



Technical Assistance Consultant's Report

Project Number: 44140
Date: April 2013

TA 7566-REG: Strengthening and Use of Country Safeguard Systems

Subproject: Strengthening Involuntary
Resettlement Safeguard Systems (Nepal)

NATIONAL RESETTLEMENT AND REHABILITATION POLICY FOR DEVELOPMENT WORKS AND PUBLIC INFRASTRUCTURE 2013

Prepared by ADB Consultant Team

This consultant's report does not necessarily reflect the views of ADB or the Government concerned, and ADB and the Government cannot be held liable for its contents.

Asian Development Bank

National Resettlement and Rehabilitation Policy
for Development Works and Public Infrastructure 2013

The government of Nepal
National Planning Commission Secretariat
Sighadurbar, Kathmandu, Nepal
April 2013

Abbreviation

Glossary

Affected area means such area as may be notified by the Government of Nepal for land acquisition

Affected household includes:

(i) a household whose primary place of residence or other property or source of livelihood is adversely affected by the acquisition of land for a project;

(ii) any tenure holder, tenant, lessee or owner of other property, who on account of acquisition of land in the affected area or otherwise, has been involuntarily displaced from such land or other property; or

(iii) a household which does not own land but is a member of such family – agricultural or non-agricultural labourer, landless family or artisans, small trader who may be working in the affected area and whose primary source of livelihood stand affected by the acquisition of land or the Project.

(iv) family whose primary source of income is dependent upon forests or water bodies and includes gatherers of forest produce, fisher folk and such livelihood is affected due to acquisition of Project construction.

“Arable Land” means the land except forest area, which has been used or can be used for the following purposes:

- Agriculture or horticulture
- Dairy development, poultry farming, Pisciculture, animal husbandry or medicinal herb production
- Raising of cereal or cash crops, trees, fodder or garden produce
- Private land used for grazing of cattle except for the purpose of firewood and logging

Compensation means cash or kind payment made against the property, source or income that the affected individual or household lost due to the Project or the land acquisition.

“Concerned Body” means the Government, company, a corporate body, an institution or any other organisation for whom land is being acquired by the Government of Nepal for public welfare

“Affected Persons” means an individual and his or her family, which has been dislocated physically (through displacement, damage to inhabited land or shelter) or economically (through damage to land, property, access to property, source of livelihood or means of income, etc.) as a result of the involuntary restriction imposed on the land or its accessibility in national parks, protected areas or conservation areas declared as such by Land Acquisition or the current Law.

Head of Household means the person who bears the chief responsibility for managing the affairs of the household and takes decision on behalf of the household.

“Household” means one or more families that dwell under a single roof. Household includes a person, his or her spouse, minor children, minor brothers and minor sisters dependent on him. Provided that widows, divorcees and women deserted by families shall be considered separate household. However, household will not include the tenant household.

“Monitoring Committee” means a committee formed under the clause 6.6.

“Project” means a public development work or work associated with it, proposed or implemented by the Government of Nepal, organized institutions or private sector. The Project means a project for which land is being acquired, irrespective of the number of persons affected.

“Project Chief” means an authorized person appointed or assigned for formulation, management and implementation of project

“Project Affected Area” means area being affected or that likely to be affected due to project development activities. It also means such area as may be notified by the Government of Nepal for land acquisition as per Land Acquisition Act 2034 or country’s other prevalent laws.

“Project Affected Individuals” mean families, organizations or individuals who lost sources of livelihood fully or partially within specific time due to development projects

“Project developer or authorized agency” means ministry or department or local body or public enterprises or company or organization responsible for formulation of plan and implementation of the project

“Reestablishment value” means the amount needed to reestablish land or other physical holdings affected by the project.

“Resettlement” means all direct economic and social losses resulting from land taking and restriction of access, together with consequent compensatory and remedial measures. Resettlement shall include (a) acquisition of land and physical structures on the land, including businesses; (b) physical relocation; and (c) economic rehabilitation of displaced/affected persons, to improve (or atleast restore) incomes and living standards.

“Rehabilitation” means assistance given to project affected individual or family to restore their livelihood

“Resettlement Area” means an area where the affected households, who have been displaced as a result of the Project are resettled by the Government/Project.

“Below Poverty Line (BPL)” means an individual or a group that remains below the regional or national poverty line indicated as such by the Government of Nepal through ascertained criteria from time to time, those that have not been able to be part of the national development process on the basis of development indicators such as health and education as well as on the basis of certain sex or social group.

“Resettlement & Rehabilitation Plan” means a time-bound plan with actions and budget based on an assessment of involuntary resettlement of the project. The Plan shall detail out the resettlement and rehabilitation activities to be carried out to mitigate and address social, economic and cultural impact on the Project on individuals, households and community.

“Significant Consultation” means a process that is undertaken in an atmosphere free of intimidation or coercion; is gender inclusive and responsive in nature and tailored to the needs of disadvantaged and vulnerable groups and is undertaken throughout the project cycle. Such process will focus on enabling the incorporation of all relevant views of affected people and other stakeholders into decision-making and will also provide timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people and communities.

“Public Infrastructure” means public structures including roads, bridges and culverts, railways, ropeways, waterways, dams, irrigation canals, drinking water distribution pipelines, water storage tanks, sewage systems, hospital, schools, electricity transmission lines, *Haat*

Bazaars (makeshift markets), transmission towers, telecommunication towers and lines, airports, landfill site, dry ports etc.

“Works related to public concern” means any work carried out for the welfare and benefit of the general public. This term shall also denote the following works:

- Government Projects approved by the Government of Nepal,
- Project undertaken by local body/administration,
- Public, Private Partnership (PPP) projects
- Project run by any agency
- Project related to the relocation and resettlement of affected households

“Marginal Land Holding” means those households owning less than 1000 sq meters areas of 1st class land or less than 1500 sq meters of 2nd class land or less than 2000 sq meters of 3rd class land and less than 3000 sq meters of 4th class land. The term also refers to those possessing less than 50 sq meters in metropolitan city and sub-metropolitan city, or those possessing less than 125 sq meters of land in municipality. However, technical guidelines will determine the meaning of ‘marginal holding’ in the cases of ownership of other classes of land.

“Vulnerable Group” means an individual or his or her dependent household members who have no land or house (immovable asset) in his or her or his/her inheritor’s name; or has no means or resources to acquire a house or land in his/her or his/her inheritor’s name; or those who has become homeless and landless due to certain reason. The vulnerable are individuals or groups who may experience adverse impacts from a proposed project more severely than others because of their vulnerable status. Typically, those below poverty line, the landless or those without a title to land, the elderly, women headed households, women and children, and Indigenous Peoples comprise the disadvantaged or vulnerable groups within a project’s displaced population

Table of Content

- 1. Background**
- 2. Policy objective**
- 3. Policy principles**
- 4. Applicability**
 - 4.1 Scope
 - 4.2 Legal provision
- 5. Operational Procedure**
 - 5.1 Screening and categorization of projects
 - 5.2 Social Impact Assessment
 - 5.3 Land procurement for project
 - 5.4 Transfer of ownership
 - 5.5 Preparation of land acquisition and compensation plan
 - 5.6 Preparation of Resettlement and Rehabilitation plan
 - 5.7 Valuation of affected assets
 - 5.8 Additional assistance
 - 5.9 Compensation , assistance and Benefit Sharing
 - 5.10 Consultation, participation and information dissemination
 - 5.11 Relocation
 - 5.12 Livelihood restoration
 - 5.13 Social Inclusion
- 6. Institutional mechanism**
 - 6.1 District level Valuation Committee
 - 6.2 Compensation Determination Committee
 - 6.3 R&R unit at Department and Ministry
 - 6.4 Grievance redressal System
 - 6.5 Monitoring and evaluation
 - 6.6 Review Panel
- 7. Policy Update**

1. BACKGROUND

Nepal is facing serious challenges for smooth and timely completion of infrastructure projects. One of the main reasons for delay in timely completion of project is land acquisition, resettlement and rehabilitation. In absence of any national policy on resettlement and rehabilitation, there are no single guidelines available to various ministries and executing agencies to address the issues related to R&R at the field level.

Despite positive benefits of public infrastructure development such as hydro power projects, roads/highways, irrigation projects, infrastructure and urban development activities, the construction of these projects has many adverse impacts such as loss of land and structures due to land acquisition, involuntary resettlement of the affected people and loss of income and livelihood sources. While meant to be harbinger of development, such Projects can also result in destruction of production system, loss of productive assets and sources of income, weaken community institutions and social networks, cultural identification, traditional rights and mutual cooperation. Experience gained so far shows that community and groups, which are economically and socially vulnerable are most affected as a result of these impacts.

This Resettlement and Rehabilitation Policy for Development Works and Public Infrastructure 2013 has been drafted to effectively resettle and rehabilitate the affected households and communities by restoring their lost assets, resources and means of livelihoods to pre-project level and to facilitate the management of development projects by maintaining uniformity in distribution of compensation, resettlement and rehabilitation works.

This policy aims to make the resettlement and rehabilitation of affected communities a more humane, participatory, informed and transparent process. The policy will ensure that the land acquisition and valuation process is scientific, timely and realistic.

2. POLICY OBJECTIVE

The key policy objective is Avoidance, Minimization and Mitigation as stated below:

- (i) To avoid, and when avoidance is not possible, minimize project impacts.
- (ii) To mitigate adverse impacts of projects on social and economic aspects of affected households and communities; and
- (iii) To maximize opportunities for social benefits in the Project area

3. POLICY PRINCIPLES

- To screen the projects early on to identify project impacts and risk resulting from land acquisition leading to involuntary resettlement, land lease or purchase through negotiated settlement.

- To ensure that the executing agency has carried out meaningful consultations with affected persons, project impact communities, and concerned non-government organizations with a particular attention to the needs of vulnerable groups, especially those below the poverty line (BPL), the landless, the elderly, women and children, indigenous people and those without legal title to land.
- To ensure executing agency has established a grievance redressal mechanism to receive and facilitate resolution of the grievances of the affected persons and communities.
- To ensure executing agency has well-developed plans and adequate resources allocation to ensure improvement or at least restoration of the livelihoods of all project affected persons.
- To develop procedures in a transparent, consistent and equitable manner if land acquisition is through negotiated settlement so as to ensure that people who enter/ sell via negotiated settlement, continue to maintain the same or better income and livelihood status.
- To provide Land for land, if possible, as compensation to those affected households who become marginal farmer due to the project impact.
- To design social inclusion programs by means of additional support and assistance for socio economic improvement of deprived groups such as Dalit, under privileged indigenous nationalities and single women
- To ensure that affected persons without titles to land or any recognizable legal rights to land are also eligible only for resettlement assistance and not compensation for land. However, they will be paid compensation for loss of non-land assets.
- To prepare mitigation plans such as Resettlement Plan (RP), if required.
- Pay compensation and provide other resettlement entitlements prior to physical or economic displacement of the affected households
- To ensure resettlement of the displaced people, to the best possible extent, within the periphery of their existing settlements with the exception of those who are voluntarily willing to be resettled at other places, in a bid to minimize displacement.
- Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan has been achieved by taking into account the baseline conditions and the results of resettlement monitoring.

4. APPLICABILITY

4.1 Scope

The provisions of this Policy shall apply whenever a new project or expansion of an existing project, involves involuntary physical or economic displacement of local population and households. The policy applies to all projects irrespective the projects are in Public Sector or Private Sector or in Public Private Partnership (PPP) domains. The Policy will not apply to projects, which involve voluntary donation of land and other productive assets or land purchased through negotiated settlement or through land development program, subject to meeting the condition listed in the policy of each of the listed categories.

4.2 Legal provision

To give a legal form to the provisions stipulated in the Policy, Ministry of Land Reform and Management will recommend either amendment to the existing Land Acquisition Act 2034 or prepare a new R&R Act.

5. OPERATIONAL PROCEDURES

5.1 Screening and categorization of projects

Prior to the acquisition of land, at the preparatory stage, an initial screening of the proposed project will be done so as to assess the nature and extent of Project impacts and associated involuntary resettlement risks. In line with this initial screening, the Project shall be divided into following categories:

- 5.1.1 Project with **High R&R Risks** (meaning a project, which renders physical and/or economic displacement of 50 or more families in mountains, 75 or more families in hills and 100 or more families in Tarai). The Department will prepare the resettlement and rehabilitation plan and will submit the same to the concerned Ministry for approval.
- 5.1.2 Project with **moderate or low R&R Risks** (meaning a project which renders physical and/or economic displacement of less than 50 families in mountains, less than 75 families in hills and less than 100 families in Tarai). The Department will approve the resettlement and rehabilitation plan.
- 5.1.3 Project **with no risk impact** (meaning there is no physical displacement or loss of livelihood). In this case the executing agency will make only land acquisition and compensation plan. The Department will approve the land acquisition and compensation plan.

5.2 Social Impact Assessment (SIA)

5.2.1 Whenever a Project intends to acquire land for a public purpose, which entails involuntary resettlement, a social impact assessment (SIA) shall be undertaken in the area in consultation with the affected villages, households and village leaders. The Social Impact Assessment shall include the following:

- Estimation of affected households and number of families likely to be displaced both physically and economically.
- Extent of land, structures, and other assets likely to be affected by proposed acquisition
- Whether the extent of land proposed for acquisition is the absolute bare minimum extent needed for the project
- Whether land acquisition at an alternate place has been considered and not found feasible;
- To understand the social, economic, cultural demographic structure of the communities within the project impact area.
- The nature and cost of addressing the social impacts, the cost implications within the overall cost of the project vis-à-vis the project benefits.

5.2.2. Appraisal of SIA

The concerned Ministry will review the SIA for all high risk projects with a support of a multi-disciplinary Expert Group comprising of independent Social scientists, R&R expert and technical expert on the Project. This Expert Group shall review the SIA and shall make specific recommendation whether the extent of land proposed to be acquired is absolute bare-minimum extent needed for the project and whether there are no other less displacing alternative available. The SIA for medium /low risk and no risk project the R&R unit with the department will approve the same.

5.3 Land Procurement for project

Land may be procured through one of the four ways: i) voluntary donation, ii) direct negotiation, iii) land development program, and iv) land acquisition.

(i) Voluntary donation

Projects requested by the community and where the affected persons will directly benefit from the projects, land may be obtained through voluntary donation.

Voluntary donation of land will take place only when:

- Land owner donates 10% or less of his/her owned land
- Land owner does not belong to member of the disadvantaged and marginalized community as identified by the social impact assessment of the Project
- Land owner does not fall under marginal farmer after donation of the land

- The whole process of consultation, participation and information dissemination of the project is open and transparent and the owner is fully informed of his/her rights
- If written agreement is made in the presence of a third party willingly and with one's own free choice without seen or unseen pressure, intimidation, threat, or force from either local body, individual, community or authorities of the project while deciding to donate the land
- If agreement is made during pre-feasibility and feasibility study phase with respect to measurement of land, plot delineation and ownership transfer, and only formalities are to be completed during detail design phase.

(ii) Purchase/Acquisition of land through Direct Negotiation

The land can be obtained through direct negotiation with due notification to the landowner. While obtaining land and assets through direct negotiation, meaningful consultation will be held with the affected owner and those concerned irrespective of legal title. The entire process of negotiation has to be transparent and documented. A third party consisting of project beneficiaries and a resettlement specialist will observe the process.

(iii) Land Development Programme:

Land may be acquired according to Land Development Programme under the condition that the executing agency has prioritized necessary land acquisition to be acquired through Land Development Programme and that the majority of affected landowners have expressed in writing the willingness to participate in the land development programme.

(iv) Land Acquisition

Land may be acquired by providing compensation for it on the basis of current land acquisition Act after preparing a Land Acquisition, Compensation, Rehabilitation and Relocation plan.

5.4 Transfer of ownership

All the project-affected families will be given certificates for the use of the land in the relocation areas. The project developer will bear all the expenses incurred in preparing survey maps, registration, ownership transfer and distribution of the certificate.

5.5 Preparation of land acquisition and compensation plan

Project **with no risk impact** (meaning there is no physical displacement or loss of livelihood), the executing agency will make only land acquisition and compensation plan which will include the following details:

1. Inventory of all affected HH with details of asset being impacted

2. Details demonstrating that project impact is not leading to physical displacement of direct or indirect impact of livelihood.
3. Details of any community based assets , getting affected.

5.6 Preparation of Resettlement and Rehabilitation plan

5.6.1 A Resettlement and Rehabilitation (R&R) Plan will be prepared based on the census survey at the time of project preparation. The executing agency will use service of competent and experienced experts for undertaking preparation of the R&R Plan. The R&R plan preparation shall be undertaken in consultation with the displaced/affected households, village leaders and representatives, social activists and civil society members This Plan may be updated in line with the changes made in the engineering design. While planning the project, the entire estimated cost of the rehabilitation and resettlement plan will form an integral part of the cost of the project for which the land is being acquired.

5.6.2 Disclosure of LA Plan and R&R Plan: The land acquisition and compensation plan as well as the resettlement plan shall be disclosed to the displaced households and their views on the proposed R&R measures will be taken. The disclosure will be done in simple language and media, understandable to the affected households and target communities.

5.7 Valuation of affected assets

5.7.1 While evaluating and fixing the compensation of land (with house and other assets on it) the CDC will use the following criteria:

- Market value / set reference value
- Official (government) valuation of land at present
- Hiring of independent valuers to assess the value of land
- Value of crop and structures such as house, sheds, wall and other structures on land, if any (without any depreciation on structures)
- The geographic location (or locational advantage) of land and its strategic, economic, social and cultural importance
- The proportion of parcel to be acquired and the usability/unusability of the remaining land parcel
- The status of AP with respect to whether s/he has other land and/or house and the economic and social impact due to loss of the particular land

5.7.2 While valuating homestead land the following criteria will be adopted:

- Access to temporary/permanent/Highway
- Aspect of land according to geographic location
- Potential commercial/industrial use of land
- Touristic and religious importance of land
- Ideal land for housing/settlement
- Site and situation of land e.g., upland, lowland or depression

5.7.3 while evaluating and fixing the compensation of house particular attention will be paid to the following criteria:

- No depreciation on any structure
- Use of standard unit rate as prescribed by the concerned government line agency
- If the standard unit rate needs to be revisited based on replacement value, CDC is authorized to do the same for the project.
- Any other timely criteria identified by the CDC

5.8 Additional assistance

In addition to the compensation provisioned in this policy, additional assistance provision and resettlement and rehabilitation facilities such as housing facilities, transport facilities, facilities for transporting construction materials, transferring business, rental assistance and priority in employment, will be fixed for project-affected individuals on the basis of social impact assessment (SIA). Additional support will be provided in line with the provisions stated in the resettlement and rehabilitation plan to adequately and effectively address the Project impacts on seriously affected households and to support their resettlement and rehabilitation. Additional Support and assistance will be provided in line with the resettlement and rehabilitation plan, to the underprivileged groups- especially dalits, marginalized indigenous or ethnic groups or women headed households.

5.9 Compensation, assistance and Benefit Sharing

5.9.1 For project like transmission and distribution line, water distribution network, underground telecommunication etc where the land is used by the project but is still accessible to the owner for regular use, the policy recommends that an agreement will be reached between the land owner and the project holding agency for annual payment to the land owner for use of his asset for the project. A benefit-sharing plan will be developed for the project giving details of such arrangements under Benefit sharing model.

5.9.2 If the land acquisition and/or resultant impact, the remaining plot becomes economically unviable, the project will acquire the total land plot and the compensate the landowner as per the norms stated in the policy. .

5.9.3 In cases wherein, a building or a physical infrastructure is partially affected, with the remaining structure remaining viable for use, the affected person will be compensated in cash amount only for the affected portion and additional money will be provided to renovate the remaining parts of the affected structure. However, if the remaining part of the building becomes unfit for use as a result of partial impact, the project would acquire the total building by compensating the building owner on the basis of market replacement value of structure to be calculated in line with the construction type of the structure without depreciation.

5.9.4 Affected person shall be allowed to take salvaged material from the demolished structure at no costs.

5.9.5 In case of loss of standing crop and fruits, the Project will provide cash compensation for loss of the same at current market value of mature crops to be determined in consultation with the Department of Agriculture. However, in case of loss on horticulture or on commercial production of fruits, the farmer will be compensated on the basis of a loss assessment at prevalent market rate.

5.9.6 The loss of trees, plants, logs, firewood and grasses on private land will be compensated as per the standards set by the Department of Forest in the district.

5.9.7 In case of loss of crops and grasses, the local market rate for a year's production will be provided as compensation. The standards set by the Department of Agriculture will be followed to measure the production.

5.9.8 In cases wherein the land is temporarily acquired for the Project, the compensation will be determined based on the net loss of income incurred by the affected owner as a result of the temporary acquisition and the damage of the standing crops or trees, grasses. The same shall be compensated in cash based on current market value. The Project will also be responsible for restoration of the temporarily acquired land to its previous or better quality.

5.9.10 If the land occupied by irrigation or any other facility is not acquired but damaged as a result of the Project and rendered out of operation, the same will be restored to operational state.

5.9.11 The compensation amount will be paid through a bank cheque after the applications for compensation along with the land ownership certificates are submitted at the district administration office or at the project office. Other cash entitlements and assistance will be paid at the local levels in the presence of representatives from local non-government organizations, social activists and project-affected people, among others.

5.9.12 Compensation will be given to women in case of loss of the enterprises run by women themselves.

5.9.13 If an affected landowner fails to claim the compensation within the given period, the compensation amount will be provided to his/her spouse or any other person who is a legitimate claimant, as per the existing laws, on the condition that the chief of the local authority proves that the person is legitimate claimant. In addition, a clear reason for the failure of the affected landowner to be present to claim the compensation will also need to be provided.

5.9.14 If landowners fails to claim the compensation in accordance with the policy, the compensation amount for such landowners, whom the local authorities such categories as 'absentee landowner', shall be deposited at the stated bank account. If no one, lays claim to the compensation deposited in the bank account for five years from the date of bank deposit, public notices will be issued three times, within a gap of at least a month, in national dailies seeking claimant for the

amount. After that, the unclaimed amount will be deposited in the government account. After that, no further claim on this compensation shall be entertained. The Project shall ensure payment of compensation and other resettlement assistance before physical and economic displacement of the affected households and prior to signing the construction contract agreement/initiation of construction work

5.9.15 The task of updating map records, mapping of plots etc. will be done prior to compensation disbursement by the Project agency and depositing the amount of absentee landowners in a bank account.

5.10 Consultation, participation and information dissemination

Meaningful consultations will be conducted in the Project area with the affected persons, local village representatives, village leaders, vulnerable groups, concerned nongovernment organizations during the entire Project cycle. Project executing agency will inform the Project details, Project objectives, possible impacts, Project timeline, proposed compensation and resettlement and rehabilitation provisions to all key stakeholders including affected households, especially the women and vulnerable groups. Such information will also be disseminated by means of public gathering and community level consultations, to be organized at the village-level. Participation of elected office bearers of local bodies will also be solicited during the census survey of the affected households, collection of details about affected properties and affected individuals and families. In projects with significant impact on vulnerable groups, apart from participation and consultation, continuous participation of these groups in the decision-making process of the R&R plan formulation will also be ensured. The project executing agency will make resettlement related documents by posting them on public places (including website) accessible to the affected households and other stakeholders

Documentation will be done of all consultations detailing the date, venues, information provided during these consultations and the main issues of discussions. If any public notices are issued, then copies of the same would also be attached with the consultation documentation.

5.11 Relocation

5.11.1 If as a result of displacement, there is a need for relocating all the population of a particular community or an area, efforts will be made to rehabilitate all these households together at a single resettlement area so that their socio-cultural and economic relations are not disrupted. Care will be taken to ensure that the identified resettlement area is safe from any environmental hazard or natural disaster. Further key amenities in form of community facilities (school, health facilities and religious places etcetera) and other basic services (drinking water, sewage, electricity and telephone etcetera) will also be made available in this area.

5.11.2 Underprivileged indigenous nationalities or dalit groups will be rehabilitated to dense locality in the vicinity of their natural habitats so that their ethnic, linguistic and cultural identities as well as socioeconomic network remain unaffected.

5.11.3 The Project shall ensure that resettlement areas are well-developed prior with all necessary amenities prior to relocating the project-affected households from their settlements. The selection of a resettlement area for cultivation should be based on a detailed study and also keeping in mind the land's prospects from the perspective of sustainable agricultural production. Specific area for cultivation should be developed with a plan that would make it possible to avail some plots to build houses, an area for harvest, a place for cattle farming and some space to grow vegetables.

5.11.4 The displaced households will be encouraged to maintain good social and economic relations with the locals (host population) at the resettlement areas so as to reduce possible negative impacts and facilitate harmonious relationships amongst them. Local non-government organizations (NGOs), community-based organizations (CBOs) and social activists will be mobilized to facilitate the relocation of the project-affected households to the resettlement areas.

5.11.5 In cases wherein the project leads to adverse impact on any community facility and resources such as irrigation supply, drinking water supply, sewage, grazing land, spiritual or religious place or building, school, meeting venue, market place etcetera, the same shall be restored to its original form by the Project. Alternatively, total money needed to reconstruct or restore the affected community facility will be provided to the affected community or the concerned group responsible for maintenance of the facility

5.11.6 A tension might surface between the resettled people and local host communities as a result of the infrastructural development provisions, services and other resettlement measures made available to the affected resettled households. In order to facilitate harmonious relations between the resettlers and the host communities and avoid any tensions, the host community will also be provided access to the public services and infrastructure created in the resettlement area.

5.11.7 Land will be acquired for the creation of resettlement site in case sufficient public land is not available for this purpose

5.12 Livelihood restoration

The resettlement and rehabilitation measures for the displaced households and communities will be prepared with a view to either improve or maintain or restore their lives and livelihoods to pre-project levels. All high-risk project will have a dedicated livelihood restoration plan with allocated resources.

5.13 Social Inclusion

Resettlement would be regarded as an opportunity for development for those affected especially the vulnerable households. The holistic development of the vulnerable groups will be an integral part of R&R plan and measures. Need-based

schemes relating to saving, credit, income generation and training shall be incorporated in each R&R Plan for improving livelihood of local laborers, socio-economically vulnerable groups, women, janjatis and other deprived people, shall be conceived and implemented through social mobilizers or community based organizations. The underprivileged indigenous community, ethnic community, dalits and women-headed households (in cases wherein they have traditional practice of catching fish) will be provided fishing rights and facility of running fish farming or catching fishes in limited area of the reservoirs or dam constructed by project, without harming the environment. All projects will make efforts to address gender issues in a most pragmatic manner. All high-risk projects will have a dedicated gender action plan.

6. INSTITUTIONAL MECHANISM

6.1 District Land Valuation Committee:

District Land Revenue Office at the beginning of every fiscal year will constitute a District Level Valuation Committee and this committee will publish single reference value of each category of land in the given district. CDC will refer the same value while calculating compensation for affected asset under a project. The district level valuation committee will comprise of:

- a) Chief District Officer - Chairman
- b) Local Development Officer - Member
- c) Chief, Inland Revenue Office- Member
- d) Chief (maximum five offices relating to development works)- Member
- e) District Treasury Controller - Member
- f) Chief of Land Survey Office - Member
- g) Representatives (maximum five among major political parties) - Member
- h) Representative of local Chamber of Commerce and Industry - Member
- i) Manager, local Commercial Bank- Member
- j) Chief of Land Revenue Office - Member-secretary

6.2 Compensation determination Committee (CDC)

CDC will be responsible for fixing the compensation value for all affected assets. CDC will use the valuation criteria as stated in the policy. For operational purpose CDC may form a task force for assessing the value of assets affected by the project. CDC will comprise of:

- a) Chief District Officer – Chairman
- b) Representative of DDC
- c) Chair of concerned VDC/Municipality
- d) Chief land revenue office of the district
- e) Project head: as member secretary

CDC can invite respective representative of the national assembly, representative of APs and resettlement specialist as special invitee.

6.3 Resettlement & Rehabilitation Unit

6.3.1 Resettlement and Rehabilitation (R&R) unit at Department level (to be referred as executing agency).

A dedicated R&R unit headed by 2nd or 3rd class officer will be established at the executing agency level. This unit will consist of a resettlement specialist and a monitoring specialist. At early stage of the project cycle the unit will be responsible for all preparatory work and ensuring project is prepared in compliance with policy requirement. The unit will be responsible to guide and monitor the performance of the project level R&R unit and ensure it implement the project as per the policy. Dedicated resources will be allocated by the executing agency for smooth and effective functioning of the R&R unit.

6.3.2 Resettlement and Rehabilitation (R&R) unit at concerned Ministry level.

A dedicated R&R unit headed by 2nd class officer will be established at the Ministry level. The unit will consist of a resettlement specialist and a monitoring specialist. The unit will be responsible to monitor the performance of the Department level R&R unit and ensure compliance with national policy. All resettlement related documents of projects will high risk will be submitted by Department R&R unit for approval by the R&R unit of the concerned ministry.

6.3.3 Resettlement and Rehabilitation (R&R) unit at project level.

The structure and human resource allocation of R&R unit at project level will depend on the impact of project and details will be provided in the R&R plan. The department level R&R unit will ensure timely establishment of the project level R&R unit.

6.4 Grievance redressal Mechanism

The policy proposes three tier grievance redressal mechanism.

Tier I : Project level Grievance Redressal Committee (GRC) headed by Project Manager and responsible for :

- Grievances of APs related to RP preparation and implementation
- Adjustment of project scope including determining influence zone,

Depending on the nature of grievances, and if unresolved at project manager level, the same will be referred to 2nd tier of GRM which is District level Grievance redressal committee

Tier II : District level Grievance Redressal Committee (GRC) headed by CDO responsible for handling grievances related to the following.

- Valuation
- Equitable distribution of payment
- Omission or mistakes
- Any other grievance forwarded by project level GRC.

This GRC will comprise of (CDO as the Chair, DDC representative, official government advocate, resettlement specialist). If the AP is not satisfied with the decision of the District Level Grievance Committee, shall have the right to appeal to the 3rd tier Regional Level Grievances Committee within 35 days of the decision communicated by district level GRC.

Tier III: Regional level Grievance Redressal Committee (GRC) headed by Regional Administrator and will be responsible for :

- Valuation, compensation
- Equitable and timely distribution of payment
- Scope and area of influence

The committee will be headed by Regional administrator as Chair, Jt. Secretary of concerned ministry, legal expert, resettlement specialist , R&R unit head of concerned department. This committee will have the discretion of holding grievances hearing at the site. If the AP is not satisfied with the decision of the Regional Level Grievance Committee, shall have the right to appeal to the Court of Appeal within 35 days of the decision communicated.

6.5 Monitoring and evaluation

The policy proposes two level monitoring systems. The first level of monitoring will be at the project level as detailed out in the resettlement plan. For all high risk projects, the department will hire an external monitoring agency with specialization in R&R which will undertake annual monitoring and will submit the report to the executing agency and to the concerned ministry and to the National Planning Commission. The concerned Ministry will also monitor the high and medium risk projects. All private sector and PPP projects will engage independent external monitoring agency for review and assessment of the R&R aspects of the project. These project will also be reviewed and monitored by the R&R unit of concerned Ministry.

6.6 Review Panel

A review panel shall be formed by NPC to oversight the trends, risk, benefits of the infrastructure project and effectiveness of the R&R policy in addressing challenges associated with R&R issues for infrastructure projects. The panel will provide feedback to the concerned ministries and department for effective planning and implementation of R&R.

The review panel shall comprise of the following:

- a) Member of National Planning Commission (who looks after the concerned area)
- Chairman
- b) Chief of unit at the ministry concerning to the project- Member
- c) Chief of concerned department - Member-secretary

7. Policy Update

The National R&R policy will be reviewed on an ongoing basis and will be updated after every five years.
