or other minority groups affected by land acquisition or project activities; If "Yes" check the following items				
- Indigenous groups (specify groups in "remarks").				
- Describe nature of impacts				
- Tribal People (specify tribes in "remarks" Describe nature of impact				
- Minority groups (specify in "remarks"). Describe nature of impacts				
- Other (specify....)				

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## Annex-C: Sample TORs for Preparing RAP

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### THE PROJECT BACKGROUND

*[PEDO will as brief project background while preparing the TOR]*

### PROJECT DESCRIPTION – PAKISTAN COMPONENT

*[PEDO will as project description while preparing the TOR]*

### SCOPE OF WORK

The resettlement planning consists of the following key tasks, each task including a series of planning activities:

#### ***Task 1 Collection and review the available information***

The Consultant will collect primary and secondary data available with PEDO. This will include but not limited to the TL alignment maps, project design details and other data relevant to the RAP preparation. The consultant should pay particular attention to review the draft RPF prepared by PEDO and the feedback provided by the World Bank. The Consultant will have meetings with the PEDO and World Bank to discuss the feedback to ensure that all comments are properly addressed in the revised RAP.

#### ***Task 2 Collecting the socioeconomic baseline information***

This task is to collect necessary socioeconomic information to revise the socioeconomic profile of the population of the project areas presented in the draft RAP and establish a socioeconomic baseline for the project area. These will, cover, but not be limited to, information on household characteristics including production systems, labor, household organization, baseline livelihood information – including income from formal and informal activities, standard of living, and health status, land tenure system in the local areas, land ownership, use and transaction practice as well as the local formal and informal institutions and traditional practices related to land use and land acquisitions, patterns of social interaction, such as social networks and support systems, and potential of how project may impact on these social interactions, public infrastructure and social services etc. Since the area is located in non-settled area where cadaster maps are not available), an emphasis should be laid on the assessment of local social system including its impact on land tenure issues. Special attention should be paid to gender aspects and assessment of vulnerable groups.

#### ***Task 2 Review of country legal framework and development of a project entitlement policy***

The consultant team will collect and review relevant laws, regulations and policies on land acquisition and resettlement in Pakistan and Khyber Pakhtunkhwa province, and develop or upgrade project entitlement matrix as required under the legal framework and World Bank OP 4.12 against various resettlement impacts under the project. Legal Framework (much of this

already included in the RPF prepared for the project during preparation) including but not limited to the following:

- Identify if any preliminary legal issues may be encountered;
- Scope of eminent domain; legal, customary, and traditional (tribal) land tenure practices;
- Laws governing valuation of assets and losses;
- Legal and administrative procedures including remedies available to impacted persons in judicial process, and alternative relevant dispute resolution mechanisms (which can also be covered in Grievance Redress Mechanism);
- Natural resources usage rights;
- Social welfare legislations;
- Laws and regulations relating to agencies responsible for implementing resettlement activities;
- Gaps between local laws and World Bank policy, and describe measures to bridge the gaps;
- Legal steps needed to ensure effective implementation of resettlement such as the process for recognizing legal, customary, and traditional, usage land claims

The above should be conducted on the basis of the analysis of the legal policy framework and entitlement matrix contained in the project RPF. Where necessary, the RPF entitlement matrix will be updated in line with the agreed RPF objectives and principles.

### ***Task 3        Preparing the inventory of impacts and affected population***

This task will establish the resettlement impact profile of the project. It includes the following specific activities:

- Carry out 100% inventory survey of all impacts, including land, structures and crops, within the demarcated impact boundary as established in the detailed engineering design by the project EPC contracts;
- Carry out 100% census of the affected population;
- Establish a household impact profile for all affected households, documenting their assets and losses;
- Establish a project impact database, covering impacts and affected population, in kinds and quantities;
- Conduct an analysis of the vulnerability and poverty of the households; and

- Conduct an impact analysis and this is important for the mitigation strategy and action plan development.

**Task 4      *Develop compensation and livelihood restoration interventions***

The consultant will develop/update required measures for compensation and livelihood restoration. This will be developed against the identified impacts, including on private, communal and public assets, and in line with the project RPF that are cleared for compliance of local laws and the policy of the World Bank. In case of suggestions for land owner “contribution”, the consultant will formulate principles, procedure and necessary documentation requirements. The compensation package and resettlement interventions need to be developed in consultation with local communities. This should follow a highly participatory process to ensure that the compensation and resettlement packages take into full consideration feedback from the communities and that they are compatible and acceptable with local cultural preferences and traditions.

**Task 5      *Review and propose institutional setup and implementation arrangements.***

The consultant will discuss with PMO/PEDO, review the proposed organizational setup and implementation arrangements for resettlement implementation, and propose any additions or adjustments required. These arrangements should cover, at least, the following,

- Organizational setup at each implementation level, their respective responsibilities and staffing;
- Develop a plan to coordinate resettlement with civil works and identify clear procedures for coordination;
- A Grievance Redress Mechanism (GRM), its setup, operating modalities and procedures, taking into account availability of judicial recourse and traditional community dispute settlement mechanisms;
- Implementation schedule; and
- Internal and external monitoring arrangements and indicators.

**Task 6      *Conducting the stakeholder consultation and participation***

Resettlement planning will need to be conducted with participation of the key stakeholders. The consultant will identify the stakeholders, particularly local primary stakeholders, and engage them closely in the planning process. The consultant will document the stakeholder consultation process as well as developing a strategy for their continued engagement during the resettlement implementation process. Care should be taken to include women, where local traditions allow to do so.

**Task 7      *Preparing the cost estimate and budgeting***

The consultant will revise the indicative cost estimates presented in the RPF and cost out the developed compensation and livelihood restoration measures and propose the budget for the

RAP, as well as its financing arrangements. The consultant will identify and propose mechanisms to arrive at the market and replacement costs for losses of assets, describe proposed types and levels of compensation under local laws, and explain supplementary measures needed to achieve replacement cost in order to meet World Bank policy standards. Costs and budget will cover itemized cost estimates for all resettlement and compensation activities including allowances for inflation, transaction fees, contingencies and management cost for the RAP implementation; sources of funds and arrangements for timely flow of funds. The consultant will discuss and agree with government on the above and financing arrangements.

## RESETTLEMENT PLANNING METHODOLOGY

This assignment will be carried out through a combination of various tools, including desk reviews and field surveys. A big source of information that should be fully utilized are the RPF and community consultation outputs during the project preparation phase, as well as the ESIA and RAP prepared for GKHP. The field tools would include focus group discussions, questionnaire, census and in-depth interviews. The resettlement planning should be carried out in consultative and participatory process, closely involving local communities and other stakeholders. The consultant team should work closely with the Contractor and engineering design team so that the field surveys and community consultations are synchronized with the progress of engineering design.

## TEAM REQUIREMENTS

Teams of social & resettlement specialists need to be engaged for this assignment. The team will comprise of the following:

Position	Minimum Qualification and Experience
Resettlement Expert as Team Leader	At least 15 years of experience working on involuntary resettlement and preparation of RAPs. Should also have experience as team leader. Some experience should also be in Power and Transmission Sector. Experience of working on World Bank funded projects will be advantageous. S/he should have a post-graduate degree in a relevant social science (resettlement studies, development studies, sociology, anthropology, urban studies etc.).
Social and Livelihood Development Specialist	At least 10 years of experience in similar types of assignments. Experience of working on development projects in Power Sector will be preferred. Experience of working on World Bank funded projects will be advantageous. S/he should have a post-graduate university degree in a relevant social science (development studies, sociology, anthropology, urban studies etc.).
Gender Specialist	At least 10 years of experience working on gender issues especially with women. Experience of working on development projects in KP province and in Power and Transmission sector will be preferred. Experience of working on World Bank funded projects will be advantageous. S/he should have a post-graduate university degree in a relevant social science (gender studies, development studies, sociology, etc.)
Evaluation Specialist	At least 10 years of experience working on evaluation of assets during resettlement planning. Experience of working on development projects in

	KP province and in Power and Transmission sector will be preferred. Experience of working on World Bank funded projects will be advantageous. S/he should have a post-graduate university degree in civil engineering or relevant field.
GIS Specialist	Bachelor's degree in ICT, Management Information Systems (MIS), Geographic Information Systems (GIS), or related field; with at least 5 years' experience of GIS data entry, presentation, and spatial data analysis using GIS software.
Supporting staff for surveys, data collection and entry	At least two years of field survey experience working in KP province.

The above team should work in close collaboration with the Design team and the Contractors. Other team members can be added if a need is felt during the conduct of the Resettlement Planning.

#### **ASSIGNMENT OUTPUT AND DURATION**

Two outputs are required. The first output is an assignment inception report after signing the contract. The consultant team will have technical discussions with engineering design team and Contractor (if on board) and develop its working plan to deliver this assignment. The inception report should at least describe the working plan, approach, methodology, team strength, mobilization and deployment, and overall schedule. The inception report should be submitted within two (2) weeks of the signing of the Contract Agreement.

The second assignment output is a draft RAP on the arrangements of engineering design work, and availability of transmission line alignment. This RAP should comply with the government RPF agreed with the World Bank, and meet government as well as World Bank resettlement policies. The timeline of the assignment duration will be further discussed with the contractor engineering design team and proposed. The Draft RAP should be submitted within three and a half (3.5) months after signing of the Contract Agreement. The final RAP will be submitted within two (2) weeks after receipt of the comments from the World Bank.

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## Annex-D: Sample form for recording Grievances and minutes of GRC meetings

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### Grievance Logging and Initial Response Template

Date of Receiving:		Grievance Number:	
Mode of Receiving:			
Name of Aggrieved Party/Person(s)			
Name of Organization			
Position			
Address			
Telephone/Fax			
Cell Number			
Email Address			
Most effective mean to receive response (please tick)	Post: _____	Email: _____	Phone: _____
Nature of Complaint:			
Received by:			
Date Inputted			
Initial Response (date and sent by):			
Resolved / Addressed by	Name: _____	Signature: _____	
Nature of Resolution			
Date of Resolution			
On-going/Closed			
Comments, if any			

Name of Signature of ESS staff	

**FORMAT FOR RECORDING THE PROCEEDINGS OF  
GRIEVANCE REDRESS COMMITTEES**

1. Name of the complainant/s:
2. National identification number:
3. Address:
4. Date of the inquiry:
5. Time:
6. Whether complainant participated or not:
7. Grievance or issue (in summary):
8. Statement made by the complainant/s:
9. GRC recommendation:
10. Participants in the GRC:
11. Copies to:

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## **Annex-E: Sample Terms of Reference for Third Party Monitoring and Evaluation Firm**

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### **Introduction**

External Monitor expert is required to verify and assess the monitoring information relevant to the implementation of this RAP of GKHPP. The external expert will (i) verify the internal monitoring undertaken by PMO; (ii) conduct site visits, (iii) conduct meeting with relevant stakeholders district and provincial authorities involved in land acquisition and review implementation of resettlement activities semi-annually; (iv) review records of compensation payments, verify provision of entitlements to affected people and assess the significance of identified measures in restoring or enhancing AP's quality of life or livelihood; (v) advise PMO on safeguard compliance issue that arise in connection with the Project and agree on timeline in the conduct of agreed activity; (v) in the event of non-compliance, report to WB any non-compliance identified and recommend corrective actions to be incorporated in the corrective action plan to be prepared by the PMO.

### **Scope of Work**

- To prepare a monitoring and evaluation plan, for review and approval by the PMO and WB. The plan should clearly define the activities and deliverables per reporting, schedule and highlight the scope and strategy of monitoring system, key indicators and methodology in the collection and analysis of data;
- Validate the internal monitoring and reporting of PMO. The external monitor is expected to review the adequacy of PMO's internal monitoring and reporting procedure, including the number and qualification of company staff engaged in implementing the RAP at different stages, determine adequacy and integrity of the process, recommend corrective actions and agree on the schedule of implementation of these corrective actions, if necessary;
- Validate the adequacy of public consultation and disclosure of information as designed and described in the RAP. Where necessary, the External Monitor should advise PMO if additional public consultation and disclosure of information need to be undertaken. The External Monitor should validate on ground that appropriate consultations and information disclosure took place;

- Assess the extent to which the entitlement matrix, list of displaced/APs or households (authorized representative of affected households), and specific entitlements such as compensation amount and procedure, are followed including timeliness of payment. The Monitor must closely look into the veracity/correctness of available proof of compensation such as receipt or any other document stating acceptance of compensation by the representative of APs/households;
- Assess the adequacy of income restoration strategy and evaluate the matching of specific livelihood development activities against the needs of the intended recipients/beneficiaries. The External Monitor should document the implementation of each activity and determine effectiveness to affected people including women and vulnerable groups;
- Assess the adequacy of institutional arrangements, specifically the capacity of PMO, the local authorities involved in the land acquisition and resettlement process and other organizations expected to implement the RAP to ensure that the objectives of the RAP and the OP 4.12 are achieved, and suggest necessary enhancement measures, if necessary;
- Validate the adequacy of the GRM and suggest necessary enhancement measures, subject to further public consultations and disclosure, if necessary. Verify on ground the level of awareness of the community within the project impact area on the existing GRM, common issues raised, resolution of each registered case and level of satisfaction of community on the GRM;
- Conduct an interim audit of land acquisition and compensation and resettlement activities for people affected by the Project. As part of the audit, the following will be conducted:
  - Socio-economic survey will be undertaken to gather information on the AP's land area, land use including farm and livelihood activities, yield and income derived from the affected land, and APs sources of incomes, etc. prior to the Project taking possession of the land;
  - Audit of status of compensation payments, use of funds received by the affected people and current socio-economic living conditions;
  - Audit of project impacts on women as well as their needs and concerns and identify any additional potential assistance for women in affected villages;
  - An assessment of whether compensation at replacement cost has been paid, whether the livelihoods and standard of living of the APs have been restored and whether all activities implemented are in line with WB's policy requirements;

- Based on the findings of the audit, the external monitor will prepare a Corrective Action Plan with estimated budget, timeline and implementation arrangements;
- When unanticipated involuntary resettlement impacts are found during RAP implementation, the External Monitor should assess and advise PMU the need to conduct additional social impact assessment and/or updating of RAP, and ensure all existing applicable requirements, entitlements and provisions are followed;
- Document and highlight major problems/issues encountered and lessons learned;
- Where necessary, participate in discussion with PMO and among various Project lenders (such as WB) and its consultants;
- The External Monitor will conduct semi-annual site visits, interview affected people and conduct consultations;
- Immediately after completion of RAP implementation, the External Monitor will undertake a RAP Completion Audit covering all APs. The audit will also be supported by findings of the socio-economic survey which will include data on livelihoods and income levels of affected people that would help to determine whether affected households have been able to restore or improve their socio-economic status compared to the pre-Project level;
- In the event that the RAP Completion Audit finds that the objectives of the RAP and the OP 4.12 have not been met, the External Monitor will continue with the quarterly site visits during the duration of the implementation of the Corrective Action Plan; and
- Within 2 years following the completion of RAP implementation (or Corrective Action Plan in case Audit findings show non-compliance), conduct annual site visits to monitor whether affected people have maintained or improved their socio-economic status.

## **Deliverables**

The External Monitor will deliver the following reports:

- ✓ A Monitoring and Evaluation Plan, within one month after appointment
- ✓ Interim Audit Report, within 3 months after completion of land acquisition compensation
- ✓ payments
- ✓ External monitoring reports
- ✓ In the event that a Corrective Action Plan is prepared following the audit, prepare a close out report upon completion of CAP implementation.
- ✓ Following completion of RAP/CAP implementation, prepare annual monitoring reports thereafter.

External monitoring reports and all other reports will be submitted simultaneously to PMU and WB. An evaluation report at the end of the project will be prepared with critical analysis of the achievements of the program and performance of the project as well as PMU.

### **Qualification and Experience of Consultant**

The Consultant will have sufficient technical capacity to provide the above services and the specialists will have a Master's degree in social science or relevant field and a minimum of 10 years' experience in dealing with social/community development projects and demonstrated experience in the resettlement monitoring requirements, as per involuntary resettlement/land acquisition, WB's involuntary resettlement operational policy, Pakistan's Land Acquisition Act of 1894, etc.

## Annex-F: Outline of RAP Budget

21

Sr. No.	Description	Unit	Quantity	Cost / Unit (PKR)	Amount (PKR Million)	Amount (USD Million)
<b>A.</b>	<b>Compensation Cost for Permanent Loss of Land</b>					
(i)	Arable land/Arable land having structures	Kanal				
(ii)	Barren Plain (non-cultivated land)	Kanal				
(iii)	Barren Hilly (non-cultivated land)	Kanal				
	<b>Sub-total (A)</b>	Kanal				
<b>B.</b>	<b>Land Taken for Towers</b>					
(i)	Payment for Occupation of Land for installation of Towers	Towers and TL				
	<b>Sub-total (B)</b>					
<b>C</b>	<b>Compensation Cost for Affected Crops</b>					
(i)	Standing crops to owners and tenants	Kanal				
(ii)	Standing crops due to installation of towers and transmission line	Kanal				
	<b>Sub-total (C)</b>					
(i)	Wood Trees (privately owned)					
	Eucalyptus (Safeda)	AHs				
(ii)	Wood Trees (owned by Forest Department)	Forest Deptt.				
(iii)	Fruit Trees (privately owned)	AHs				
	▪ Apple					
	▪ Apricot					
	▪ Peaches					
	▪ Walnut					
	<b>Sub-total (D)</b>					
<b>E</b>	<b>Compensation Cost for Affected structures</b>					
(i)	Residential Structures	ft <sup>2</sup>		Various		
(ii)	Boundary Wall	rft		Various		
	<b>Sub-total (E)</b>					
<b>F</b>	<b>Severe Impact Allowance</b>					

<sup>21</sup> Budget items A to G and J-1 along with their contingencies are covered under PC-1 for purchase of land and project management organization. Items H, I and J (except J-1) will be covered under umbrella PC-1.

(i)	Permanent Loss of Cropped Land (3 Year crops) both owners and tenants as per their tenancy arrangements	Kanal				
(ii)	Transitional allowance to owners and tenants as per their tenancy arrangements	Kanal				
	<b>Sub-total (F)</b>					
<b>G</b>	<b>Dislocation Allowances for Physically Displaced</b>					
(i)	Transportation/Shifting Allowance	AHs				
(ii)	Dislocation Subsidy (rent for one year)	AHs				
(iii)	Transitional support Allowance	AHs				
(iv)	Household utility Replacement Allowance	AHs				
	<b>Sub-total (G)</b>					
<b>H</b>	<b>Livelihood Restoration and Improvement Plan</b> for Severally Affected and Vulnerable AHs (below poverty line)	AHs	Lump sum	N.A.		
	<b>Sub-total (H)</b>					
<b>I</b>	<b>ii) Social Development Plan</b> (including Gender Action Plan)	Project AOI	Lump sum	N.A.		
	<b>Sub-total (I)</b>					
<b>J</b>	<b>RAP Implementation</b>					
(i)	Administrative cost			Lump sum		
(ii)	RAP Implementation Consultants			Lump sum		
(iii)	Training and Capacity Building			Lump sum		
(v)	GRM Implementation			Lump sum		
(iv)	Third Party Monitoring and Evaluation Consultant			Lump sum		
	<b>Total (J)</b>					
	<b>Total (A-J)</b>					
	Contingencies @ 30% of the total cost					
	<b>Grand Total</b>					

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## Annex-G: Selected photographs

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RPF and ESMF Disclosure at Dir on November 9, 2019



RPF and ESMF Disclosure at Dir on November 9, 2019



RPF and ESMF Disclosure at Dir on November 9, 2019



RPF and ESMF Disclosure at Dir on November 9, 2019



Stakeholder Consultation at Peshawar on Oct 21, 2019



Stakeholder Consultation at Peshawar on Oct 21, 2019



Community Consultation at Barikot, Dir Kohistan



Community Consultation Patrak Tehsil Shringal, Upper Dir



Community Consultation Kalkot /Ptrak Dir Kohistan

Community Consultation Danal Kalkot weir site Dir Kohistan