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Approaches to Compensation and Valuation Issues: Project Experience

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Approaches to Compensation and Valuation Issues

Independent Valuation Study

Recent experience: KP Cities Improvement Investment Project (KPCIP)

- The LARF of KPCIP was agreed that EA will conduct independent valuation of the land and non-land assets.
- A valuer accredited with SBP was engaged to undertake IVS for subprojects involving land acquisition. Results of the additional compensation came as result of IVSs were incorporated in the Resettlement budget of RP/LARP/CAP



Challenges In Approving Additional Cost

- ✓ The approval of additional cost came as result of IVS was itself a challenge to getting it approved at Government level
- ✓ The Provincial Government moved a reference to Provincial Cabinet for approval of additional cost, which eventually was approved after one year.





Challenge in Implementation of LARPs

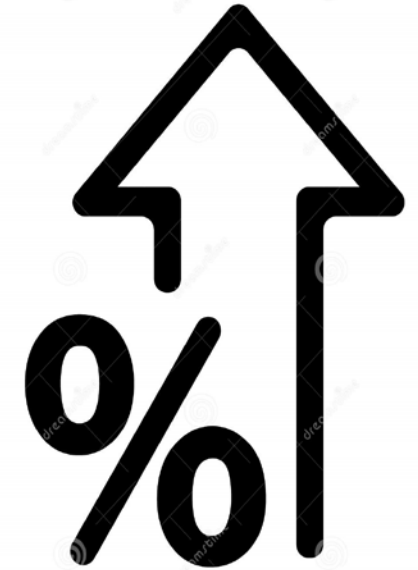
- Land Acquisition Collectors were reluctant in respective cities to disburse Independent Valuation Study cost.

Approach to achieve Implementation of LARPs

- Disbursement Committee was constituted at PMU headed by Director Compliance to provide compensation payment to land owners, again it delayed the process for good 6 months.



Land rates enhanced by IVS



As per IVS, Compensation payment was determined at full replacement cost.

Sr.no	Package/Sub-project	Land rates enhanced up to (Percentage)
1	Chunna Water Supply Project	1350%
2	Greater Water Supply	15-50%
3	Landfill Peshawar	30%