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Approaches to Compensation and Valuation Issues: Project Experience

Case Studies (Urban)

1-3 August | Lahore, Pakistan

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Land Acquisition under PICIIP

As per approved Master Plans of WATSAN-Sahawal, and WATSAN-Sialkot, Land Acquisition of 447 acres of land was required for construction of following facilities at 04 different sites.

- a) Waste Water Treatment Plant, Sahawal
- b) Waste Water Treatment Plant, Sialkot
- c) 02 Disposal Station, Sahawal
- d) 01 Disposal Station, Sialkot

To determine compensation Payment, District Price Assessment Committee (DPAC) Meeting was held and based on the assessment of DPAC, PC-I was approved by P&D and funds were transferred to LAC for disbursement of compensation.

Independent Valuation Study (IVS)

- During consultation meetings with land owners of acquired land logged 40 complaints for land rate enhancement
- Based on grievances of DPs and adhering project LARF under SPS (2009), EA conducted Independent Valuation Study (IVS) to compensate Displaced persons at full replacement cost.
- Independent Valuation Study Firm was hired as per the criteria and TORs provided by ADB
- As per IVS, compensation payment was determined at full replacement cost.

Package/Sub-Project	Land rates enhanced up to (%age)
WWTP Sahiwal PICIIP	22 to 50
WWTP Sialkot PICIIP	16 to 36
Disposal Stations (North and South) PICIIP Sahiwal	18 to 22
Disposal Station PICIIP Sialkot	20 to 158



Fraudulent Transaction during IVS process

- ❖ 01 Fraudulent Transaction was found during review of IVS by PMU
- ❖ Transaction was done between two land owners of acquired land during IVS assessment survey which was incorporated in IVS study
- ❖ Transaction was done to increase the rate of land
- ❖ Lesson learned : Cut-off date



Challenges faced by EA

- Unique Case of IVS presented to Government Authorities
- Challenging process of Government approval processes (Revised PC-I)



Approaches to cater Challenges

- Engaging Board of Revenue on board
- Pleaded IVS case at government approval forums under project loan agreement and project's LARF
- Payment of IVS enhanced land rates will be paid by LAC

CASE STUDY

PAKISTAN: Developing Resilient Environments & Advancing Municipal SWM Services (DREAMS-1) Punjab Intermediate Cities Improvement Investment Project (PICIIP) Phase 2

DREAMS projects are built upon the achievements and lessons learned from previous urban sector projects supported by the ADB in Pakistan including the PICIIP-1 which is being implemented with the intention of improving urban services in the two Punjab cities of Sialkot and Sahiwal

Under DREAMS-1, Land Acquisition of 23.07 acres was required for construction of following facilities at 05 different sites.

- I. Water treatment Plant (Chahan),
- II. Intermediate Pumping station, Ranial
- III. Intermediate Pumping station, Akbar Chowk
- IV. Water Works/Pumping station, Adyala
- V. Water Works/Pumping station, Chakra

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SAFEGUARDS READINESS TIMELINES

Project team aims to achieve high/medium level of safeguards readiness. In this regard, following strict timelines were followed by the project team:

Sr. no	Targets	Deadlines	Status
1	Final Detail Engineering Design (DED)	April 2023	Achieved
2	Notification of Section 4 on intended land	April 2023	Achieved
3	Formation of GRC committees	April 2023	Achieved
4	Consultation meetings with Land Owners	April-May 2023	Achieved
5	Socio-economic studies for impact assessment	April-May 2023	Achieved
6	Revenue record of acquired land	April-May 2023	Achieved
7	Independent Valuation Study (IVS) including land/non-land assets	April-May 2023	Achieved
8	IVS based Draft LARP	April-May 2023	Achieved
9	Approval of IVS based Draft LARP	June 2023	Achieved
10	PC-1 approval of Land Acquisition and Resettlement Cost	June-July 2023	Achieved
11	District Price Assessment Committee Meeting	June-July 2023	Achieved
12	Notification of Section 5	July-Aug 2023	In Process
13	Submission of Final LARP	July-Aug 2023	Will be submitted to ADB after notification Section 5.

RESULTS OF INDEPENDENT VALUTATION STUDY (IVS)

Index No.	Affected Land Location / Mouza with Land Classification	DPAC Rates	IVS Final Determined Unit / Per Marla Rate	Land rates enhanced up to (%age)
Affected Land at Mouza Chahan				
1	Total Land	75,000	89,584	19%
Affected Land at Mouza Ranial				
2A	On Road	133,100	1,250,000	839%
2B	Off Road	67,881	325,000	379%
2C	Land at Rear	67,881	200,000	195%
Affected Land at Mouza Morgah				
3A	On Road	2,550,000	2,750,000	8%
3B	Off Road	850,000	1,200,000	41%
Affected Land at Mouza Girja				
4	On Road	170,000	201,250	18%
Affected Land at Mouza Shaikhpur				
5	On Road	130,000	675,000	419%



Approaches to Achieving Safeguards Readiness

- ✓ Independent Valuation Study (IVS) has been conducted with following TOR
 - A. Consultation with DPs
 - B. Latest Transactions were received from DPs

- ✓ PC-I was approved on IVS rates rather than to incorporate DPAC rates