

Addendum to Land Acquisition and Resettlement Plan

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Pakistan: Balakot Hydropower Development Project Mouzas Ghanool and Sangar

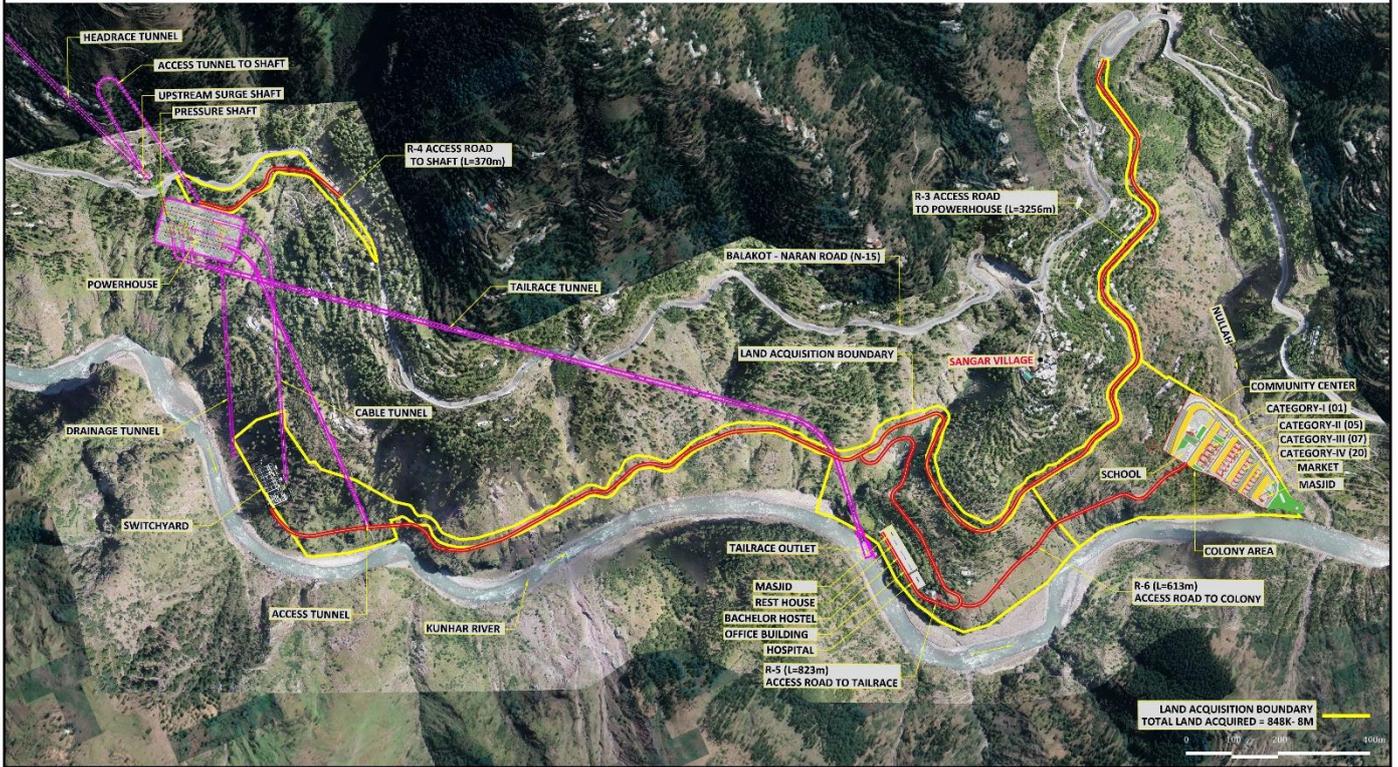
Prepared by Pakhtunkhwa Energy Development Organization for the Asian Development Bank (ADB), and Asian Infrastructure Investment Bank.

This is an addendum to the version originally posted in August 2022 available on <https://www.adb.org/projects/documents/pak-49055-007-rp-0>.

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300MW BALAKOT HYDROPOWER PROJECT POWERHOUSE & COLONY LAYOUT PLAN AS PER BASIC DESIGN



SALIENT FEATURES		NO. OF UNITS / GENERATORS	03 / 03	PRESSURE TUNNEL/SHAFT LENGTH (m)	375
POWER AND ENERGY		TRANSFORMER / SUBSTATION	UNDERGROUND CAVERN (ADJACENT TO THE MAIN POWERHOUSE CAVERN)	PENSTOCK LENGTH (m)	375
GROSS HEAD (m)	229.0	UPSTREAM - DOWN STREAM SURGE SHAFT		BRANCH SECTION TYPE	Manifold (3 Branches)
DESIGN NET HEAD (m)	217.6	TYPE	CONCRETE LINED CIRCULAR SEC VERTICAL SHAFT & INCLINED GALLERY ONLY	SIZE OF EACH BRANCH (m)	2.2 m INTERNAL DIAMETER CONDUITS
INSTALLED PLANT CAPACITY (MW)	300 (AT THE GENERATOR)	INTERNAL DIAMETER (m)	14.5 TIER SHAFT (INCLINED GALLERY ONLY) / 65.3 VERTICAL SHAFT (BASED ON INCLINED GALLERY) / 501.6 (INCLINED GALLERY ONLY)	TAILRACE	
AVERAGE ANNUAL ENERGY (GWH)	1144 (AVERAGE OF 55 YEARS)	SURGE SHAFT HEIGHT (m)	1209 / 1028	TYPE	CIRCULAR TUNNEL WITH TRANSITION TO AN ARCHWAY SECTION
POWER AND SUBSTATION		SURGE SHAFT BOTTOM ELEVATION (mssl)	1209 / 1028	TUNNEL SECTION LENGTH UP TO THE FINAL TRANSITION SECTION (m)	1647
POWERHOUSE TYPE	CONVENTIONAL UNDERGROUND CAVERN	PRESSURE TUNNEL / SHAFT AND PENSTOCK		TUNNEL SLOPE UP TO THE TRANSITION SECTION (1%)	0.122% (ASCENDING SLOPE)
TURBINE TYPE	FRANCIS	PRESSURE TUNNEL/SHAFT MAIN SECTION TYPE AND SIZE	STEEL LINED CIRCULAR CROSS SECTION 8.6m INTERNAL DIA.		

CLIENT: PAKHTUNKHWA ENERGY DEVELOPMENT ORGANIZATION (PEDO)

PROJECT: 300MW BALAKOT HYDROPOWER PROJECT POWERHOUSE & COLONY LAYOUT PLAN

A JOINT VENTURE OF:

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ABBREVIATIONS

ADB	Asian Development Bank
AC	Assistant Commissioner
ADC	Additional Deputy Commissioner
DC	Deputy Commissioner
DP	displaced person
EMC	external monitoring consultant
EMR	external monitoring report
GRC	grievance redress committee
GRM	grievance redress mechanism
IVS	independent valuation study
KP	Khyber Pakhtunkhwa
PEDO	Pakhtunkhwa Energy Development Organization
LAA	Land Acquisition Act 1894
LAC	land acquisition collector
LAR	land acquisition and resettlement
LARP	land acquisition and resettlement plan
PEDO	Pakhtunkhwa Energy Development Organization
PD	project director
PIU	project implementation unit
PMC	project management consultants
SPS	Safeguard Policy Statement

EXECUTIVE SUMMARY

1. The Project Implementation Unit (PIU) is implementing the Balakot Hydropower Project (BHPP) with the financial assistance from Asian Development Bank (ADB) and Asian Infrastructure Investment Bank. The project will (i) improve energy security by increasing the clean energy share in the country's energy mix currently dominated by thermal power generation; (ii) boost the economy and promote revenue generating investments in the hydro-abundant Khyber Pakhtunkhwa (KP) Province; and (iii) build capacity and awareness on climate change impacts, adaptation, and mitigation measures. The project has been divided into two sections for construction purposes. Two separate land acquisition and resettlement plans (LARPs) (section-wise) were prepared. The Section-1 LARP (Mouza Ghanool and Sangar) was approved by ADB on 27 July 2022,¹ and Section-2 LARP (Mouza Bela Sacha and Paras) was approved by ADB on 29 November 2022.²

2. As per approved LARP of Section-1 (LARP-1 of villages Ghanool and Sangar), total acquired land is 848.40 kanals (106.05 acres, including 168.2 kanals of communal land) owned by 1,791 DPs. Other land acquisition and resettlement (LAR) related impacts include (i) 3,045 wood trees, owned by 1,725 DPs, and 876 fruit trees owned by 48 DPs; and (ii) 46 residential structures owned by 40 displaced persons (DPs, with 25 DPs requiring physically relocation), 1 commercial structure, and 1 masjid (common prayer place). The total number of land DPs has increased from 1,791 (originally affected) to 1,874 DPs due to inheritance mutation. Similarly, owners of trees increased from 1,773 to 1,862 DPs. The amount of payable compensation remains unchanged.

3. The land acquisition process was initiated on 8 October 2019 with the notification of Section-4 under Land Acquisition Act 1894 but disbursement of compensation to DPs started after announcement of land award on 6 July 2022. Disbursement of allowances started later in September 2022. Current status of compensation disbursement indicates that compensation for land and non-land assets and provision of allowances to all reachable DPs as per approved LARP-1 has been completed as confirmed in the external monitoring reports covering the period from July-December 2023 which was approved on dated March 22, 2024 by ADB. The remaining payments (1,235 DPs having unpaid amount PKR 59.08 million) are impeded due to different legal and administrative impediments such as those with 168 DPs have inheritance mutation issues, 564 DPs of meager compensation amounts, 490 DPs who are away and untraceable, 9 DPs with title disputes or court cases, and 4 DPs are juvenile. Efforts to reach out and contact these unpaid DPs and to resolve the impediments are ongoing and are regularly reported in the semiannual monitoring reports of LARP-1. The undisbursed compensation amount for acquired land is already deposited and secured in the district treasury for payment to unpaid DPs as and when they approach PIU and the Land Acquisition Collector (LAC) for payments with the legal documentation required to prove their eligibility for payments.

¹ <https://www.adb.org/projects/documents/pak-49055-007-rp-0>

² <https://www.adb.org/projects/documents/pak-49055-007-rp-1>

4. LARP-1 implementation is being monitored internally by PIU and externally by an independent third-party external monitoring consultant. The EMC was mobilized by PEDO/PIU on 9 June 2022, and since then he is providing external SASMRs to PIU/ADB semiannually.

5. **Valuation of affected land and non-land assets by an independent valuation expert:** The ADB's Safeguard Policy Statement 2009 requires that the compensation provided to DPs should be based on full replacement costs. In order to determine if the compensation rates awarded by the LAC fulfill the requirement of replacement costs, PEDO/PIU engaged an independent and accredited valuation expert to determine the value of affected assets taking into account the ADB's requirement of replacement costs and the international valuation standards. The IVS Consultant was onboard from 8 December 2022. The total period of the contract was 08 months. The valuation expert undertook a sample valuation study (IVS) from January-March 2023. The study determined a differential between the awarded compensation rates and the IVS rates. The IVS report and the differential has been reviewed and approved by the Provincial Cabinet of the Government of Khyber Pakhtunkhwa (GoKPK). Earlier, ADB also reviewed the report and solicited clarifications from the expert on the valuation and the payment of differential to DPs through an addendum LARP.

6. A meeting and presentation of the IVS study findings was conducted by the IVS consultants to all the GRCs members, DPs/ community members which was followed by a question and answer session. The GRCs members and DPs/ community members expressed their satisfaction on the study findings and they requested PIU for early release of payment of differential of land compensation. The PD of BHP clarified to them that payment of differential will be paid through the addendum of LARP-1 and LARP-2 after approval of the same by ADB. The minutes of meeting/presentation of the IVS is at **Annexure-1**. In summary, IVS study determined a price differential which is presented below village wise:

- a. **Village Ghanool:** IVS determined cost of land is 4.167 million which is 47.8% higher than the LAC awarded cost of land of PKR 2.819 million for 30.95 kanals (3.87 acres) acquired from village Ghanool.
- b. **Village Sangar:** IVS determined cost of land is 153.748 million which is 8.88% higher than the LAC awarded cost of land of PKR 141.198 million for 817.45 kanals of land (102.18 acres) acquired from village Sangar.

7. **Complaints of DPs/GRC Members Demanding Additional Allowances:** Before implementation of LARP-1, one complaint was filed with ADB's accountability mechanism/ OSPF from mouza/village Sangar regarding land acquisition, valuation and compensation. As clarified with the complainants, the conduct of an IVS was planned and in case of gap, a top-up will be provided to meet ADB-SPS replacement cost requirements. The IVS has been completed and the the complainant agreed and was satisfied with the outcome of the IVS results. The complainant signed a statement of satisfaction as shown in **Annexure-2**, (the complaint was resolved through the project's GRM). Additionally, some of the DPs including the members of village level grievance redressal committees (GRCs) raised concern regarding allowances of DPs from mouza Sangar which they claimed were either missed out from the LARP or were not fully recorded. The PIU held multiple meetings with GRC members and jointly reviewed their claims together with the PIU's committee established to review and

approve the additional claims for allowances. After detailed review and scrutiny of the claims by the committee, 20 DPs from mouza Sangar have been considered for additional allowances as shown in Table ES-1. After deliberate discussion and meeting with all claimants and respective GRC committee member, one (1) DP was considered eligible for dislocation/chula allowance, 3 DPs were considered eligible for vulnerability allowance, 18 DPs were considered eligible for structure relocation allowance, 1 DP was considered for shifting allowance for house/transition allowance/house rent/electricity allowance, 2 DPs were considered eligible for severe impact allowance, and 1 DP was considered eligible for shifting allowance for commercial structure/business moving assistance/business allowance for 12 months. Three claimants were rejected based on non-availability of their residential structure and no other documentary proof was provided to support their claim for additional allowances. The list of DPs claiming of additional allowances are available at **Annexure-3** of the Report.

Table ES-1: Cases of Additional Allowances and Amount of Compensation

S. No.	Category of Allowances	Eligible No. of DPs	No. of Admissible Allowances	Unit Price (PKR)	Total Amount (PKR)
1	Vulnerability Allowance	20	3	63,000	189,000
2	Structure Relocation Allowance		18	31,000	558,000
3	Shifting Allowance for Houses		1	31,000	31,000
4	Transition Allowance		1	57,000	57,000
5	House Rent		1	100,000	100,000
6	Severe Impact Allowance		2	63,000	126,000
7	Shifting Allowance for Commercial Structures		1	31,000	31,000
8	Business Moving Assistance		1	63,000	63,000
9	Business Allowance for 12 months @ PKR 50,000/month		1	50,000	600,000
11	Electricity Allowance		1	20,000	20,000
12	Household Dislocation /Chula Allowance		1	2,000,000	2,000,000
Total			20	31	

8. **Implementation of Addendum LARP-1:** The PEDO/PIU is responsible for implementation of this Section-1 LARP addendum. Subject to timely transfer of funds to LAC/DC District Mansehra for the disbursement to DPs. The schedule of compensation and allowances payment is planned to start in July 2024 after the approval of the Section-1 LARP addendum by ADB and completion of the acquaintance roll based on the IVS by the LAC/DC District Mansehra. The LARP addendum implementation process will be monitored internally by the PIU and externally by the EMC. The tentative action plan with dates for section-1 LARP addendum is tabulated below.

Table ES-2: Tentative Action Plan for Section-1 LARP Addendum

S. No.	Actions	Tentative Timeline/ Status		Responsibility
		Timeline	Status	
1	Draft outline of the Section-1 LARP addendum submitted to ADB.	23 April 2024		PIU/ PMC
2	Draft Section-1 LARP addendum outline commented by ADB	30 April 2024		PIU/ PMC
3	<ul style="list-style-type: none"> • Replacement Cost of IVS for land deposited in District Treasury under LAC/ DC Mansehra. • Transfer of fund for additional/ missing allowances of DPs deposited in District Treasury of District Mansehra. 	15 May 2024	PEDO will deposit replacement cost and funds for additional allowances in the treasury of district Mansehra.	PIU/ PEDO
4	Section-1 LARP addendum submitted to ADB	15 May 2024		PIU/PEDO
5	Section-1 LARP addendum reviewed and cleared by ADB.	20 June 2024		ADB
6	Acquaintance Roll under Section-1 LARP addendum as per IVS cost prepared	July 2024		IVS/ DC/LAC and PIU
7	Compensation payment under IVS cost disbursed	August/ September 2024		DC/ LAC and PIU
8	Payment of missing/additional disbursed.	August/ September 2024		DC/ LAC and PIU
9	Internal Monitoring Report prepared and submitted to ADB	October 2024		PIU/ PMC
10	External Monitoring Report prepared and submitted to ADB	November 2024		EMA/ ERM
11	IMR and EMR report on completion of payment of compensation and allowances as per Section-1 addendum reviewed by ADB	November 2024		ADB
12	No-objection for clearing of all sites issued by ADB	One week after clearing the EMR		ADB

1 INTRODUCTION

1.1 Project Background

9. The Islamic Republic of Pakistan has received a loan from ADB (loan 4057 PAK) and Asian Infrastructure Investment Bank (loan 8397) with a cost of \$665 million, including counterpart fund of \$115 million, for the Balakot Hydropower Development Project (BHPP).

10. The KP Energy and Power Department is the executing agency (EA), and Pkhtunkhwa Energy Development Organization (PEDO) is the implementing agency (IA). The project implementation unit (PIU) was established in May 2019 at the PEDO office, Peshawar to manage all the project activities associated with LARP. The PIU is headed by a Project Director (PD) responsible for execution and implementation of the LARP and ensure the availability of funds for LARP implementation. The PD PIU, with the assistance of Deputy Director Social & Resettlement, Deputy Director Land Acquisition, Assistant Director Social & Resettlement, and other staff, is responsible for the timely updating, implementation, and monitoring of land acquisition and resettlement (LAR) activities.

11. BHPP is classified as category “A” for involuntary resettlement (IR) safeguards because the significant involuntary resettlement impacts from the project as more than 200 persons are experiencing major impact, i.e. losing 10% or more of their productive assets or are physically relocating.

1.2 Project Objectives

12. The BHPP aims to develop a 300-megawatt (MW) run-of-river hydropower scheme on the Kunhar River in Kaghan Valley, between Balakot and Kaghan, Manshera District of KP. The project is aligned with the carbon footprint reduced, and energy sector made more renewable, efficient, and reliable. The Project has the following major objectives to achieve:

- **Climate-resilient hydropower plant commissioned:** A 300 MW hydropower plant will be commissioned near Balakot City in KP Province.
- **Capacity for climate change risk management in hydropower production enhanced:** Awareness will be developed among the communities with specific training for women and youth groups to serve as climate change leaders.
- **PEDO’s revenues from indigenous resources increased.** PEDO will supply one-third of the electricity generated from the 300 MW hydropower plant to the Peshawar Electricity Supply Company, and the rest to the National Transmission Dispatch Company Limited.
- **Income-earning opportunities and skills for local communities increased.** During construction, the local population will benefit from job opportunities, commercial activities, and material supply. The project will generate more than 1,200 skilled and unskilled jobs for male and female workers, of which about 40% will be sourced locally.

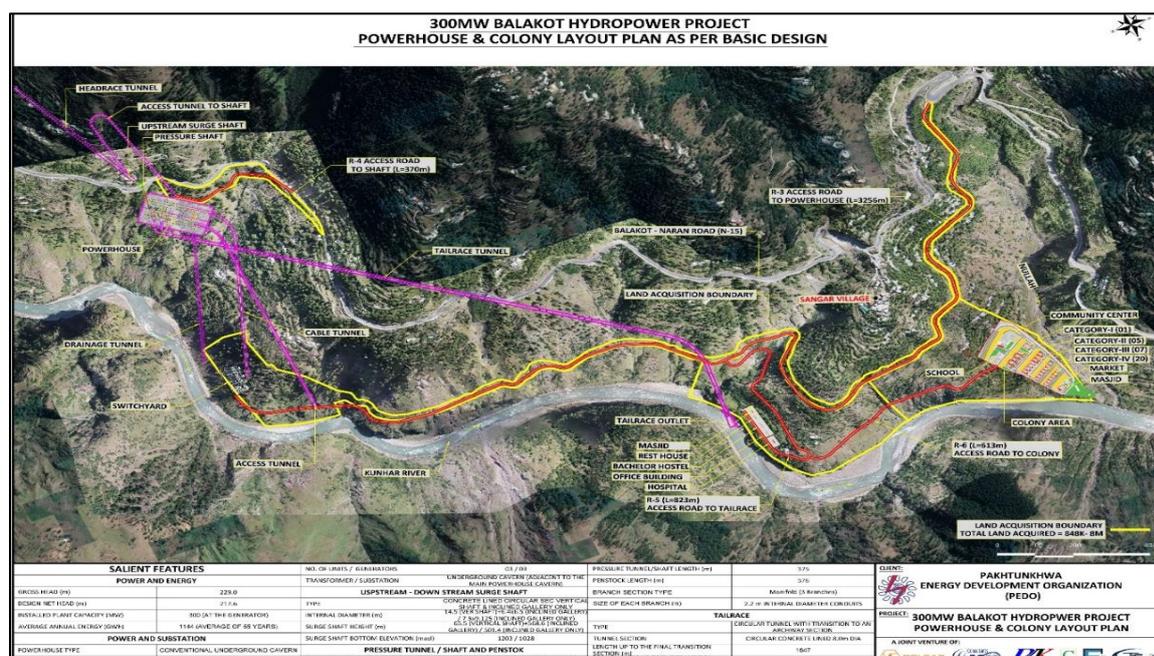
1.3 Project LARP Description

13. The BHPP has been divided into two sections for construction purpose. Therefore, two separate LARPs (section-wise) were prepared for the entire project. The Section-1 LARP³ (mouza Ghanool and Sangar) and Section-2 LARP⁴ (mouza Bela Sacha and Paras) were approved by ADB on 27 July 2022 and 29 November 2022, respectively. This addendum is prepared for Section-1 LARP comprising of affected mouza Ghanool and Sangar to cover additional compensation based on the result of the independent valuation study (IVS) and additional allowances for certain DPs based on the review of supporting documents and evidence provided by the DPs. More information on the project sections, component of BHPP, mouza, acquired land affected (only) and number of DPs are summarized in **Table 1.1** and the location map of Section-1 is given below at **Figure 1.1**.

Table 1.1: Section-1, Mouza and Component-wise Summary of Acquired Land with Number of DPs⁵ of BHPP

Section	Mouzas (Villages)	Component of BHPP	UTM Coordinates	Acquired Land in Kanals / (Acres)	Total No. of Land Plots	No. of DPs of Land Affected		Total No. of Land DPs
						As per approved LARP	Additional No. of DPs due to Inheritance Mutation (as per LARP)	
1	Ghanool	Surge Shaft and access road to Surge Shaft	E 351684.82 N 3830355.72	30.95/ (3.87)	126	126	36	162
	Sangar	Powerhouse, access road, tailrace, staff colony and switch yard	E 3503113.03 N 3828607.92	817.45/ (102.18)	1,665	1,665	47	1,712
Total of Section-1				848.40/ 106.05	1791	1791	83	1874

Figure 1.1: Location Map of Section-1 of BHP Project



³ <https://www.adb.org/projects/documents/pak-49055-007-rp-0>

⁴ <https://www.adb.org/projects/documents/pak-49055-007-rp-1>

⁵ In the context of the LARP, the affected persons corresponding to all persons belonging to affected households, and DPs refer to all landowners and shareholders found on land records (co-owners) and eligible for land compensation for Board of Revenue purposes.

2 LAND ACQUISITION AND RESETTLEMENT (LAR) STATUS

14. In mouza Ghanool and Sangar, the land acquisition process was initiated on 8 October 2019 with the notification of Section-4 under the Land Acquisition Act (LAA) 1894. The land award notification was issued on 6 July 2022 for the 2 mouzas against land acquired for 848.40 kanals (106.05 acres). Since then, the LAC approved and awarded compensation is being disbursed under LAA 1894 provisions. Disbursement of allowances was started in September 2022. Compensation payments and allowances to all reachable and available DPs has been completed. The only remaining payments involve DPs with legal and administrative impediments including those with inheritance mutations, DPs with meager compensation, DP who are away and untraceable, DPs with title disputes or court cases, etc. Efforts by the PIU, with assistance from the PMC, to contact and resolve these impediments are ongoing and reported to ADB. The undisbursed compensation amount for the acquired land is already deposited and secured in district treasury for payment to the unpaid DPs having legal/administrative impediments as and when they will show up with valid claim documents after resolving their issues/impediments. Table 2.1 provides a summary of LARP impacts and number of DPs, and progress as of 31 December 2023.

Table 2.1: Summary of Impacted Assets under Section-1 of BHPP

S. No.	Type of Compensation & Admissible Allowances	Total DPs and Payable Amount				Progress As of 31 December 2023			
		Payable Payment (Million)	Total DPs as per approved LARP	Additional DPs of inheritance Mutation	Total DPs (Approved LARP + inheritance Mutation)	Paid Amount (Million)	Unpaid Amount (Million)	Paid DPs	Unpaid DPs
1	Land Compensation (Awarded)								
i.	Section-1	141.19	1,791	83	1,874	82.11	59.08	639	1235
Total Land Compensation Amount		141.19	1,791	83	1,874	82.11	59.08	639	1235
2	Non-Land Compensation								
2.1	Section-1								
i.	Trees Compensation	32.71	1,773	89	1,862	17.70	15.01	645	1217
ii.	Built-up Property	74.53	40	N. A	40	72.52	2.01	40	0
Total of Non-Land Compensation Amount		107.24	1813	89	1902	90.22	17.02	685	1217
3	Other Admissible Allowances								
3.1	Section-1								
i.	Vulnerability Allowance (18 DPs)	59.565	39	N. A	39	59.376	0.189	36	3
ii.	Structure Relocation (27 DPs)								
iii.	Shifting Allowance (For House) (27 DPs)								
iv.	Transition Allowance (25 DPs)								
v.	House Rent Allowance (25 DPs)								
vi.	Electricity Allowance (25 DPs)								
vii.	Household Dislocation (Chula) Allowance (25 DPs)								
viii.	Severe Impact Allowance (26 DPs)								
ix.	Shifting Allowance (Commercial Structure) (1 DP)								
x.	Business Moving assistance (1 DP)								
xi.	Business Allowance for 12 Month (1 DP)								
Grand Total of Section-1 (Land & Non-Land Compensation & Allowances Amount)		307.995	3643	172	3815	231.706	76.289	1360	2455

2.1 Current Status of the LARP Implementation for Section-1

15. **Land payment:** Land compensation started following the land award on 6 July 2022. As of 31 December 2023, all reachable and available DPs have been paid compensation for land as per the approved LARP. A total of 639 DPs (34%) have been paid PKR 82.11 million (58 %) as per the approved Section-1 LARP. The left-over land payments are impeded due to the various legal and administrative impediments. The required additional documents are recorded under templates provided in the ADB's guidance note on handling of compensation cases having legal and administrative impediments. The undisbursed compensation amount for acquired land is already deposited and secured in district treasury for payment to the unpaid DPs having legal/administrative impediments as and when they will show up with valid claim documents after resolving their issues/impediments.

16. **Non-land payment:** As of 31 December 2023, all reachable and available DPs have been provided compensation for their non-land assets. In Section-1, 682 DPs (36%) have been paid PKR 90.22 million (84.13%). The undisbursed compensation amount for acquired non-land is deposited and secured in the district treasury for payment to the unpaid DPs having legal/administrative impediments as and when they will show up with valid claim documents after resolving their issues/impediments.

17. **Payment of Allowances:** Similarly, as of 31 December 2023, of the 39 DPs who are entitled for different types of allowances amounting to PKR 59.565 million, 36 DPs (92 %) have been paid PKR 59.376 million (99.7%). Payment of the remaining 3 DPs (0.189 million) is under process.

2.2 Objectives/ Justification of the Section-1 LARP Addendum

18. This Section-1 LARP addendum for mouza Ghanool and Sangar aims to document the additional/missing claims for eligible allowances and their validation/verification based on the matrix of entitlements and criteria as per the approved LARP, and the additional compensation for the positive differential between the replacement cost determined by the IVS and the official rates in the approved Section-1 LARP.

3 ELIGIBILITY AND ENTITLEMENT

19. The process of verification of DPs for different missing admissible allowances was conducted with the GRC community members of both mouzas/ villages under section-1 LARP. For this purpose, thorough meetings were conducted to verify and provide the necessary documents for the fulfillment of eligibility criteria of each certain missing allowances. Additionally, the ADB's social safeguard team agreed upon the following criteria for the eligibility of different types/ category of allowances with PIU. The following criteria is laid down for different missing allowances are;

- a. For Household Dislocation/ Chulla Allowance:
 - i. Owner of residential structure in affected area.
 - ii. Residing in the affected area.
 - iii. Physically verification of affected structure.
 - iv. Documented proof of affected structures from Revenue Department/ Communication and Works Department.
 - v. Verification through local councilor/ representative of the area.
- b. For Business Allowance:
 - i. Ownership documents of affected business structure from revenue department.
 - ii. Attested tax return certificate of business from Federal Board of Revenue.
 - iii. Attested Gardawari documents of the business structures from Revenue Department.
- c. For Vulnerability Allowance
 - i. Income below the official poverty line.
 - ii. Households headed by women or elderly are considered vulnerable households
- d. For Structures Relocation Allowance
 - i. Relocation due to loss of residential and business structure.
- e. For House Rent Allowance
 - i. Relocating DPs requiring temporary accommodation while new structures are being built on alternative site.
- f. For Electricity Allowance
 - i. Shifting of electricity meter and allied stuff.
- g. For Severe Impact Allowance
 - i. 10% or more of their affected assets.
- h. For Business Allowance up to 12 Months
 - i. Business Allowance for 12 months @ PKR 50,000/ month
- i. For Business Moving Assistance Allowance
 - i. Those DPs relocating their business due to adverse impact of the project are eligible for this allowance.

20. Under the output-4 of the project PAM, aimed to Income-earning opportunities and skills for local communities increased; relevant training facilitation support under the livelihood restoration plan (LRP) through engagement of non-government organization (NGO) will be provided i.e., Training on agriculture production, livestock rearing, beekeeping, fish farming and linkages with micro-finance institution, to the DPs or as per the local requirements particularly unemployed youths covering both men and women for relevant skill improvement/ capacity building to reduce impact on their livelihood. The engagement of consultants NGO's (non-government organization) which has been mobilized since September 7, 2023 in the affected project areas. Furthermore, as per draft LRP, it is planned that livelihood skill development center for women for skill development/ capacity building will be established to cater short and long-term employment opportunities to the local affected person/ DPs. The livelihood skill development center for women will be established by consultants NGO as per approved ToR of consultants NGO and timeline of the center will be finalized by consultants NGO.

21. DPs are entitled to various types of entitlements according to the Entitlement Matrix used in the Section-1 LARP of the Project. For a more detailed discussion on the resettlement policy that has been adopted to the Addendum to LARP, please refer to Section 2 and 7 (Legal Framework and Eligibility and Entitlements to compensation and Assistance) of the main approved Section-1 LARP. Table 3.1 below summarizes the entitlements used for the preparation of Addendum to the Section-1 LARP.

Table 3.1: Specific Entitlement Matrix for Section-1 LARP Addendum

Type of Loss	Specification	Eligibility	Compensation Entitlements
1. LAND			
Permanent impact on arable land and permanent land use restriction	All land losses	1874 Owner (Title holder, or holder of traditional rights)	Cash compensation at full replacement cost (RC) ⁶ determined based on SPS provisions and Section 23 of LAA including fair market value plus damages/costs applicable free from taxes and levies plus 15% Compulsory Acquisition Surcharge (CAS) Plus top-up for positive differential as per the Independent Valuation Study (IVS).
2. RESETTLEMENT & RELOCATION			
Relocation Impact	DPs relocating due to their loss of residential and/or business structure	20 DPs titled/untitled requiring to relocate as a result of losing structures	One-time shifting allowance of PKR 31,000 per affected household. One-time structure relocation allowance of PKR 31,000 per affected structure. One-time business moving assistance of PKR 63,000 for every AHs having to relocate their business.
Household dislocation/Chula Allowance	HHs dislocating due to full loss of their residential structure	1 HH dislocating from their existing residents due to full loss of their residential structure	One-time household Dislocation/Chula Allowance @PKR. 2,000,000/- per dislocating household due to impact of the project on their residential house.
Electricity Allowance	Shifting of electricity meter and	1 house owners who lost their electricity connection/meter as	The owner of house who has lost electricity connection of his house due to full damage of his house will be entitled for one-time electricity

6 Refer to IR safeguards as in SR2 para 10 of SPS 2009

Type of Loss	Specification	Eligibility	Compensation Entitlements
	allied stuff	result of residential structure relocation.	allowance @ PKR. 20,000/- per meter per house.
House rent requirement during transition	Relocating DPs requiring temporary accommodation while new structures are being built on alternative site	1 DP including tenants required to relocate as a result of losing land and structures	Rental assistance as a lump sum amount computed based on prevailing rental rate for a period as agreed between the DPs and project team, to assist the DPs in renting house or commercial structure. House rent allowance equal to @ PKR 25,000 per month, for 4 months house rent
Transition allowance	All types of structures requiring relocation	1 DP including tenants required to relocate	On a case-to-case basis, the residential structure owner DPs will be provided with transitional allowance during the transition period (initially calculated at 6 months of recorded income or equal to officially designated minimum wage rate) in addition to other applicable compensation entitlements.

4 INDEPENDENT VALUATION STUDY

22. To verify if the compensation rates for the affected land and non-land assets meet the replacement cost principle of the ADB SPS, a sample based independent valuation study (IVS) was required as per the approved Section-1 LARP. M/s “ANDERSON CONSULTING (PVT) LIMITED”, a licensed valuation firm in Pakistan, was engaged by the PIU as agreed with ADB to undertake an IVS based on the terms of reference (TOR) approved by the ADB.

23. ANDERSON Consulting (PVT) LTD commenced the field activities for the IVS in January 2023 (Refer to the Executive Summary Para 28 of Section-1 LARP). The valuation methodology (land and non-land assets) used by the IVS include meeting with the relevant stakeholders (DC office and district revenue staff of land acquisition, PIU staff for the necessary collection of documents including cadastral map (Aks Shajra) of both mouzas, Land Award Under Section–11 of the Land Acquisition Act 1894 and valuation Table of Board of Revenue of year 2021-22 and approved LARP. The IVS consultant also conducted physical survey, and assessment of location, accessibility, land type and usage and surrounding area. The IVS consultant analyzed different approaches for determining replacement cost of land including general approach of valuation practice in Pakistan, existing approach and rationale for evaluating the affected land based on various sources for determination of value of affected land, open market survey, consideration of value of similar properties in the vicinity and immediate neighborhood of the subject land on basis of estimated market prices by real estate agents, rates derived on basis of recent matured land transactions/sales analysis. Consultation meetings were conducted with affected persons in each mouza/village.

24. The replacement cost was assessed for the valuation of the lost assets and compared with the rate assessed by the LAC as reflected in below **Table 4.1**.

Table 4.1: Comparison of Costs as per Land Award by LAC and Independent Valuation Study of Land and Non-Land Assets in Section-1 Mouza Ghanool (Amount in PKR)

S. No.	Mouza (Village)	Description of Land and Non-Land Affected Assets	Cost as per Land Award including 15% CAS and 2% Mutation Fee	Replacement Cost as per IVS	Differential in PKR	Differential in Percentage
1	Ghanool	Land	2,819,179	4,167,411	1,348,232	IVS up by 47.824 %
2		Non-Fruit Trees	2,498,950	2,390,300	-108,650	IVS less by -4.348 %
Total Value of Land and Non-Land Assets			5,318,129	6,557,711	1,239,582	23.309 %
1	Sangar	Land	141,198,394	153,748,045	12,549,652	IVS up by 8.888 %
2		Built-up Properties	74,533,017	72,679,175	-1,853,842	IVS less by -2.487 %
3		Fruit Trees	20,723,092	20,346,832	-376,260	IVS less by -1.816 %
4		Non-Fruit Trees	9,483,590	8,946,740	-536,850	IVS less by -5.661 %
Total Value of Land and Non-Land Assets			245,938,092	255,720,792	9,782,700	3.978 %
Grand Total Differential of Land Award and Replacement Cost as per IVS			251,256,221	262,278,503	11,022,282	4.387 %

25. **Differential Cost:** According to **Table 4.1**, the IVS estimated cost of land is 47.824% higher than the cost determined by the LAC in mouza Ghanool (including the 15% compulsory acquisition surcharge). The IVS estimated the cost of 30.95 kanal (3.87 acres) at PKR 4,167,411, which is PKR 1,348,232 (47.824%) higher than the LAC determined land rate of PKR 2,819,179. On the other hand, the IVS estimated the cost of non-fruit trees at PKR 2,390,300 is 4.348% less than the LAC determined rate of PKR 2,498,950.

26. In mouza Sangar, the IVS estimated cost of land is 8.888% higher than the cost determined by the LAC (including the 15% CAS). The IVS total cost for 817.45 kanal (102.18 acres) of land is PKR 153,748,045, which is higher by PKR 12,549,652 (8.888 %) than the LAC determined land rate of PKR 141,198,394. For built up properties, the IVS calculated value is PKR 72,679,175 (-2.487%) which is less than the LAC determined rate of PKR 74,533,017. The IVS calculated the market value of fruit trees at PKR 20,346,832 which is 1.816% less than the LAC determined rate of PKR 20,723,092. For non-fruit trees, the IVS calculated the market value at PKR 8,946,740 which is 5.661% less than the LAC determined rate of PKR 9,483,590. The total differential in the form of land PKR 1,348,232 (47.824 %) for mouza Ghanool and PKR 12,549,652 (8.888%) for mouza Sangar of section-1 LARP worked out as per replacement cost of the IVS. The total land affected DPs are 1,874 under section-1 LARP, however the positive differential affected DPs will be identified after the finalization of acquaintance roll by the IVS consultants and LAC staff. The differential cost in the valuation of the LAC assessed compensation rates and those determined by the IVS will be bridged by PIU from the project loan proceeds. This will require a minor change memo in scope which would be processed for ADB's internal approval after receiving the request from the Government.

27. A detail discussion will be conducted by IVS consultants and DC Mansehra with the coordination of PIU regarding the differential cost of IVS, a mechanism to be adopted for the preparation of acquaintance roll and disbursement of additional compensation under IVS study to the respective DPs. The total land affected DPs are 1,874 under section-1 LARP, however the positive differential each of the DPs will be identified after the finalization of acquaintance roll by the IVS consultants and LAC staff.

5 ADDITIONAL/MISSING ALLOWANCES

28. During the implementation of the Section-1 LARP, the GRC raised the issue that some of the DPs (only their entitlement to certain allowances) were missed out from the socio-economic survey and their actual socio-economic conditions were not assessed in the LARP updating due to following reasons:

- Some of the DPs were not available in the project affected area and residing out of area during the time of socio-economic survey was conducted.
- Some of DPs were available but did not respond to the interviewer due to lack of time and interest at the time of socio-economic survey was conducted.
- During the time of socio-economic survey was conducted some of the DPs showed disinterest and more importance given to the government (communication and works) assessment instead of LARP's socio-economic survey.
- Some of the DPs were not available in the affected area at the time of socio-economic survey conducted but their residential structures existed and now they are showing interest and claiming for dislocation/ Chula allowance.

29. In March 2023, a GRC community member registered a joint complaint of 11 DPs comprised of 10 DPs claiming for household dislocation/chula allowance and 1 DP claiming for business allowance. All 11 DPs are not new and received their compensation amount from LAC office. The PIU/ PMC staff conducted meetings, field visits and collected required documents and verified each of the DPs' claims for different types of. The clarification for different types of allowances criteria is available at section-3 **para 19**.

30. The process of verification was conducted essentially for the additional/missing DPs for different admissible allowances as some of the DPs registered their complaints regarding additional/ missing allowances. The field verification and community consultation meetings including the respective GRCs meeting were conducted with the DPs of affected built-up properties to ensure the eligibility criteria for different allowances as mentioned in the entitlement matrix of the approved Section-1 LARP. The list of additional/missing allowances is at **Annexure-3**.

31. After formation of GRC's, most DPs log their applications through GRC members while some DPs directly log their applications to PIU. The Project Director PIU of BHPP responded properly, through a detail discussion and reply addressing all their grievances related to other monetary allowances. A series of meetings were held with GRC community members for finalization of DPs for household dislocation/chula allowance, business allowance and shifting allowance and disclosure of the final outcome of IVS report/rates. The PIU stated that according to the ADB's policy, all the affected structure located in the affected mouzas have been considered for allowances as per entitlement. The PD further added that, if there is any missing DP from the approved figures/ list, they must be substantiated with proper proof/ documentation of evidence. After thorough verification by PIU, DPs eligibility may be considered. All the requisite documents and information will be provided by the DPs through their concerned GRC committee. The PIU informed the GRC forum that under approved

LARPs all the admissible allowances were aligned and approved under ADB's Safeguard Policy Statement 2009 (SPS 2009).

6 CONSULTATIONS AND DISCLOSURE OF INFORMATION

6.1 Community Consultations/ Meetings

32. To accelerate the LARP's addendum implementation process, PIU staff including Deputy Director Social and Resettlement, Deputy Director Health, Safety, Environment and Gender and Assistant Director Social and Resettlement along with PMC staff will repeatedly conduct the consultation meetings regarding information disclosure with DPs of each affected mouza of the project. During preparation of LARP's addendum a number of meetings have been conducted with GRC community members and DPs of the affected mouzas in which DPs participated and addressed all their queries/ concern regarding additional compensation under the IVS and missing allowances of their affected assets to the respective DPs. DPs were informed to receive their due share compensation and allowance amount from the revenue department once the acquaintance roll for additional compensation and missing allowances are finalized. Information was disseminated through print and electronic media and announcement in local mosque (masjids) along with installation of banners and LARP's addendum information brochure available at **Annexure-6** will be distributed in the affected mouzas.

6.2 Concerns of DPs during Consultation Meetings

33. Before implementation of LARP-1, one complaint was filed with ADB's Accountability Mechanism/OSPF from mouza Sangar regarding land acquisition, valuation and compensation. Following the completion of the IVS in mouza Sangar, the PIU clarified with the complainant that additional compensation will be provided following the results of the IVS. The complainant was satisfied with the outcome of the IVS results and provided a statement of satisfaction as shown in **Annexure-2**. Additionally, the GRC committee members of mouza Sangar and Ghanool provided a statement of satisfaction regarding provision of missing allowances and IVS compensation amount as considered under this LARP-1 addendum. The statement of satisfaction regarding provision of missing allowances is available at **Annexure-4** and of IVS outcome at **Annexure-5**. During the consultation meetings with DPs, major concerns and their responses are given below in

34. **Table 6.1.**

Table 6.1: Concerns of DPs and Response from the Project Team

S. No.	Summary of Concerns	Response from the PIU/ PMC
1.	Most of DP's asking about the IVS compensation amount of land, timber trees and built-up properties.	The staff member of PIU and PMC responded to each query of the GRC community members/ DPs and openly communicated that IVS report has been finalized and soon will prepare an acquaintance roll by the LAC/ IVS for the positive differential identified in affected land.
2.	Some of the DPs enquired about the missing/ additional allowances.	It was categorically responded that based on the available valid documents/ information the eligible DPs will be provide the admissible missing/ additional allowance as per the criteria which has been mentioned in the approved LARP as well as in this LARP's addendum.

6.3 Dissemination of LARP's Addendum related Information

35. A meeting and presentation of the IVS findings was conducted by the IVS consultants with all the GRCs members, some DPs, and community members. The presentation was followed with a question-and-answer session. The GRC members, DPs and community members expressed their satisfaction on the study findings and requested PIU for early release of payment of differential of land compensation. The PD of BHP clarified to them that payment of differential will be paid through the addendum of LARP-1 and LARP-2 separately after approval of the same by ADB. The minutes of meeting/presentation of IVS is available at **Annexure-1**.

36. In order to expedite the LARP's addendum implementation process, Project Implementation Unit (PIU) supported by PMC will disseminate LARP's related information to all concerned DPs which include but not limited to; Installation of banners at public offices such as AC/Tehsildar's offices Balakot, service delivery center at Balakot and other public places like Masjids and Jamia Masjids of affected mouzas in the project area. Additionally, the PIU will produce information related to LARP's addendum implementation through print media i.e., local and national newspapers for awareness of public to receive their compensation and allowances. Posters and flip charts will be displayed in public places. The safeguard team of PIU and PMC will disseminate the LARP addendum information brochure (**Annexure-6**) through community consultation meetings, and interaction with DPs at the revenue department tehsil Balakot and other prominent places in each mouza of the project. Awareness among the DPs regarding LARP's addendum will be created through social media link.

7 GRIEVANCE REDRESS MECHANISM

37. The GRM aims to mediate conflicts and response to complaints related to environment and social safeguard (LARP) performance of the project. At project level, the disbursement of compensation and allowance committee and grievance redress committees are operationalized for disbursement of entitled allowance and redressing grievances of affected communities. The field level GRCs has been notified on dated September 15, 2022 for mouza Ghanool and Sangar under section-1 LARP with the following composition;

- | | |
|---|-------------------------|
| a. Deputy Director Social & Resettlement | (Chairman |
| b. Deputy Director Environment, Health, safety & Gender | (Member & Focal person) |
| c. Resettlement Expert | (Member) |
| d. Patwari of Mouza Sangar | (Member) |
| e. Patwari of Mouza Ghanool | (Member) |
| f. Representative of Mouza Ghanool | (Member) |
| g. Two Representatives of Mouza Sangar | (Member) |

38. A complaint register is maintained at site with the contractors as well as in the office of the Project Director (PIU). The placing of the complaint register at contractor's camp is well publicized. Detailed Grievance Redress Mechanism (GRM) is affixed on sign board installed at Chief Engineer's office to guide complainant. The office of the Chief Engineer of the PMC is the first level to register and resolve the complaint if it is not addressed by the contractor. The Chief Engineer will deliver his decision within one week of registration of the case, if no understanding or amicable solution can be reached, or if the affected person does not receive a response from the Chief Engineer office within one week of the registry of the complaint, he/she can appeal to the GRC in writing to the office of the Project Director PIU- BHPP. The Committee at the PIU level will address the complaint on priority and is fully responsible to satisfy the complainant in terms of resolving his/ her complaint.

8 BUDGET FOR THE SECTION-1 LARP ADDENDUM

39. The PEDO will be responsible for providing adequate funds to the PIU for smooth implementation of Section-1 LARP addendum activities. The resettlement budget includes (i) compensation as per replacement cost of IVS and (ii) additional/missing resettlement allowances of eligible DPs. The required payment of compensation as per IVS replacement cost and additional/ missing allowances for this Addendum is PKR. 17.673 million. Table 8.1 below provides the breakdown of IVS replacement cost and additional/missing resettlement allowances budget.

Table 8.1: Breakdown of IVS Replacement Cost and Additional/Missing Resettlement Allowances Budget for Section-1 LARP Addendum

S. No.	Resettlement Activity	Quantity/ Area (Kanal)	No. of DPs	Unit cost (PKR)	Total Cost (PKR)	Remarks
1	Replacement Cost of IVS for Affected Land					
i.	Mouza Ghanool	30.95	162		1,348,232	
ii.	Mouza Sangar	817.45	1,712		12,549,652	
Total Replacement Cost of IVS of Section-1 LARP Addendum		848.40	1,874		13,897,884	
2	Resettlement Allowances					
i.	Vulnerability Allowance	3	2	63,000	189,000	
ii.	Structure Relocation	18	17	31,000	558,000	
iii.	Shifting Allowance (For House)	1	1	31,000	31,000	
iv.	Transition Allowance	1	1	57,000	57,000	
v.	House Rent Allowance	1	1	100,000	100,000	
vi.	Electricity Allowance	1	1	20,000	20,000	
vii.	Household Dislocation (Chula) Allowance	1	1	2,000,000	2,000,000	
viii.	Severe Impact Allowance	2	1	63,000	126,000	
ix.	Shifting Allowance (Commercial Structure)	1	1	31,000	31,000	
x.	Business Moving assistance	1	1	63,000	63,000	
xi.	Business Allowance for 12 Month @ 50,000/month	1	1	50,000	600,000	
Total Cost of Resettlement Allowances of Section-1 LARP Addendum		31	20		3,775,000	
Grand Total Replacement Cost of IVS and Resettlement Allowances of Section-1 LARP Addendum			1,894		17,672,884	

9 INSTITUTIONAL ARRANGEMENT FOR SECTION-1 LARP ADDENDUM

40. The PIU is responsible for timely and smooth implementation of Section-1 LARP addendum for BHPP. The PIU is headed by the Project Director and includes a Deputy Director Social & Resettlement, a Deputy Director Land Acquisition, a Deputy Director Health, Safety, Environment and Gender, an Assistant Director Social & Resettlement and Patwaris (land record keepers). The PIU team remains in place to implement the Section-1 LARP addendum. In addition, the Land Acquisition Collector/DC Mansehra from District Land Revenue Department with land revenue staff continue to support the PIU/PMC in land acquisition and payment of compensation under the Land Acquisition Act (LAA) 1894, including the additional compensation as per the LARP addendum.

9.1 Project Steering Committee

41. The Project Steering Committee comprises under the Chairmanship of Additional Chief Secretary, KP and DC Mansehra. The PSC meetings are conducted on a need basis for the project smooth implementation.

9.2 Disbursement of Allowances by LAC/ PIU

42. The LAC and PIU are responsible for payments of allowances such as severity, vulnerability, shifting allowance for house/commercial, transition, house rent, business, electricity, structure relocation, household dislocation allowances and business moving assistance. The allowances disbursement committee that was constituted at the office of DC/ LAC under the chairmanship of ADC along with Deputy Director Social & Resettlement and Assistant Resettlement Expert of PMC for Section-1 LARP will continue with the task of disbursing the additional compensation and allowances as per the LARP addendum.

9.3 Project Management Consultants (PMC)

43. The PIU is supported by a Project Management Consultant (PMC) to prepare, implement and monitor the implementation of LARP's addendum. The PMC has established close liaison with all project stakeholders at the district level related to LARP's addendum preparation, implementation and monitoring. The PMC supports the PIU at all levels and conducts regular consultations with DPs in the preparation and implementation of the LARP addendum. Update, and maintain the database of the DPs and their assets needed the effective implementation and monitoring of LAR activities. To resolve grievances of DPs, monitor and regularly report on the implementation of the grievance redress mechanism. Support the PIU in the effective implementation of the LARP addendum, including the livelihood restoration activities. Conducted various field meetings and mobilized the affected communities/DPs regarding receiving of compensation amount and other admissible allowances from the revenue department. Regularly assisted, supported and meetings/ discussion conducted and provided requisite data/ information of LARP's to the PIU relevant staff. Prepare semi-annual internal monitoring report of LARP's for submission to ADB.

9.4 Grievance Redress Committee (GRC)

44. The GRCs are proposed at two tiers i) Grievance Redress Committee at the field/village level, ii) Grievance Redress Committee at the PIU). In both the GRCs, the Project area community will be represented by the villager's nominated representatives. Having members based in the village, the village level GRC will be helpful in swift resolution of the grievance(s) without indulging in lengthy documentation/ legal proceedings. The local participation will further build local capacity in dispute resolution and decision making and will provide leadership support in the implementation of the Project.

10 IMPLEMENTATION SCHEDULE

45. The PEDO/PIU is responsible for implementing this Section-1 LARP addendum. Subject to timely transfer of funds to LAC/DC District Mansehra for the disbursement to DPs. The schedule of compensation and allowances payment is planned to start in July 2024 after the approval of the Section-1 LARP addendum by ADB and completion of the acquaintance roll. The activities for the implementation of Section-1 LARP addendum and relative timelines are summarized in Table 10.1 below.

Table 10.1: Schedule for Implementation of Section-1 LARP Addendum

S. No.	Actions	Tentative Timeline/ Status		Responsibility
		Timeline	Status	
1	Social safeguard set-up in PIU established	-	Already in place	-
2	GRCs established	-	Already in place	-
3	Draft outline of the Section-1 LARP addendum submitted to ADB.	23 April 2024		PIU/ PMC
4	Draft Section-1 LARP addendum outline commented by ADB	30 April 2024		PIU/ PMC
5	<ul style="list-style-type: none"> • Replacement Cost of IVS for land deposited in District Treasury under LAC/ DC Mansehra. • Transfer of fund for additional/ missing allowances of DPs deposited in District Treasury of District Mansehra. 	15 May 2024	PEDO will deposit replacement cost and funds for additional allowances in the treasury of district Mansehra.	PIU/ PEDO
6	Section-1 LARP addendum submitted to ADB	15 May 2024		PIU/PEDO
7	Section-1 LARP addendum reviewed and cleared by ADB.	20 June 2024		ADB
8	Acquaintance Roll under Section-1 LARP addendum as per IVS cost prepared	July 2024		IVS/ DC/LAC and PIU
9	Compensation payment under IVS cost disbursed	August/ September 2024		DC/ LAC and PIU
10	Payment of missing/additional disbursed.	August/ September 2024		DC/ LAC and PIU
11	Internal Monitoring Report prepared and submitted to ADB	October 2024		PIU/ PMC
12	External Monitoring Report prepared and submitted to ADB	November 2024		EMA/ ERM
13	IMR and EMR report on completion of payment of compensation and allowances as per Section-1 addendum reviewed by ADB	November 2024		ADB
14	No-objection for clearing of all sites issued by ADB	One week after clearing the EMR		ADB

11 MONITORING OF LARP ADDENDUM

46. The monitoring of LARP's addendum in manner consistent with the project loan covenants and ADB's SPS 2009 provision is the key requirement for handing over of the sites to contractor and to proceeds on physical works at site. Therefore, for smooth and efficient implementation of LARP's addendum, a safeguard management set-up at PIU as a focal unit for LARP addendum implementation; maintaining updated LARP's addendum data about DPs with respect to compensation, entitlements and payment record, facilitate consultation meetings with stakeholders including DPs, project executors and district land revenue authorities; track and monitor day to day implementation progress and prepare periodic monitoring reports; maintaining a log of complaints received and redressed and facilitate project grievance redress committees to review and resolving the complainants.

47. Similarly, the LARP's addendum implementation is also monitored externally through engagement of an external monitoring consultant (EMC) by PIU. The objective of resettlement monitoring is to validate implementation of LARP's addendum, payment of compensation to DPs and livelihood restoration support and ensure safeguards monitoring compliance during implementation as per ADB's SPS 2009 guideline.

Annexure 1: IVS Briefing Meeting Minutes**Dissemination of Independent Valuation Report (IVS) to the Members of
Grievance Redress Committees and Community Members****Project:** Balakot Hydropower Project (300MW)**Venue:** PIU Office Balakot**Date:** Friday, May 17, 2024**List of Participants:**

1. Mr. Aziz Raza: Project Director BHPP-PIU-PEDO
2. Dr. Naveed Afsar: Deputy Director (Social & Resettlement), BHPP
3. Mr. Shareef-ud-Din: Deputy Director (Admin) BHPP
4. Muhammad Shoaib: Anderson Consulting Pvt Ltd. (IVS Consultants Briefed Virtually)
5. Mr. Ashfaq Khokar: ADB (Joined virtually)
6. Mr. Mushtaq Hussain: Institutional Support Specialist (ISS-ADB)
7. Ibad Ullah: Assistant Resettlement Expert (PMC)
8. Waqar Ali Khan: Patwari BHPP
9. GRC Village level Committee Member (Ghanool)
10. GRC Village level Committee Member (Sangar)
11. GRC Village level Committee Member (Sangar)
12. GRC Project level Committee Member (Sangar)
13. GRC Village level Committee Member (Paras)
14. GRC Village level Committee Member (Paras)
15. GRC Village level Committee Member (Paras)
16. GRC Project level Committee Member (Paras)
17. Community Member/Affectee from Paras
18. Community Member/Affectee from Paras
19. Village Council Chairman & Community Member from Sandar.
20. Community Member/Affectee from Sangar

Summary of Key Discussions of IVS briefing

1. Project Implementation Unit (PIU) of Balakot Hydropower Project organized a hybrid meeting at PIU Balakot Office on May 17, 2024. The purpose of the meeting was to disseminate the results of the IVS report to the GRCs and community members of the affected villages. Project Director BHP welcomed the participants and invited the IVS expert to present the study findings. The meeting started at 11:00am and ended on 12:40pm. Attendance sheet of all participants is attached as annex 1 and photographs of meeting as annex 2. Summary of key discussions and views of GRC members on the IVS report are presented below:

2. The IVS consultant presented the IVS process and the valuation methodology. After collecting the already available data from the client, the consultant surveyed the field and considering the grievances of the community, they visited all the complainant's structures and the affected land. In order to consider all the issues raised by the complainants, all their structures were physically checked on site. After physical verification, data collection, proofs etc., the consultant started organizing and analyzing the data and office work as per their already set rules/policies and international standards.

3. The IVS consultant further added that in resolving the complaints regarding rates of the land and non-land assets, the consultant take into consideration the following:

- Merit of the complaints/case received for consideration
- Evidences to take a decision on the complaint
- Witness statements
- Observations made on the field

4. After explaining the procedure of the valuation work of the Balakot Hydropower Project, the consultant presented each and every village overall differential to the available GRC members as well to the other community members who were physically present for the virtual briefing in the PIU-BHPP Office. The consultant also informed the participants that the LAC adopts a traditional practice of valuation which is used by them from the past years about the land and non-land assets, however the IVS consultant uses a different way of valuation of assets which is according to international practice and a gap between the prices of the LAC and IVS is identified if any.

5. He further explained that each and every case which was given to them by the PIU-BHPP to verify in the field was 100% checked and physically visited along with the presence of the GRC members/Affectees. After the briefing, the GRC members asked questions about the differential and showed their concerns if there are some deductions from the government side in the IVS report, on which the IVS consultant replied very clearly that the approved report is the one which is formulated by them and the same was approved by ADB and later the same was approved from the Government by the PIU-BHPP, PEDO. Which means that there is no decrease or any cutting from the client PIU-BHPP.

6. In addition to the above, Mr. Ashfaq from ADB clarified “full replacement costs” in light of SPS 2009, although some participants interpreted “replacement cost” according to their own perceptions which may not be considered merely based on wish lists. ADB SPS required valuation by an expert and PEDO thankfully complied with it by engaging an accredited valuation expert to determine replacement cost. He thanked the IVS expert for explaining the valuation process to the participants in an easy-to-understand way further clarifying that the report has been reviewed by ADB and approved by the Government of KPK. Therefore, no further additions or amendments can be made to the report.

7. IVS expert also conducted a detailed due diligence of the awarded prices by crosschecking the rates with the real market value to work out any gaps in the “rates” for PEDO to consider bridging the gaps through top up payments to eligible APs. The consultant then informed all the participants that they found some gap in land rates which as per IVS is the differential and that this gap / difference can be filled by paying the differential amount which is given in the final summary.

8. After presenting the study findings and answering the questions of the GRC and community members, PD-BHP and the IVS expert asked them about their satisfaction of the valuation process. All GRC and community members thanked PIU for listening to their concerns and demands and taking them into consideration for practical solutions. They expressed satisfaction on the conduct of the study and its results. However, they requested PEDO/PIU and ADB for continued support and sympathetic approach to their concerns, even though some concerns may look childish.

Conclusion:

9. After the detailed presentation of the study findings and answering the questions of the participants, all the GRC and community members expressed their satisfaction on the study findings and they requested PIU for early release of payment of differential. The PD BHP clarified to them that payment of differential will be paid through the two “Addendums of LARP 1 and 2” after approval of the same by ADB. Payments will be made through the Land Acquisition Collector, Office of the Deputy Commissioner, Mansehra.

Annexure 1: Attendance Sheet of the IVS Briefing Session



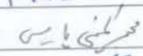
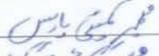
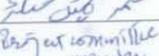
P E D O
PAKHTUNKHWA ENERGY DEVELOPMENT ORGANIZATION
 Government of Khyber Pakhtunkhwa Peshawar
 Energy & Power Department



LIST OF PARTICIPANTS OF MEETING BRIEFING ON IVS TO THE GRC COMMITTEES.

Chaired by: Mr. Aziz Raza, Project Director, Balakot HPP, PEDO.

Date: 17-05-2024

S #	Name of Participants	Organization	Designation	Signature
1	Dr. Naveed Afraz	PIU-BHPP	DD S&R	
2	Muhtyar Hussain	ISS KDB	ISS	
3	Ibadullah	PMC	A.R.E	
4				
5			v.c chausman sang	
6			C.R.C	
7		Sangar	G.R. c Sangar	
8	Nagar Ali	PIU-PEDO	PATWARI	
9				
10				
11		Project committee member		
12		Sangar		
13		Parsons	GRC	
14				
15				
16				
17				
18				
19				
20				

The IVS consultant briefing/ presenting the IVS study findings to the GRCs/ DPs/ community members.

The GRCs/ DPs/ community members listening the IVS consultant's presentation/ findings.

The GRC/ DPs/ community members participated in question and answer session from IVS consultants regarding study outcome.

The PD-PIU questioning from the IVS consultants.

Annexure 2: Statement of Satisfaction of (OSPF) Complainant

Statement of Satisfaction

of the

As we had been registered a compliant on dated June 24, 2022 on ADB's website related to BHPP project implementation on various issues in Mouza/ village Sangar.

Now all our registered issues in the said complaint have been resolved through IVS by PIU according to the SPS 2009 of ADB policy.

Therefore, we are satisfied and there are no pending issues related to LARP's and the complaint consider as resolved and closed forever.

Mouza Sangar

The Complainants (OSPF),
signed and handover statement of
satisfaction to the Deputy Director Social &
Resettlement of PIU.

Annexure 3: List of DPs of Missing Allowances

S. No.	Structure No.	Name	Father / Husband Name	Vulnerability Allowance @ PKR 63,000	Structure Relocation Allowance @ PKR 31,000	Shifting Allowance for Houses @ PKR 31,000	Shifting Allowance for Commercial Structures @ PKR 31,000	Transition Allowance @ PKR 57,000	Business Moving Assistance @ PKR 63,000	House Rent Allowance @ 100,000	Severe Impact Allowance @ PKR 63,000	Business Allowance for 12 Months @ PKR 50,000/ Month	Electricity Allowance @ PKR 20,000	Household Dislocation /Chula Allowance @ PKR 2,000,000	Total
1	MS-5				31,000										31,000
2	MS-14				31,000										31,000
3	MS-16			63,000	31,000										94,000
4	MS-17				31,000										31,000
5	MS-18				31,000										31,000
6	MS-22				31,000										31,000
7	MS-28				31,000										31,000
8	MS-30				31,000										31,000
9	MS-31				31,000										31,000
10	MS-32				31,000										31,000
11	MS-33				31,000										31,000
12	MS-35				31,000	31,000		57,000		100,000	63,000		20,000	2,000,000	2,302,000
13	MS-36				31,000										31,000
14	MS-37				31,000										31,000
15	MS-40				31,000										31,000
16	MS-43				31,000										31,000
17	MS-45				31,000										31,000
18	MS-46				31,000										31,000
19	MS-47						31,000		63,000		63,000	600,000			757,000
20				63,000											63,000
21				63,000											63,000
Total Cost of Resettlement Allowances in PKR				189,000	558,000	31,000	31,000	57,000	63,000	100,000	126,000	600,000	20,000	2,000,000	3,375,000
In Million				0.189	0.558	0.031	0.031	0.057	0.063	0.100	0.126	0.600	0.020	2.000	3.775

Annexure 4: Statement of Satisfaction (LARP Allowances)

We, the committee members of the GRC (Village and Project), along with the members of the Village Council of Mouza Sangar and Ghanool, hereby declare our complete satisfaction with the list of Missing LARP Allowances (including Business and Chulla allowances) that has been accurately prepared and confirmed in our presence.

We, (the GRCs members) express our deep gratitude to the management of the Balakot Hydropower Project for addressing our grievances/ concern with such thoroughness and integrity. The project management, diligent verification of the missing LARP allowances has been genuinely appreciative by all the concerned GRC members/ community members.

Furthermore, we (GRCs / community members) look forward to maintaining this positive relationship with the project management in the future. We, the undersigned members, pledge our commitment to ensuring the success of this project of national importance. Any challenges that may arise in the future will be met with a spirit of mutual cooperation and resolution.

اطمینان کا بیان

تاریخ: 05/06/2024

ہم جملہ کمیٹی ممبران GRC (وہیلج و پراجیکٹ)، ممبران وہیلج کو نسل موضع سنگڑ و گھنول بیان کرتے ہیں کہ مسنگ لارپ الاؤنسز (بزنس و چولہا و دیگر) موقعہ پر ہماری موجودگی میں تصدیق کر کے جو لسٹ تیار کی اس پر ہم مکمل طور پر مطمئن ہیں اور بالا کوٹ ہائیڈرو پاور پراجیکٹ کی انتظامیہ کے بے حد مشکور اور شکر گزار ہیں کہ جنہوں نے بڑی باریک بینی اور سچائی سے مسنگ لارپ الاؤنسز تصدیق کروا کر ہماری شکایات کا ازالہ کیا۔ اور ہم مستقبل میں بھی پراجیکٹ انتظامیہ سے ایسے ہی اچھے برتاؤ و سلوک کی توقع رکھتے ہیں۔

اور ہم جملہ ممبران اس بات کا یقین دلاتے ہیں اور عزم کرتے ہیں کہ قومی اہمیت کے حامل اس پراجیکٹ کو ہم مل جل کر کامیاب کروائیں گے اور جو بھی ہتھیانگہل مستقبل میں آئیں گے انہیں مل بیٹھ کے حل کریں گے۔ انشاء اللہ

Annexure 5: Statement of Satisfaction (IVS)

We, the committee members of GRC (Village and Project) and the members of the Village Council of Mouza Sangar and Ghanool, state that we are satisfied with the recently published IVS survey report. We (the GRCs members) express our deep gratitude to the management of the Balakot Hydropower Project for addressing our concerns so promptly by conducting an unbiased and impartial survey.

We (the GRCs members) greatly appreciate the management's dedication and efficiency in redressing our grievances in such a short period of time and hope to see this commendable work continue in the future.

Furthermore, we (the GRCs members) assure that, as collectively committed to making this project of national importance a success and together, we will overcome any challenges that may arise.

اطمینان کا بیان

تاریخ/06/2024/06

