

Government of Nepal  
**Ministry of Water Supply**



**Nepal Water Governance and Infrastructure Project  
(NWGIP)**

**Resettlement Policy Framework**

**January 25, 2021**

## **Abbreviations and Acronyms**

CBOs	Community-based organizations
BES	Brief Environmental Study
CDC	Compensation Determination Committee
DWSSM	Department of Water Supply and Sewerage Management
E&S	Environmental and Social
EIA	Environmental Impact Assessment
IEE	Initial Environment Assessment
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESRS	Environmental and Social Review Summary
ESS	Environmental and Social Standards
GBV	Gender Based Violence
GoN	Government of Nepal
GRM	Grievance Redress Mechanism
IDA	International Development Association
IPs	Indigenous Peoples
LRP	Livelihood Restoration Plan
LLG	Local Level Government
M&E	Monitoring and Evaluation
MOU	Memorandum of Understanding
MoWS	Ministry of Water Supply
NWGIP	The Nepal Water Governance and Infrastructure Project
OHS	Occupational health and safety
PAP	Project Affected People
PMU	Project Management Unit
RPF	Resettlement Policy Framework
RAP	Resettlement Action Plan
SEA/SH	Sexual Exploitation and Abuse, Sexual Harassment
SEP	Stakeholder Engagement Plan
WASH	Water, sanitation, and hygiene
WB	World Bank

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## Executive Summary

This Resettlement Policy Framework (RPF) will support the implementation of the Nepal Water Governance and Infrastructure Project (NWGIP). The project is financed by the World Bank and aims to enhance water supply service delivery and improved sanitation in the selected municipalities of Karnali and Sudurpashchim provinces of Nepal. The project will be implemented by the Government of Nepal (GoN) with the involvement of the Ministry of Water Supplies, the Department of Water Supply and Sewerage Management (DWSSM), and the selected Municipalities and *Palikas*. The RPF will complement the project's Environmental and Social Management Framework (ESMF), with key principles and procedures for assessing and managing potential impacts related to land acquisition and involuntary resettlement that may become known when designs and locations are determined.

A typology of investments is suggested for implementation and includes urban water systems, rural water systems, as well as wastewater treatment facilities. Detailed designs of infrastructure works are yet to be finalized, and the specific locations of these investments are unknown. Nonetheless, it is expected that some of these infrastructural investments may involve the acquisition of private land, with some physical and/or economic displacements. project works may also restrict access to homes and common property resources, businesses, and livelihood, albeit temporarily. In line with the Land Acquisition Act 1977 of Nepal and the World Bank's Environmental and Social Standard (ESS) 5 on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement, this RPF is prepared to set out the policies, processes, and procedures for addressing risks and impacts related to land acquisition and involuntary resettlement related to this project.

The Land Acquisition Act of 1977 enables the Government to acquire land for public purposes and provides for fair and just compensation to private landowners. The Act prescribes cash compensation at market rates for titled landholders in lieu of land and structures acquired for public purposes.<sup>1</sup> The Act aligns with ESS 5 in some respects and differ on others. A significant gap between the Act and ESS5 is that the preparation of a Resettlement Plan, consultations with the PAPs in the resettlement process, and compensation of non-formal/nontitle land users are not required under the Act. Another gap is that the country law does not offer the option for replacement housing where affected

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<sup>1</sup> The Department of Land Management and Archive has updated a minimum valuation of land in all districts for land acquisition. Land valuation is done on the basis of this update throughout the district. This document includes cash assessment list of land connected to main road, inner road, access road and land without road in each place of the district. See: <http://www.dolrm.gov.np/office/dept/content/m-l-v-fiscal-year-2077-078>. However, according to clause 7.3.2 of Land Acquisition, Rehabilitation and Resettlement Policy 2015, when determining the compensation of the property affected by the project, there is a provision to pay compensation in a way that is not less than the minimum market price.

persons lose homes or significant portions of their source of livelihood. In such instances, the provisions of ESS5 will apply.

A risk mitigation hierarchy will be adopted to avoid, minimize and/or compensate for residual risks related to land acquisition and involuntary resettlement in the project. The eligibility criteria will screen out subprojects that may cause displacement, property without tenure, disputed lands and properties, land within protected forests or national parks, and donated land without sufficient proof of donation. Depending upon the land-based impacts, the RPF has categorized subprojects into five possible cases and except for the cases when the subprojects do not result in economic or physical displacement, all other cases need RAP or Livelihood Restoration Plan (LRP). In addition, the RPF has identified categories of the PAPs and prescribed possible compensation options for each of these categories to guide the project during the subproject level land acquisition and resettlement planning process.

The RPF outlines the land acquisition and resettlement planning process, starting with E&S screening followed by social assessment (including census of project-affected persons, assets inventory, and socioeconomic studies) of the affected community, drafting the RAP or LRP principles, early consultations and negotiations with prospective PAPs, development of the RAP, the second round of consultation and finalization of the RAP/LRP and disclosure. The implementation of RAP/LRP will follow government's land acquisition process with the key steps explained in the RPF. No construction works will commence until the required lands have been formally acquired and fairly compensated for.

Given that the government land acquisition process provides limited opportunities for the PAPs to file complaints on compensation process and/or appeal for exclusion in the land acquisition, the project, will set up a functioning GRM to receive and resolve any grievances related to land acquisition, resettlement, and other related issues in the project. The project will designate E&S staff at the participating municipalities to receive, record, evaluate and forward project-related grievances for the resolution to the appropriate body. Grievances that cannot be resolved at the subproject level will be elevated to the PMU level.

As the lead implementing agency, the Department of Water Supply and Sewerage Management (DWSSM) of the Ministry of Water Supply (MoWS) is primarily responsible for planning and implementing land acquisition and resettlement activities under the project. With technical guidance from the PMU at the DWSSM, each participating municipality and rural district will recruit E&S staff, who will also act as the focal person for land acquisition activities at the local level. The PMU will organize seminars/training to provide technical assistance and support the capacity development of the E&S staff at both federal and municipal level, covering environmental and social issues of the project, including the implementation of the RPF. The cost of compensation and resettlement of PAPs will be part of the project cost and financed by the MoWS with its internal resources.

## सारसंक्षेप

नेपाल खानेपानी सुशासन तथा पूर्वाधार आयोजनाको (NWGIP) को कार्यान्वयनमा सहयोग पुऱ्याउनका लागि यो पुनर्वास नीति ढाँचा (RPF) तयार गरिएको हो । विश्व बैंकको आर्थिक सहयोग रहेको यस आयोजनाले नेपालका कर्णाली र सुदूरपश्चिम प्रदेशका छनोट भएका पालिकाहरूमा खानेपानी र सरसफाइ सुविधाको प्रवर्द्धन गर्ने लक्ष्य लिएको छ । यो आयोजना नेपाल सरकारद्वारा खानेपानी मन्त्रालय, खानेपानी तथा ढल निकास व्यवस्थापन विभाग र लक्षित प्रदेशका छनोट गरिएका नगरपालिका र गाउँपालिकाहरूको संलग्नतामा कार्यान्वयन गरिनेछ । यो ढाँचा आयोजनाको वातावरणीय र सामाजिक व्यवस्थापन ढाँचा (ESMF) को पूरक हुनेछ, जसमा भूमि अधिग्रहण र अनैच्छिक पुनर्वास सम्बन्धी सम्भावित प्रभावहरूको मूल्याङ्कन र व्यवस्थापनका लागि मुख्य सिद्धान्तहरू र प्रक्रियाहरू छन्, जुन डिजाइन र स्थानहरू निर्धारण गर्दा थाहा हुन सक्छ ।

यो आयोजना कार्यान्वयनका लागि लगानीको प्रारूप सुझाव गरिएको छ र यसमा शहरी खानेपानी प्रणाली, ग्रामीण खानेपानी प्रणालीका साथै फोहोर पानी प्रशोधनका प्रावधानहरू समावेश छन् । पूर्वाधार कार्यको विस्तृत डिजाइनलाई अन्तिम रूप दिन बाँकी छ र यी लगानीका विशिष्ट स्थानहरू अझसम्म अज्ञात नै छन् । जे होस्, यी मध्ये केही पूर्वाधार लगानीमा निजी जग्गा अधिग्रहण समावेश हुन सक्ने संभावना पनि छ, जसले गर्दा त्यहाँका वासिन्दाको भौतिक र आर्थिक रूपमा विस्थापन हुन सक्छ । अझ, आयोजना अन्तर्गत सञ्चालन गरिने कार्यहरूले निजी सम्पत्ति र साझा सम्पत्ति, बाली, रूखपात, व्यवसाय र जीविकोपार्जनमा पहुँचलाई पनि प्रतिबन्ध लगाउन सक्छ । नेपालको भूमि अधिग्रहण ऐन १९७७ र जग्गा अधिग्रहण सम्बन्धी विश्व बैंकको वातावरणीय र सामाजिक मापदण्ड (ESS5), भूमि प्रयोग र अनैच्छिक पुनर्वासमा प्रतिबन्धहरू अनुरूप, यस आयोजनासँग सम्बन्धित जग्गा अधिग्रहण र अनैच्छिक पुनर्वास सम्बन्धी जोखिम र प्रभावहरूको सम्बोधनका लागि नीति, प्रक्रिया र प्रक्रियाहरू निर्धारण गर्न तयार छ ।

भूमि अधिग्रहण ऐन १९७७ ले नेपाल सरकारलाई सार्वजनिक प्रयोजनका लागि जग्गा अधिग्रहण गर्न र निजी जग्गाधनीहरूलाई उचित र न्यायोचित क्षतिपूर्ति प्रदान गर्ने अख्तियार प्रदान गरेको छ । यस ऐनले सार्वजनिक प्रयोजनका लागि अधिग्रहण गरेको जग्गा र संरचनाको सट्टा शीर्षकमा जग्गाधनीलाई बजार दरमा नगद मुआब्जा दिने व्यवस्था गरेको छ । यो ऐन केही सन्दर्भमा ESS5 सँग मिल्दोजुल्दो छ र अरूमा फरक छ । ऐन र ESS5 बीचको एउटा महत्त्वपूर्ण अन्तर भनेको पुनर्वास योजनाको तयारी, पुनर्वास प्रक्रियामा आयोजनाबाट प्रभावित मानिसहरू (PAPs) सँग परामर्श, र गैर-औपचारिक/गैर-शीर्षक भूमि प्रयोगकर्ताहरूलाई क्षतिपूर्ति ऐन अन्तर्गत आवश्यक छैन

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<sup>2</sup> भूमि व्यवस्था तथा अभिलेख विभागले जग्गा अधिग्रहणका लागि सबै जिल्लामा जग्गाको न्यूनतम मूल्याङ्कन अद्यावधिक गरेको छ । यस अद्यावधिक व्यवस्थाका आधारमा जिल्लाभर जग्गा मूल्याङ्कन गरिन्छ । यस दस्तावेजमा जिल्लाको प्रत्येक स्थानमा मुख्य सडक, भित्री सडक, पहुँच सडक र सडक बिनाको जग्गा जोडिएको जग्गाको नगद मूल्याङ्कन सूचि समावेश छ । यस सम्बन्धी विस्तृत विवरणका लागि हेर्नुहोस्: <http://www.dolrm.gov.np/office/dept/content/m-1-v-fiscal-year-2077-078>.

यद्यपि, जग्गा अधिग्रहण, पुनर्स्थापना तथा पुनर्वास नीति २०१५ को दफा ७.३.२ अनुसार आयोजनाबाट प्रभावित सम्पत्तिको मुआब्जा निर्धारण गर्दा न्यूनतम बजार मूल्यभन्दा कम नहुने गरी मुआब्जा दिने व्यवस्था छ ।

। ऐन र ESS5 बीचको अर्को भिन्नता के छ भने देशको कानूनले प्रतिस्थापन आवासको विकल्प प्रदान गर्दैन, जहाँ प्रभावित व्यक्तिहरूले घर वा आफ्नो जीविकोपार्जनको महत्वपूर्ण अंश गुमाउँछन् । यस्तो अवस्थामा, ESS5 को प्रावधानहरू लागू हुनेछन् ।

आयोजनामा भूमि अधिग्रहण र अनैच्छिक पुनर्वास सम्बन्धी अन्य जोखिमहरूबाट बच्न, जोखिम न्यूनीकरण गर्न र/वा क्षतिपूर्ति गर्न जोखिम न्यूनीकरणका तहहरू अपनाइनेछ । योग्यता मापदण्डले विस्थापन हुनसक्ने उप-आयोजनाहरू, कार्यकाल बिनाको सम्पत्ति, विवादित जग्गा र सम्पत्तिहरू, संरक्षित वन वा राष्ट्रिय निकुञ्जहरू भित्रको जग्गा, र दानको पर्याप्त प्रमाण बिना दान गरिएको जग्गालाई स्क्रिन गर्नेछ । भूमिमा आधारित प्रभावहरूको आधारमा, पुनर्वास नीति ढाँचा (RPF) ले उप-आयोजनाहरूलाई पाँच सम्भावित अवस्थाहरूमा वर्गीकृत गरेको छ र उप-आयोजनाहरूले आर्थिक वा भौतिक विस्थापन नगर्ने अवस्थामा बाहेक, अन्य सबै मामिलाहरूलाई पुनर्वास कार्ययोजना (RAP) वा जीविका पुनर्स्थापना योजना (LRP) आवश्यक छ । थप रूपमा, पुनर्वास कार्ययोजनाले आयोजनाबाट प्रभावित वर्गहरू पहिचान गरेको छ र उप-आयोजना स्तरको जग्गा अधिग्रहण र पुनर्वास योजना प्रक्रियाको क्रममा आयोजनालाई मार्गदर्शन गर्न यी प्रत्येक वर्गहरू लागि सम्भावित क्षतिपूर्ति विकल्पहरू तोकिएको छ ।

पुनर्वास नीति ढाँचाले जग्गा अधिग्रहण र पुनर्वास योजना प्रक्रियाको रूपरेखा प्रस्तुत गर्दछ, वातावरणीय तथा सामाजिक स्क्रिनिङबाट सुरु गरी प्रभावित समुदायको सामाजिक मूल्याङ्कन (आयोजना प्रभावित व्यक्तिहरूको जनगणना, सम्पत्ति सूची, र सामाजिक-आर्थिक अध्ययनहरू सहित), पुनर्वास कार्ययोजना वा जीविका पुनर्स्थापना योजना सिद्धान्तहरूको मस्यौदा, प्रारम्भिक परामर्श र आयोजनाका सम्भावित प्रभावित मानिसहरूसँग वार्ता, पुनर्वास कार्ययोजनाको विकास, दोस्रो चरणको परामर्श र पुनर्वास कार्ययोजना/जीविका पुनर्स्थापनाको अन्तिम रूप र सार्वजनिकीकरण र यिनिहरूको कार्यान्वयनले पुनर्वास नीति ढाँचामा वर्णन गरिएका मुख्य चरणहरू सहित सरकारको भूमि अधिग्रहण प्रक्रियाको अवलम्बन गर्नेछ । आवश्यक जग्गाको औपचारिक अधिग्रहण र उचित मुआब्जा नपाएसम्म निर्माण कार्य सुरु हुने छैन ।

सरकारी जग्गा अधिग्रहण प्रक्रियाले आयोजनाबाट प्रभावित मानिसहरूलाई क्षतिपूर्ति प्रक्रिया र/वा जग्गा अधिग्रहणमा बहिष्कारको लागि अपील गर्नका लागि गुनासोहरू दायर गर्न सीमित अवसरहरू प्रदान गर्दछ भने कुरालाई ध्यानमा राख्दै, आयोजनाले जग्गा अधिग्रहण सम्बन्धी कुनै पनि गुनासोहरू प्राप्त गर्न र समाधान गर्न पुनर्वास र आयोजनासँग अन्य सम्बन्धित मुद्दाहरूका हकमा गुनासो निदान संयन्त्रको स्थापना गर्नेछ । आयोजनाले सम्बन्धित निकायमा समाधानको लागि आयोजना सम्बन्धी गुनासोहरू प्राप्त गर्न, रेकर्ड गर्न, मूल्याङ्कन गर्न र अगाडि बढाउन सहभागी नगरपालिकाहरूमा वातावरणीय तथा सामाजिक कर्मचारीहरू नियुक्त गर्नेछ । उप-आयोजना स्तरमा समाधान गर्न नसकिने गुनासोहरूलाई आयोजना व्यवस्थापन इकाई स्तरमा पठाइनेछ ।

प्रमुख कार्यान्वयन निकायका रूपमा, खानेपानी मन्त्रालय अन्तर्गतको खानेपानी तथा ढल निकास व्यवस्थापन विभाग मुख्य रूपमा आयोजना अन्तर्गत जग्गा अधिग्रहण र पुनर्वास गतिविधिहरू योजना र कार्यान्वयन गर्न

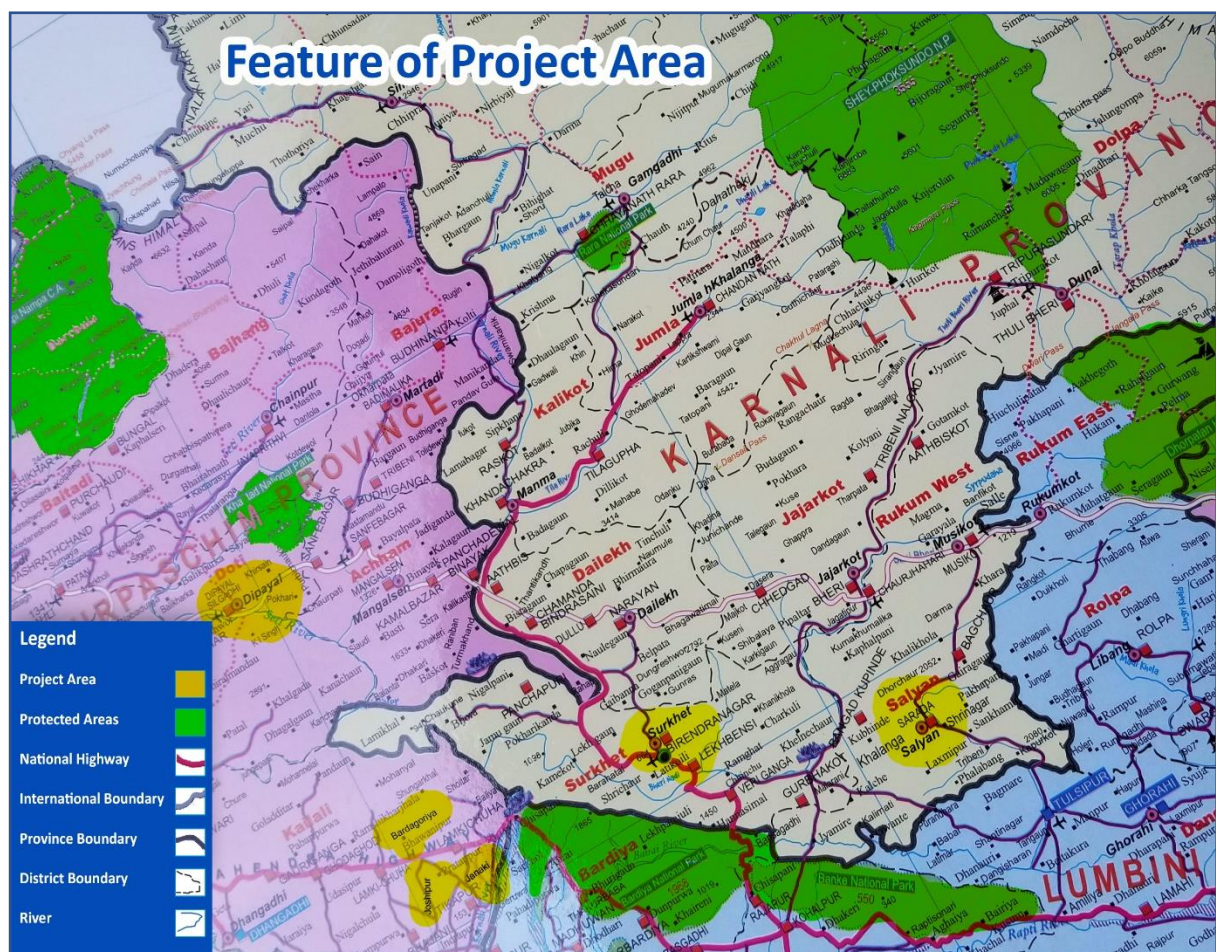


जिम्मेवार छ । विभागमा आयोजना व्यवस्थापन इकाईबाट प्राविधिक मार्गदर्शनका साथ, प्रत्येक सहभागी नगरपालिका र ग्रामीण जिल्लाहरूले वातावरणीय र सामाजिक कर्मचारीहरू नियुक्त गर्नेछन्, जसले स्थानीय स्तरमा जग्गा अधिग्रहण गतिविधिहरूको लागि मुख्य सम्पर्क व्यक्तिका रूपमा पनि काम गर्नेछन् । यस इकाईले प्राविधिक सहयोग प्रदान गर्न र पुनर्वास नीति ढाँचाको कार्यान्वयन सहित आयोजनाको वातावरणीय र सामाजिक सवालहरूको संबोधन गर्ने, संघीय र पालिका दुवै स्तरमा वातावरण र सामाजिक कर्मचारीहरूको क्षमता विकासमा सहयोग गर्न सेमिनार/प्रशिक्षण आयोजना गर्नेछ । आयोजनाबाट प्रभावित मानिसहरूलाई क्षतिपूर्ति र पुनर्वास लागत आयोजना लागतको एक हिस्सा हुनेछ र खानेपानी मन्त्रालयले आफ्नो आन्तरिक स्रोतहरूसँग लगानी गर्नेछ ।

## 1. Introduction

### 1.1 Project Background

The Government of Nepal (GoN) has approached the World Bank (WB) for financial support to prepare and implement the Nepal Water Governance and Infrastructure Project (NWGIP). The project development objective of the NWGIP is to promote water supply service delivery and sanitation in the selected municipalities of Karnali and Sudurpashchim provinces by strengthening the WASH units at the local levels. A list of six candidate subprojects for financing in the two provinces has been broadly agreed upon with the Department of Water Supply and Sewerage Management (DWSSM)), though the detailed designs of the subprojects are yet to be finalized. Among the subprojects, three subprojects have been proposed for the urban municipalities and three for the rural municipalities. Out of three urban municipalities Birendranagar Municipality of the Karnali Province will receive around 40% of the total project financing/investment. The other municipalities to receive investments are the Sharada Municipality of Salyan district in Karnali Province, and Dipayal Silgadi Municipality of the Doti district of Sudurpashchim Province. Similarly, the NWGIP aims to support three rural municipality-level subprojects, each one in Janaki Rural Municipality, Joshipur Rural Municipality and Bardgoliya Rural Municipality in Kalali district of the Sudurpashchim Province.



Map Topographical features of the project areas

Given that Component two involves the construction and rehabilitation of water supply schemes in participating urban municipalities, it is expected that these activities will involve civil construction activities. Though most of the civil construction activities have been envisaged to take place on public land, the project recognizes the fact that there might be a need to acquire small private land, causing economic as well as physical displacements. In addition, some of the civil construction may restrict access to private land and assets as well as common property. The project also considers the potential of involuntary resettlement affecting people who reside or use public lands for their livelihoods.

The DoWSSM has prepared the RPF given that the final designs, land requirement and specific project locations of the various infrastructure interventions have not been determined yet. Thus, to manage the risks and impacts of involuntary resettlement as per the good global practices, this Resettlement Policy Framework (RPF) outlines the resettlement principles, procedures, organizational arrangements, and design criteria that will inform the Project Affected Persons (PAPs) about the potential resettlement risks and guide the preparation of subproject-specific Resettlement Action Plans (RAPs) to address involuntary resettlement impacts when the exact location and land requirements for each sub-projects determined. The RPF is prepared according to the relevant laws of the GoN (i.e., Land Acquisition Act 1977) and the World Bank's Environmental and Social Standard (ESS) 5 on Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement and ESS1 on the Assessment and Management of Environmental and Social Impacts of projects. As the project is in the preparation stage and the detailed designs of the subprojects have not yet been finalized, the RPF, as per the requirement of the ESS5, has been prepared to guide the preparation of RAPs for each subproject under the NWGIP once the detailed designs and locations have been determined. The preparation of RAPs will be carried out by the E&S team of the Project Management Unit (PMU) based on this RPF and submitted to DWSSM and the WB for approval.

## **1.2 Project Description**

The GoN is implementing the NWGIP project, with support from the World Bank, to promote water supply service delivery and sanitation in the selected municipalities of Karnali and Sudurpachim provinces by strengthening the WASH units at the local levels. The project comprises three components:

***Component One: Improving the capacity of the Local Levels for delivering water and sanitation services***

This component aims to improve sector governance and build institutional capacity of water supply and sanitation-related agencies of all three levels of the government, including establishing dedicated municipality WASH units and municipal utilities. Towards this, the project will finance technical support to the Ministry of Water Supply (MoWS) and DWSSM at the federal level, the Provincial Ministry of Physical Infrastructure Development, and the participating municipalities at the local level. Institutional strengthening involves the stepped approach starting with the establishment and capacity building of functional Municipality WASH (MWASH) units and enabling them to deliver enhanced WASH services. The component will explore private and public financing options for the development and operation of water supply schemes and to develop models that can be replicated across the country.

***Component Two: Access to Improved and Safe Water Supply and Sanitation***

This component entails civil works including the construction and rehabilitation of water supply schemes in participating urban and rural municipalities of Karnali and Sudurpashchim Provinces to improve water and sanitation service delivery, including rehabilitation and improvement of existing systems and reducing non-revenue water. Water treatment facilities will be constructed in the water supply schemes to ensure water quality. On the sanitation part, the component will support the construction of fecal sludge and wastewater treatment facilities including both sewer systems, Fecal Sludge Treatment Plants (FSTPs) and on-site sanitation. Water quality monitoring laboratories will be constructed at provincial and local levels to support water quality monitoring. The above works will also be designed to be climate resilient, with attention to the potential impacts of extreme weather and flood protection.

***Component 3: Building Resilience through Integrated Watershed Management***

This component will support watershed management and nature-based solutions to improve upstream/downstream water quality and environmental flows and promote adaptation and mitigation measures against climatic hazards such as droughts, floods, and landslides. Activities under this component will complement the Surkhet Valley Northern Watershed Management Plan. It also includes activities to achieve a net positive water balance situation in the Northern Watershed by combining reforestation and conservation techniques, groundwater recharge, rainwater harvesting, and wastewater reuse, among others. This component will also support a feasibility study on water source augmentation. These activities embed the linkages between climate change, water, and public health in an integrated water supply planning.

**Component 4: Contingency Emergency Response (US\$0 million):** This provisional zero amount component will permit the rapid reallocation of credit proceeds in the event of an eligible disaster, including climate-related events and pandemics. Disbursements will be made against a preestablished list of critical goods or the procurement of goods, works, and consultant services.

### 1.3 Project Location

The project will be implemented in two provinces of Nepal - Karnali and Sudurpashchim – targeting two municipalities and three rural districts (see table 1.1 below). The most recent census data (2011) shows Karnali and Sudurpashchim provinces are the least developed in terms of Human Development Index (HDI) at only 0.463 and 0.478 respectively and the DWSSM data also shows that these two provinces have the lowest coverage of basic water supply service delivery. Birendranagar Municipality, hosting the capital city of the Karnali Province has witnessed rapid population growth in recent years, and estimated to receive up to 40 percent of project funds. The existing system water supply system of the municipality can supply just the 54% of the municipality demand. The other selected urban municipality is Dipayal Silgadhi in Sudurpashchim Province taking about 20 percent of project funds, with 15 percent of funds going to selected rural districts in the province.

**Table 1.1: Project locations**

Province	Municipality level (Urban) project	Rural Municipality (Gaunpalika) level project
Karnali	<ul style="list-style-type: none"> <li>• Birendranagar Municipality</li> <li>• Sharada Municipality</li> </ul>	
Sudurpashchim	Dipayal Silgadhi	<ul style="list-style-type: none"> <li>• Janaki Rural Municipality</li> <li>• Joshipur Rural Municipality</li> <li>• Bardgoriya Rural Municipality</li> </ul>

### 1.4 Potential Impacts and Issues

Feasibility study of project investments are underway and will be followed by detailed design of works. Thus, the full scope and magnitude of potential involuntary resettlement impacts of the proposed project has not been assessed. However, considering the typology of works and previous experience with such investments, the potential resettlement impacts may include.

- Minimal physical and/or economic displacement of landowners, Informal settlers and land users, and street vendors. Such displacements are only considered where unavoidable and in support of project construction.

- temporary restriction and disruption of access to private land, residences, and common property resources.

In addition, contractors may acquire land temporarily in order establish accommodation for workers, stockpile construction materials and to service machinery. Such contractor-led acquisitions are outside the scope of this RPF and will be conducted on the principle of “willing-buy; willing seller” arrangement between contractors and landowners.

## **2. Legal Frameworks**

The following legal and policy instruments provide guidance for land acquisition and resettlement in Nepal under eminent domain. These instruments, combined with relevant WB Environmental and Social Standards, have been used to inform the preparation of this RPF.

### **2.1 Relevant National Laws and Regulations**

#### ***2.1.1 Land Acquisition Act 1977***

The Land Acquisition Act, 1977 is the main legal instrument of the state to acquire private land and other physical asset acquisition for public purposes. The Act allows the government to acquire land at any place in any quantity by providing compensation. The following are the main legal provisions outlined in the Act

- The acquisition and compensation of privately-owned assets will be undertaken according to a formal procedure, consisting of the initial procedure, a preliminary investigation process, acquisition notification, compensation notification, and appeal procedures.
- Compensation Determination Committee (CDC) will be established at the concerned district to ascertain compensation rates for the land and other assets.
- CDC ascertain compensation rates must be notified to the government or Provincial Government by Chief District Administration Officer.
- Compensation must be paid (a) for damage caused by investigations during the project (including sanding crops, trees, and houses)
- Compensation must be in cash, although titleholders who have lost all their landholdings can be provided land for resettlement, if available.
- Compensation against all types of loss will be paid to the affected person who has the right to claim compensation.
- Titleholders are required to submit compensation claims or complaints within a specified period after the issuance of a land acquisition notice.
- Compensation for land will be after the valuation of the rate by the compensation determination committee.
- In determining the compensation amount, the committees have to consider relevant periodic guidelines of the government and the loss suffered by persons due to acquisition of land, the shift of residence, or place of business to another place.
- If the land must be acquired, the CDC must consider the following in determining the compensation amount: the price of the land prevailing at the time of notification of land acquisition, price of standing crops, and structures, and damage incurred by

persons being compelled to shift their residence or place of business due to the land acquisition.

- The law also allows land acquisition through direct negotiations.

### ***2.1.2 Land Acquisition, Rehabilitation and Resettlement Policy 2015***

The policy aims at facilitating land acquisition process for infrastructure projects. The policy outlines the need to conduct an economic and Social Impact Assessment (SIA) of the development project, which was not a requirement under the Land Acquisition Act 1977. Based on the assessment envisaged by the policy, projects will be categorized as high, medium, and low risk based on the number of households that the project displaces. Projects displacing 50 or more households in the mountainous region are deemed as high-risk projects. Similarly, projects displacing 75 or more households in the hilly region, and 100 or more households in the Tarai. Medium-risk projects, on the other hand, are those that will result in relocation of fewer than 50 households in the mountainous region, less than 75 households in the hilly region, and less than 100 households in the Tarai. Low-risk projects refer to those, which cause productive property to shrink by up to 10 percent.

### ***2.1.3 Environment Policy, 2019***

The environmental policy ensures the rights of people to live in a clean and healthy environment by controlling and preventing all types of environmental pollutions, managing household, and industrial wastes, expanding parks and greenery in the urban area, and ensuring environmental justice to the pollution affected population. The policy aims to protect human health and the environment from hazardous waste by regulating and controlling chemicals in products. Similarly, the policy calls for establishing a national environment council, which will be responsible for policy coordination among all the stakeholders on all types of environment-related activities. On the distribution of authority among the three tiers of government, the policy has made the federal government responsible for looking after national policy, law, and standards required for the protection and management of the environment. Similarly, the provincial government has been made responsible for formulating state-level policy, plans, rules and regulations, and standards to control and pollution. Similarly, the local level has been made responsible for implementing national environmental policy at the local level and coordinating with different stakeholders to engage in environment-related activities for creating and undertaking environment awareness activities at the local level.



#### **2.1.4 Land Use Policy, 2015:**

The policy aims to maintain a balance between the use of land and development. Under the policy, land use in Nepal is categorized into the following land use zones. (i) Agricultural Zone, (ii) Residential Zone, (iii) Commercial Zone, (iv) Industrial Zone, (v) Main and Minerals Zone, (vi) Cultural and Archaeological Zone, (vii) River and Lake Reservoir Zone, (viii) Forest Zone, (ix) Public Use and Open Space Zone, (x) Building Material Excavation Zone, and (xi) Other Zone as specified and necessary. The policy discourages the use of arable land in non-agricultural use and fragmentation and stresses the conservation and optimum use of forests. The policy also discourages non-use, under-use, and excessive use of land, suggesting that decisions about land use should be carefully considered with the view to minimizing land-take.

#### **2.15 Guthi Land Act, 1976**

*Guthi* is an ancient concept of preserving ritual and cultural value by organizing and celebrating various festivals. *Guthi* Corporation, a government agency under the ministry of and is entrusted to manage, conduct, and coordinate the *Guthi* throughout the country. The *Guthi* Corporation, which functions under the *Guthi* Corporation Act, 1976 owns a huge quantity of land throughout the country, uses the land denoted by Kings, landlords, and rulers to generate perpetual sources of revenue to maintain age-old rich cultures. The acquisition of land under the ownership of *Guthi* Corporation is mandated by the *Guthi* Corporation Act, 1976 and it is the only act applicable if the land required for the project belongs to *Guthi* Corporation or some other *Guthi*. As per section 42 of the act, the government can provide replacement land when it acquires *Guthi* land instead of the compensation amount. Similarly, section 42 (a) says that the government can acquire land belonging to *Guthi* Corporation for social welfare and community interest activities at a reasonable/discounted price. However, the act remains unclear about the procedures of allowing infrastructure development in the land owned by the *Guthi* Corporation.

#### **2.1. 6 The National Civil (Code) Act, 2017**

Clause 407 of the code defines the procedures by which individuals can donate land at free of cost to another person for religious, social, public, or community purposes. Clause 407 notes that individuals can donate a certain amount or property for any specific purpose by making an announcement in writing or in a public function organized for that purpose and adds that no lawsuit can be filed if the person fails to transfer the property as per the announcement. Similarly, clause 208 notes that any donation made as per the law will be void if the person entitled to donation rejects the offer or if the person entitled to donation or gift dies or if the donated property is destroyed before the testamentary made for donation or

gift becomes effective. In addition, clause 409 provisions a deed of the donation will be voided if a person donates or gifts a property that has right and ownership of another person, if a person donates or gifts a property without obtaining the consent of another person where such consent is needed pursuant to law, if the person offering such donation or gift is an incompetent or partially competent person, and if the donation or gift is made without fulfilling the legal requirements. Land for project investments will be acquired and compensated for as per the Land Acquisition Act, 1977. However, where land donation is accepted under the project, the specific provisions of this Act will apply.

## **2.2 World Bank Standards on Land Acquisition and Resettlement**

The World Bank's Environmental Social Standard (ESS) 5 - Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement provides guidance for Bank-funded operations to conduct land acquisition and resettlement. The objectives of ESS5 include:

- To avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives
- To avoid forced eviction
- To mitigate unavoidable adverse social and economic impacts from the land acquisition or restrictions on land use by (a) providing timely compensation for loss of assets at replacement cost and (b) assisting displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing before the beginning of project implementation, whichever is higher.

### **Voluntary land donation**

In some circumstances, it may be proposed that part or all the land to be used by the project is donated on a voluntary basis without payment of full compensation. Subject to the approval of the World Bank, land donation may be accepted for project investments based on the following:

- The donor or donors have been appropriately informed and consulted about the project and the choices available to them
- Potential donors are aware that they have right to refuse donating, and have confirmed in writing their willingness to donate land to the project
- The amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels
- No household relocation is involved

- The donor is expected to benefit directly from the project; and
- For community or collective land, donation can only occur with the consent of individuals using or occupying the land. The Proponent will maintain a transparent record of all consultations and agreements reached.

Where voluntary land donation transactions result in the displacement of persons, other than the seller, who occupy, use, or claim rights to the land in question, ESS5 will apply. In such cases, in applying the relevant provisions of the ESS 5, special care must be taken to ensure:

- That all tenure rights and claims (including those of customary and informal users) affecting the land in question are systematically and impartially identified
- That potentially affected individuals, groups or communities are meaningfully consulted, informed of their rights, and provided reliable information concerning environmental, economic, social and food security impacts of the proposed investment
- That community stakeholders are enabled to negotiate fair value and appropriate conditions for the transfer
- That appropriate compensation, benefit sharing, and grievance redress mechanisms are put in place
- That terms and conditions of the transfer are transparent; and (f) mechanisms are put in place for monitoring compliance with those terms and conditions.

### **2.3 Comparison of the Government and WB Policies**

A comparative analysis of the Government and World Bank policies on involuntary resettlement/land acquisition presents some common principles, as well as gaps, across the policies. Recommendations to bridge the identified gaps are detailed further below

#### ***Common Principles***

Generally, the Government and World Bank policy align along the following basic principles:

- i. Involuntary resettlement shall be avoided or minimized to the extent possible, through the incorporation of social consideration into design options and alignment selections.
- ii. Where displacement is unavoidable, people losing shelter and livelihood will be assisted in improving or at a minimum regaining their former status of living at no cost to themselves.

However, there are some aspects, where additional measures or further specifications for the entitlements under national laws are necessary to meet the standards of the World Bank. These additional measures are essential for ensuring that the principles mentioned above will be achieved. In addition, a specific entitlement framework will help avoid and potential delays caused by lack of clarity of the resettlement process. Key gaps between the country regulations and WB ESF related to resettlement planning, mode of acquisition, entitlement to compensation, attention to vulnerable project-affected persons and others have been highlighted in the table below.

**Table 2.1: Key Gaps between Nepal Land Acquisition System and WB's ESS 5**

Key Element of ESS5	WB ESS5	Nepal System
Planning	<ul style="list-style-type: none"> <li>• Social assessment</li> <li>• Preparation of Resettlement Action Plan (RAP) through participatory process and/or consultation</li> </ul>	<ul style="list-style-type: none"> <li>• No requirement for social assessment for land acquisition process</li> <li>• No need of RAP and no provision for consultation</li> </ul>
Entitlement of land compensation	Compensation to those who have legal rights to land or those who have recognizable claim to the land under national law	Compensation to those who have legal rights to land or assets
Mode of acquisition	<ul style="list-style-type: none"> <li>• Negotiated purchase</li> <li>• Donation</li> <li>• Expropriation</li> </ul>	<ul style="list-style-type: none"> <li>• Negotiated purchase</li> <li>• Donation</li> <li>• Expropriation</li> </ul>
Impacts considered	<ul style="list-style-type: none"> <li>• Loss of assets</li> <li>• Disturbance costs and associated expenses</li> <li>• Loss of access to resources</li> <li>• Broader social and economic consequences (physical and economic displacements)</li> </ul>	<ul style="list-style-type: none"> <li>• Loss of assets</li> <li>• Loss of business income</li> </ul>
Compensation	<ul style="list-style-type: none"> <li>• Options developed with PAPs through consultations:</li> <li>• Cash or in-kind such as: Replacement lands Replacement homes Rehabilitation program Community/Livelihood development program</li> <li>• Other form of assistance</li> </ul>	<ul style="list-style-type: none"> <li>• Cash (minimum market price)</li> <li>• Replacement Land option is available only for those who lose entire land</li> </ul>
Delays in accessing compensation	<ul style="list-style-type: none"> <li>• Requires that on an exceptional basis, with prior agreement of the Bank, the Borrower may deposit compensation funds as required by the plan into an interest-bearing escrow or other deposit account and proceed</li> </ul>	<ul style="list-style-type: none"> <li>• Time limit to take up compensation as per Land Acquisition Act</li> </ul>

	<p>with the relevant project activities.</p> <ul style="list-style-type: none"> <li>• Compensation placed in escrow will be made available to eligible persons in a timely manner as issues are resolved</li> </ul>	
Vulnerable PAPs	<ul style="list-style-type: none"> <li>• Differentiated treatment of vulnerable groups; provision of assistance depending on needs</li> </ul>	<ul style="list-style-type: none"> <li>• No special provision sand additional supports for vulnerable PAPs</li> </ul>
Engagement with the indigenous people	<ul style="list-style-type: none"> <li>• Differentiated treatment to the IP groups in culturally appropriate manner and need of an Indigenous People's Plan (IPP)</li> </ul>	<ul style="list-style-type: none"> <li>• No such provisions</li> </ul>
Eligibility for Compensation	<ul style="list-style-type: none"> <li>• All legal claimants and informal occupants on structures and land</li> </ul>	<ul style="list-style-type: none"> <li>• Legal claimants having only titled landholder including registered agricultural tenants</li> </ul>
Risks and impacts to cultural heritage	<ul style="list-style-type: none"> <li>• Need of a robust system put in place, including a Chance Finding Procedures, in consultations with the stakeholder</li> </ul>	<ul style="list-style-type: none"> <li>• Chance Finding Procedure have been spelled out in the laws but not as robust as the ESF requirements</li> </ul>
Labor Grievance Redress Mechanism (GRM)	<ul style="list-style-type: none"> <li>• Need of a separate labor GRM to understand and resolve grievances related to the workers associated with the project</li> </ul>	<ul style="list-style-type: none"> <li>• No such mechanism or requirements exists</li> </ul>
Grievance Redress Mechanism (GRM)	<ul style="list-style-type: none"> <li>• Required without restriction as to the nature of complaint and period</li> <li>• A project is required to maintain a GRM throughout the project lifecycle</li> </ul>	<ul style="list-style-type: none"> <li>• Allowed but restricted to a few key decisions only and limited within a fixed period during land acquisition</li> <li>• Project is not required to have a formal GRM system</li> </ul>
Stakeholder engagement and information disclosure	<ul style="list-style-type: none"> <li>• Required to identify and categorize project stakeholders and prepare engagement strategy, particularly for vulnerable and IPs</li> </ul>	<ul style="list-style-type: none"> <li>• No systematic engagement but limited engagement and consultations with the landowners during land acquisition</li> </ul>
Monitoring and Evaluation	<ul style="list-style-type: none"> <li>• M&amp;E system is required as part of the RAP; Status of the PAPs monitored and evaluated</li> </ul>	<ul style="list-style-type: none"> <li>• None</li> </ul>

### ***2.3.1 Measures to Bridge the Gaps***

The results of this policy review of both the World Bank and the government are taken into due account in the development of this RPF, including a policy matrix for entitlements to compensate losses from project interventions. Policy measures to close the identified gaps and limitations are:

- i. A project-affected person will be defined in the RAP as a person or household whose livelihood or living standard is adversely affected through loss of land, housing and other assets, income, or access to services because of the implementation of the project, causing a change in land use.
- ii. Entitlements will be established for each category of loss.
- iii. Special attention will be dedicating to addressing and protecting the interest of IPs and vulnerable groups
- iv. Once the notification date as the cut-off date is announced, no opportunistic encroachments after this date will be considered eligible for entitlements of compensation.
- v. The landless farmers/ informal settlers who have been occupying public land before the cut-off date, but without legal title, which has not been claimed by others, will be entitled to compensation for the loss of structure and livelihood investments.
- vi. Non-land assets will be compensated without delay at replacement value and their relocation and transportation must be assisted. Support for IPs and vulnerable groups should be provided to improve their livelihood
- vii. Practical provisions will be made for the compensation for all lost assets to be made at replacement cost without depreciation or reductions for salvage materials.
- viii. Efforts will be made to assess the real replacement costs of land/structure which will also include the transaction costs.

**Table 2.1: Comparison of GoN & the WB Policies on Entitlement for Land Acquisition**

Type of Impact	Entitlement Unit	GoN Policy	ESS5	Gap filling measures
<b>A. Land</b>				
Loss of private Land	Individual or families	<ul style="list-style-type: none"> <li>• Cash compensation at the rates established by a Compensation Determination Committee (CDC), consisting of:               <ul style="list-style-type: none"> <li>(i) Chief District Officer</li> <li>(ii) Revenue Board Land Administrator; and,</li> <li>(iii) A DCC representative.</li> </ul> </li> <li>• Plus, other basic allowances for displaced families.</li> </ul>	<ul style="list-style-type: none"> <li>• Compensation at full replacement cost. Sufficient to replace lost land and assets plus associated transaction costs.</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Cash compensation based on existing markets rates of the property in the area and as per Land Acquisition Act, 1977; and</li> <li>• Resettlement allowance in cash equivalent to the difference between compensation as per the Land Acquisition Act and full replacement value as per current values in the same vicinity, plus covering of value of all land transaction fees and charges.</li> <li>• Families who become landless will receive allotted land as per provisions of the Clause 14 of the Land Acquisition Act, 1977</li> </ul>
Additional loss (construction related induced impact)				
Loss of land occupied by non-title holders	Non-title holder (informal settlers and informal occupiers)	No provision to pay compensation to non-title holders (informal settlers and informal occupiers)	Resettlement assistance in lieu of compensation for land occupied (land, cash, other assets, employment) to improve or at least restore their livelihoods and standards of living to pre-displacement levels in real terms or level prevailing pre displacement levels whichever is higher.	<ul style="list-style-type: none"> <li>• Informal settlers and informal occupiers with economic losses may be entitled to assistance.</li> <li>• Additional resettlement assistance to vulnerable households to restore pre-displacement level livelihoods. Vulnerable groups may include IPs categorized by GoN, Dalits, women headed households, the poorest (based on poverty line and the local wealth ratings), the disabled, the elderly and landless.</li> </ul>



<b>B. Home/structures</b>				
Additional loss (construction related induced impact)	Families, households, structure owners	Cash compensation fixed by Compensation Determination Committee (CDC) on the current value of houses and structures, in accordance with the Land Acquisition Act	<ul style="list-style-type: none"> <li>• Compensation at full replacement cost. Sufficient to replace lost assets plus associated transaction costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Cash compensation as determined by the CDC as per Land Acquisition Act.</li> <li>• While determining the compensation for land, the Compensation Determination Committee (CDC) is required to consider prevailing market rate as per Land Acquisition Act, 1977 as clause 16 (2). If there is any gap between the rates fixed by the CDC and the compensation at replacement cost, additional resettlement assistance will be provided in cash to cover the gap.</li> </ul>
<b>C. Private Assets (Income generating assets)</b>				
Loss of income for affected HH	Families, households	Cash compensation determined by Compensation Fixing Committee	Compensation at full replacement cost.	<ul style="list-style-type: none"> <li>• Compensate and replace lost assets at based on replacement cost</li> <li>• Compensation for perennial crops and trees calculated as annual net product value multiplied by number of years for new crop to start producing</li> <li>• Compensation in cash for lost standing crop.</li> </ul>
<b>D. Livelihood Restoration</b>				
Loss of livelihood means	Affected person, families, households	No explicit provision for restoration of income	Measure to assist affected people in improving their former living standards, income earning capacity, and production levels, or at least restoring them.	Rehabilitation assistance (e.g., training and microcredit support) for lost or severed livelihoods.
<b>E. Community Assets</b>				

Local communities	Affected communities / families	No explicit provision for restoration of income	Measures to assist impacted communities to re-establish or re-develop lost community resources.	Compensation for re-establishing or re-constructing lost community resources such as religious and cultural structures.
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### **3. Social Assessment**

#### **3.1 Land Classification**

The Land (Survey and Measurement) Act, 1963 categorizes land tenure in Nepal into private land, government land, public land, community land and, Guthi land. Private lands represent about 28% of land in Nepal. Nepal recognizes two private land tenure types: ownership and leasehold. Landowners have rights to exclusivity and use of their land and can freely transfer their land and pass the land by inheritance. The Land Reform Act 1964 as amended by the Land Ordinance Act (2005) imposes ceilings on land ownership, subject to various factors such as geo-ecological variations, soil types, average precipitation, other climatic conditions as well as land use types such as irrigated land, rain fed land, grazing land and average family size. These ceilings are currently at 3.75 hectares in the hills, 1.5 hectares in Kathmandu Valley and 7.43 hectares in Terai and Inner Terai.

State lands include public land (defined to include wells, ponds, pathways, grazing land, cemeteries, market areas, etc.) and government land (defined to include roads, government offices, and land under government control, such as forests, lakes, rivers, canals, and barren land, etc.) It is estimated that about 72 percent of land in Nepal is state land.

*Guthi* land is land held by religious bodies for religious or philanthropic purposes and is not subject to taxation. *Guthi* land includes temples, monasteries, schools, hospitals, and farmland managed by religious institutions and individuals. About 0.03 percent of land in Nepal falls into this category.

#### **3.2 Landholdings and Tenurial System in Nepal**

Out of the total 147,641.28 square kilometers land area of Nepal, agricultural land is 28% of which 21 percent is cultivated and 7 percent uncultivated, forest area is about 44 percent, and the pasture covers 12 percent. After forest, other land occupies 28.68 percent of total area. Settlement and wetland, on the other hand, cover 1.15 percent and 1.22 percent of the total area, respectively. Nepal has varying topography ranging from Terai, Hills, and Mountains that covers 23, 42, and 35 percent of land area, respectively. Nepal has an estimated 2.7 million hectares of agricultural land or about 18.3% of the total land area, while about 44.7 percent land of Nepal is classified as forestland, and nationally protected areas make up 17.32 percent of the total land. The majority (53 percent) of the agricultural are smallholder farmers, cultivating less than 0.5 ha of land; with only 4 percent cultivating 2 ha or more.

*Land distribution.* There is a significant imbalance in land distribution in Nepal. The top 7% of the households for example occupy 31% of the agricultural land while the bottom 20% own only about 3%. About forty-six percent (45.7%) of agricultural households own between half a hectare and three hectares of land and occupy 69.3 percent of total cultivable land. About fifty-three percent (52.7%) of those households own half a hectare or less and occupy 18.5 percent of cultivable area. The average size of agricultural landholding is 0.7 hectares in rural areas and 0.5 percent in urban areas. It is estimated that about five percent households do not own any land but work other people's land on a contractual basis.

Terai occupies 23 percent of total land, popularly known as grain basket of Nepal. Hill, occupies 42 percent of total land, has absentee landlordism problem (CBS, 2013).

Eighty-four percent of farms in Nepal are owner operated. About 10 percent of land is held under some form of registered tenancy. However, the actual incidence of tenancy is probably higher due to the presence of informal unregistered tenants. It is estimated that 31% of the farmers are tenants (i.e., leasing lands). Most tenants are not entirely landless but are just taking in additional land to till. The purely landless farmers are estimated to occupy only about 2 percent of total farm holdings in the country. Sharecropping is the most common form of tenancy. The most common form of sharecropping arrangements is the short-term rental known as *adhiya*. Under *adhiya*, the tenant provides the labor and landowners supply some percentage of inputs. In principle, the tenant and landowner receive equal shares of the production, but the tenant rarely receives a half-share, either because he or she is in debt to the landowner, or the landowner has supplied all the inputs.

### **3.3 Internally Displaced Population**

More than 70,000 people were displaced during the 10-year civil conflict (1996–2006). Thousands of Internally Displaced Persons (IDPs) returned to their homes following the signing of the peace accord in 2008, often finding that their land had been confiscated or claimed by others during their absence, and they lacked the documentation necessary to qualify for state support for IDPs. Displaced single women are particularly vulnerable because many are unable to recover compensation for property that has been expropriated and they lack the capacity and social standing to pursue new livelihood options. Internally displaced children and women are particularly vulnerable to trafficking, sexual exploitation, and child labor (IDMC 2010). As most of the men in the community are engaged in foreign employment, the women at home are left behind due to lack of proper information and counseling. Similarly, about twenty-six thousand people were displaced because of the 2015 earthquake. Because of lack of formal land documentation many have been excluded from reconstruction

and rebuilding efforts. This forces people to continue living in the risky areas or move to public lands as informal dwellers, where they are always at risk of eviction.

#### **4. Land Acquisition and Resettlement Policy of the Project**

The fundamental policy of the project on land acquisition and resettlement is based on the country system, filling in the critical gaps with respect to the World Bank's Environmental and Social Standard 5 (ESS5), particularly focusing on

- the provision to avoid or minimize involuntary resettlement impacts
- the preparation of Resettlement Action Plan (RAP) in meaningful consultations with the PAPs on various compensation and resettlement options.
- the support to be provided to displace PAPs, IPs, and vulnerable groups to help them restore livelihoods.

##### **4.1 Principles of Land Acquisition and Resettlement Policy**

The project will adopt the following principles to each subproject that are deemed to have involuntary resettlement impacts as informed by the E&S Screening.

###### **1. Preferred mode of acquisition of land**

To protect smallholder and vulnerable communities, including the Dalits from undue pressure and influence of local officials and peers in the project communities, the preferred mode of private land acquisition would be negotiated sale – willing buying, willing seller approach – in an environment free of intimidation and coercion. Voluntary donation may be accepted but the process of land donation should strictly be voluntary and subject to review. At a minimum they must be accompanied with:

- Deed of donor indicating donation was made freely and without any pressure from anybody
- Minutes of prior consultation to demonstrate that the donor and/or PAPs were clearly informed of their rights to demand full compensation

The project will use expropriation – the exercise of eminent domain – as a last resort.

###### **2. Avoidance and minimization of involuntary resettlement impacts**

During the E&S screening of the location identified for subprojects, the project will first put efforts to avoid and minimize involuntary resettlement impacts, particularly physical displacement, defined here as loss of homes requiring the occupants to relocate and reestablish residence elsewhere; and economic displacements, defined here as loss of the household's productive assets, or access to assets, or income earning capacities. Where displacements are unavoidable, people losing assets, livelihoods, and access to resources, will be minimized and/or compensated, and appropriate assistance will be provided to improve,

or at a minimum regaining their pre-displacement livelihood and living standard at no cost to themselves.

### **3. The affected person's legal status on the land shall not preclude him from receiving compensation/assistance for other lost assets and restriction of access to resources**

Project-affected persons irrespective of their legal status will be entitled to compensation and assisted in regaining their standard of living. The PAPs who do not have recognized legal claim to the land will receive compensation for lost assets other than land (such as crops, structures, irrigation canals, ripraps, and other improvements made to the land) at replacement cost and the compensation will be available prior to the taking over of assets. Tenants and leaseholders will be compensated for the remaining or unserved period of the rent/lease and for the disturbance caused by the untimely termination of contracts. For leased land plots, compensation of land will be paid to renters for their actual losses and assistance will be provided to the lessee to allow him/her access to some other land to continue agricultural activities. Owners of crops and trees who cannot show the legally recognizable title to land will be compensated for crop or tree losses.

### **4. Differentiated approach and compensation/benefits to the IPs and other vulnerable project affected persons/families**

The E&S screening of the subproject site together with the Environmental and Social Assessments (EIA/IEE/BES) as required by the country law will provide inputs about the prevalence of IPs and vulnerable populations, such as Dalits. The information will be used to initially identify approaches and measures, regarding IPs and vulnerable people while drafting the site-specific draft RAP. The socio-economic census survey of the project affected people that is conducted during the preparation of RAP will formally identify the IPs and vulnerable groups, and other individuals along with their socio-economic status and special needs. (See PAP Census Questionnaire in [Annex 2](#)). In the process, the members of the IPs will be consulted. Moreover, other vulnerable groups and people will also be consulted to understand appropriate assistance based on their needs and socio-economic conditions.

### **5. Information disclosure and participatory approach**

Once the RAP identifies the PAPs to be impacted in terms of economic as well as physical displacement, the subprojects will start disseminating information related to resettlement preparation and implementation to all concerned PAPs through appropriate and effective means as envisaged by the project SEP. In addition, the subproject will conduct periodic consultations with the subproject stakeholders, particularly with the PAPs, to understand

their perception of the RAP approach and address their appropriate concerns in the early stage of RAP preparation. As envisaged by the project SPE and the ESS 5, the sub-project will deploy a special communication strategy to reach out to the IPs and vulnerable groups to ensure their participation in planning and implementing the RAP in a culturally appropriate manner.

## **6. Gender considerations**

The ESS 5 recognizes the fact that women have an important role in household management as they usually engaged in a wide range of income-generating activities in the agricultural and other sectors. So, the ESS 5 stresses the need to ensure meaningful consultations with the women in preparation and implementation of the RAP and address their appropriate concerns in the RAP. Thus, the project will pay due attention to ensure that women are involved the entire process of RAP Preparation and implementation, and clearly listed as beneficiaries of compensation and resettlement assistance. In addition, the project will adopt the following measure as part of gender considerations to achieve the larger goal of equitable participation of women in the preparation and implementation of RAP.

- Conducting a survey of project affected families to understand the overall socio-economic and gender situation of the affected families to inform appropriate measures to support the the families in restoring their livelihood to at least pre-project level
- Including women as enumerators in the survey team or facilitators in focused group discussions
- Establishing a pre-project condition of women in the project area while preparing profiles of affected people and households
- Identifying heads of households by gender
- Including women in the team that carry out consultation processes to determine compensation entitlements
- Conducting women-only focus group discussions or individual outreach to engage women in the RAP process
- Depositing compensation in a bank account held by both wife and husband even if the title of the land/assets is held only by the husband
- Considering the disproportionate impact that resettlement has on women and accounting for that in developing compensation packages
- Ensuring that monitoring of resettlement is attentive to women's issues, and
- Developing mechanism for prompt corrective actions whenever additional measures are required to ensure the objectives of the program are met for affected women.



- Ensuring active participation of women in project related meetings.

#### **4.2 Cases/categories based on the nature of involuntary resettlement impacts**

Once the precise location and subproject-level activities are identified, each subproject will undergo E&S Screening as per the guidance provided by the project ESMF. The E&S Screening will initially determine

- whether the subproject will require the acquisition of the privately-owned
- If yes, the level of impact in terms of physical or economic displacements
- Possible impact on the livelihood of PAPs due to restriction posed by project activities in accessing the private property and the natural resources

Based on the nature of land acquisition and the resettlement and their potential risks and impacts, the E&S Screening will categorize the subprojects in the following five cases

**Case 1:** Subprojects requiring involuntary land acquisition or restrictions on the use of land and/or common property, resulting in economic or physical displacement and/or impact on the livelihood of the PAPs. This also includes the economic or physical displacement of occupants under the lease agreement with the owners or crop-sharing arrangements. These will trigger the provisions of ESS 5

**Case 2:** Subprojects requiring restrictions on use of private land and assets and common property that may have impacts on the livelihood of the users but do not result in economic or physical displacement of people. These will trigger the provisions of ESS 5.

**Case 3:** Subprojects do not require land acquisition but may economically or physically displace people due to activities related to the subprojects. This could happen in government/public lands having informal settlers or informal occupiers on them or serious disturbance such as pollution and vibration, among others, caused by the subproject activities. These will trigger the provisions of ESS 5.

**Case 4:** Subprojects requiring non-eminant domain land acquisition (willing buyer - willing seller or voluntary donation) but with the potential economic and physical displacement of occupants residing on the land or using the land to support their livelihood. These will trigger the provisions of ESS 5.

**Case 5:** Subprojects which does not require land acquisition and do not economically and physically displace people. Such case is excluded from further consideration as they do not trigger the provisions of ESS 5.

#### **4.3 Required Social Management Plans**

Once the case/category of the subproject under consideration is determined, the subproject will prepare RAP and/or LRP, which will be scaled to project risks. [Annex 1](#) provides an indicative outline and contents of RAP and/or LRP while [Annex 4](#) provides the Inventory of

Asset Form. The following table shows the type of instrument required for each case/category of the subproject.

**Table 4.1. Land Acquisition and Impact and Required Instruments/Documents**

Case/category	Instrument/Documents Required
<b>Case 1.</b> Subprojects requiring involuntary land acquisition or restrictions on use, resulting in economic or physical displacement. This also includes the economic or physical displacement of occupants under the lease agreement with the owners or crop-sharing arrangements.	<ul style="list-style-type: none"> <li>• Resettlement Action Plan or Livelihood Restoration Plan (<a href="#">Annex 1</a>)</li> <li>• Inventory of affected assets (<a href="#">Annex 4</a>)</li> <li>• If the land is donated: (i) Deed of donation; (ii) Minutes of consultation demonstrating that the PAPs were informed of their rights to just compensation.</li> </ul>
<b>Case 2:</b> Subprojects requiring restrictions on use of private land and assets and common property but do not result in economic or physical displacement of people but may impact the livelihood of the users. These will trigger the provisions of ESS 5.	<ul style="list-style-type: none"> <li>• Inventory of affected assets (<a href="#">Annex 4</a>)</li> <li>• RAP/LRP (<a href="#">Annex 1</a>)</li> <li>• Minutes of Consultation with the users</li> </ul>
<b>Case 3:</b> Subprojects do not require land acquisition but may economically or physically displace people. This could happen in government lands having informal settlers or informal settlers on them. These will trigger the provisions of ESS 5.	<ul style="list-style-type: none"> <li>• RAP/LRP (<a href="#">Annex 1</a>)</li> <li>• Inventory of affected assets (<a href="#">Annex 4</a>)</li> <li>• Minutes of Consultation</li> <li>• If the land is donated, (i) Deed of Donation and (ii) the minutes of consultation should demonstrate that the PAPs were informed of their rights to just compensation</li> </ul>
<b>Case 4:</b> Subprojects requiring non-eminent domain land acquisition (willing buyer - willing seller or voluntary donation) but with the potential economic and physical displacement of informal occupants. These will trigger the provisions of ESS 5.	<ul style="list-style-type: none"> <li>• RAP/LRP (<a href="#">Annex 1</a>)</li> <li>• Proof of occupation and period from the concerned local municipality</li> </ul>
<b>Case 5:</b> Subprojects which does not require land acquisition and do not economically and physically displace people. These are excluded from further consideration as they do not trigger the provisions of ESS 5.	Just submit the documents to demonstrate that there is no landownership dispute

#### **4.4 Eligibility**

The Involuntary Resettlement policy requires compensation for the lost assets to be computed and provided at replacement costs to both titled and non-title holders, such as Informal settlers or informal occupiers, and tenants. In addition to compensation, resettlement assistance for lost income and livelihoods will also be provided. As per the ESS5, individuals and households that either hold formal titles or not will receive the appropriate compensation and resettlement assistance, and rehabilitation. However, those who do not hold legally recognizable land ownership are not entitled to land compensation. Further, the principles adopted herein contain special measures and assistance for any vulnerable PAPs. Vulnerable persons are those who, because of their circumstances, may be disadvantaged or vulnerable.

Persons affected by land acquisition, and relocation and/or rehabilitation of structures/assets (businesses, houses, etc.) are entitled to a combination of compensation measures and resettlement assistance, depending on the nature of ownership rights of lost assets and scope of the impact, including the social and economic vulnerability of the affected persons. Thus, the affected persons in the project will be entitled to various types of compensation and resettlement assistance that will help in the restoration of their livelihoods, at least, to the pre-project standards. However, in the case of land acquisition through the Eminent Domain, only the structures/assets build or acquired before the publication of public notice that the chief of Compensation Determination Committee issues as per Clause 9 of Land Acquisition Act, 1977 will be eligible for consideration under the Entitlement Matrix. To minimize issues and ensure compliance with ESS5, all land acquisition for the subproject will be subject to the following restrictions:

1. Land acquisition causing the displacement of significant number of people
2. Private land/property without sufficient tenure security during the economic life of the facility
3. Land subject to any kind of disputes/conflicts will be used for the subprojects.
4. No land under protected forests/national parks will be used, except if the subproject is allowed within the proposed site as part of the protected area/park management strategy, and the subproject is approved by the protected area management body.
5. No private land donated by the owners will be accepted and used without complying with the following proof of voluntary donation:

- A deed of donation stating the voluntary nature of donation, signed by the donor in favor of the project; and,
- Minutes of consultation meetings with the affected communities, indicating that the affected communities where the donor resides are informed of their right to just compensation of their properties.

#### **4.5 Entitlement Policy**

The general entitlements of PAPs by tenure/ownership status and type of asset affected are summarized in Table 2 below. This Entitlement Matrix is a generic presentation of entitlements in compliance with ESS5. The actual Entitlement Matrix developed in the individual subproject RAP or LRPs may contain different entitlement items, depending on the local conditions.

**Table 4.2. Entitlement Matrix for Involuntary Resettlement Impacts of the subprojects**

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
<b>1. Agricultural, Residential, Commercial, Pasture and Forestry Land</b>			
1.1 Loss of Private Land under any form of tenure or impact on public land	<ul style="list-style-type: none"> <li>• Titleholder</li> </ul>	<ul style="list-style-type: none"> <li>• Compensation at full replacement cost (current market rate) as provisioned by the Land Acquisition Act, 1977 which says that the Compensation Determination Committee is required to consider prevailing market rate of land while determining the compensation rate for land.<sup>3</sup></li> <li>• Title to the land of equal area and productivity acceptable to the owner in the vicinity.</li> <li>• If the land is not available elsewhere then provide cash compensation at full replacement cost based on current market rate or Government rate whichever is higher.</li> <li>• Land compensation if the IPs and vulnerable groups prefer so, given that the land acceptable to the PAP and the vulnerable groups s available in the area</li> <li>• Resettlement assistance in lieu of compensation for land occupied (land, other assets, employment) at least restore their livelihoods and standards of living to pre-displacement levels.</li> <li>• In the case of farmland, the PAP will be entitled to the cultivation disruption allowance equal to one-crop-cycle production.</li> </ul>	<ul style="list-style-type: none"> <li>• A List of available <i>Ailani</i> land in each affected ward will be prepared</li> <li>• A list of affected and entitled persons and the area of land loss will be prepared</li> <li>• Notice to vacate will be served at least 35 days before the acquisition date after payment of compensation.</li> <li>• If any owner having significant impact receives cash compensation for farmland and purchases replacement farmland, all related land registration fees, taxes, and duties will be borne by the project.</li> <li>• Case compensation will be paid through a joint bank account held by wife and husband of the titleholders or eligible non-titleholders PAP</li> <li>• To ensure fair compensation, determination of rates will be established not more than one year prior to property acquisition.</li> </ul>

<sup>3</sup> The replacement cost for land and various allowances in the above Entitlement matrix will be defined in RAPs based on required surveys and consultations during the preparation of RAPs

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
		<ul style="list-style-type: none"> <li>Informal settlers or informal occupiers cultivating the public land and identified during the census survey will be entitled to the allocation of land if <i>Ailani</i> or other government land is available.</li> </ul>	
	<ul style="list-style-type: none"> <li>Informal occupiers and users of public land</li> </ul>		
	<ul style="list-style-type: none"> <li>IPs and Vulnerable groups</li> </ul>	<ul style="list-style-type: none"> <li>Preference should be to replace land for land to IPs or vulnerable groups if available nearby or if not available, provide cash compensation at full replacement cost with additional supporting assistances as agreed in meaningful consultation</li> <li>Resettlement assistance in lieu of compensation for land occupied (land, other assets, employment) at least restore their livelihoods and standards of living to pre-displacement levels.</li> </ul>	<ul style="list-style-type: none"> <li>A list of affected IPs and Vulnerable groups and entitled persons and the area of land loss is required</li> <li>A List of available land in the area that can be offered to PAPs as in-kind compensation is required</li> <li>Identified livelihood restoration skill training as agreed during consultation.</li> </ul>
1.2 Loss of Tenancy Land	<ul style="list-style-type: none"> <li>Landlord and Tenant by a written agreement</li> <li>Renter/lease holder</li> </ul>	<ul style="list-style-type: none"> <li>Both the landlord &amp; the tenant will be entitled for 50 percent of land compensation amount each (As per 2058 B.S. amendment in Land Reform Act).</li> <li>Non-registered tenant/renter/lease holder does not qualify for compensation for land losses. However, they will be entitled to compensation for crops.</li> </ul>	<ul style="list-style-type: none"> <li>Where a renter/leaseholder has a sharecropping arrangement, the compensation payable should be apportioned according to the arrangement.</li> </ul>

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
1.3 Loss of Guthi (Trust) Land)	Entitled Person/ institutions and tenant in accordance with the Guthi Corporation Act 2033.	As per the Clause 42 of the Guthi Corporation Act, 2033 the government is required to replace land if it Government acquires any Guthi land.	Guthi (religious trust land) acquired for a development must be replaced with other land.
1.4 Temporary Loss of Private Land	<ul style="list-style-type: none"> <li>• Titleholders</li> <li>• Tenants and landlord both being the owner of equal.</li> </ul>	<ul style="list-style-type: none"> <li>• Compensation for lost crop production and other property losses for the duration of temporary occupation.</li> <li>• Compensation for other disturbances &amp; damages caused to property.</li> <li>• Project to ensure that persons other than the owner affected because of temporary acquisition are compensated for the temporary period.</li> <li>• Land should be returned to the owner at the end of the temporary acquisition period, restored to its original condition, or improved as agreed with the owner.</li> </ul>	<ul style="list-style-type: none"> <li>• The owner/entitled party will sign a temporary occupation contract specifying: <ul style="list-style-type: none"> <li>○ Period of occupancy,</li> <li>○ The terms and conditions for calculation of production losses,</li> <li>○ The frequency of compensation payment, and</li> <li>○ Land protection and rehabilitation measures.</li> </ul> </li> <li>• The land will be returned to the owner at the end of temporary acquisition, restored to its original condition.</li> </ul>
<b>2. Crops and Trees</b>			
2.1 Loss of Trees & Perennial Crops	<ul style="list-style-type: none"> <li>• Titleholder</li> </ul>	<ul style="list-style-type: none"> <li>• Advance notice to harvest crops</li> <li>• The net value of existing crops as determined by the Compensation Determination Committee, (CDC) which as per the Clause 16 (2) of</li> </ul>	<ul style="list-style-type: none"> <li>• Inventory of the trees and plant species prepared as a part of assets inventory survey</li> </ul>

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
2.2 Loss of Non-perennial crops	<ul style="list-style-type: none"><li>• Lessee/cultivators having agreement with the owner</li><li>• Informal settlers or informal occupiers of public land</li></ul>	<p>the Land Acquisition Act, 1977 is required to consider prevailing market rate while determining compensation for crops.</p> <ul style="list-style-type: none"><li>• The loss of the privately-owned timber trees will be compensated at replacement cost, or the cost agreed by both the owner and the project. In case of the land acquisition through appropriation, such trees will be compensated at the rate fixed by the Compensation Determination Committee, (CDC), which is required to consider prevailing market rate while determining compensation for trees.</li><li>• The loss of the fruit-bearing trees will be compensated based on the loss of annual income for 5 years. The compensation value considers the planting costs.</li><li>• The loss of non-perennial crops (standing seasonal crops) will be paid in accordance with the output value.</li><li>• The loss of fodder trees and fuelwood trees will be compensated based on the value of 3 years annual net production</li><li>• Extreme care should be taken by Contractors to avoid damaging crops and trees</li><li>• Where damages do occur because of construction works, the affected parties will be compensated immediately for damages to crops and trees</li></ul>	<ul style="list-style-type: none"><li>• List of owners, non-perennial crops, and the area (if applicable) of cultivation should be prepared</li><li>• The APs will get notice 3-6 months in advance regarding crop harvesting. Crops grown after the issue of the notice will not be compensated.</li><li>• The work schedule must be adjusted considering the crop seasons so that for avoiding crop damage.</li><li>• Compensation for other trees or crops, such as high-value trees/crops will be determined by the CDC in consultation with the district agriculture and forestry office.</li><li>• Where a tenant/renter/lessee &amp; landowner have a sharecropping arrangement, the compensation payable should be apportioned according to the arrangement.</li><li>• Materials may be salvaged by the owner with no deduction from compensation</li></ul>
2.3 Additional loss (construction induced impact)			
3. Houses, Structures and Other basic facilities			



Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
3.1 Loss of privately-owned house & other structures 3.2 Loss of commercial establishment.	<ul style="list-style-type: none"> <li>Owner/Titleholder</li> <li>Tenant/Renter/Lease holder (own accommodation)</li> <li>Informal settlers or informal occupiers of public land</li> </ul>	<ul style="list-style-type: none"> <li>Compensation for full or partial loss of house and other structures at the full replacement cost of materials and labor according to house/structure type, with no deduction for depreciation.</li> <li>Every physically displaced household is entitled to a housing displacement allowance, based on the established rates per HH, per capita income and/or minimum wage rate.</li> <li>Every displaced household will receive a transportation allowance on an actual cost basis.</li> <li>Resettlement assistance to those most vulnerable households as determined by household survey based on economic vulnerability such as income below the poverty line and landlessness and social vulnerability such as women-headed households, low caste (Dalits) and household member with chronic disease, among others to restore pre-displacement livelihoods.</li> <li>Every displaced household with business affected will be entitled to receive a one-time lump sum grant for reestablishing lost business; a minimum three month's income based on the nature of business, one-time cash assistance equivalent to one month rent for moving temporarily moving business to alternative premises and the type of losses assessed on a case-to-case basis.</li> <li>The household will be entitled to a rental stipend for loss of rented accommodation</li> <li>Cash compensation for damages to structures resulting from the temporary occupation of land at replacement cost.</li> </ul>	<ul style="list-style-type: none"> <li>An inventory of assets to be impacted such as all houses, structures, toilets, sheds, walls, fences, water mills, and workshop, among others and loss of business income</li> <li>Replacement cost at the market value of house and structures will be determined by the CDC in consultation with local experts and compensation prices will be finalized with participation of PAPs.</li> <li>Formal resettlement planning will be undertaken where more than 10 households from one settlement/residential area are displaced, if the households have significant impacts opt for a group resettlement site.</li> <li>Materials may be salvaged with no deduction from compensation</li> <li>Vulnerable informal settlers and informal occupiers with economic losses may be entitled to assistance as a vulnerable group, at established rates determined by the CDC.</li> <li>Renter/ lessee holder will not be entitled to compensation of structures. However, if the structures are made by them, they will be entitled to compensation or will be according to the lessee agreement</li> </ul>
3.3 Loss of rented accommodation	Renter/Lessee holder		

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
<b>4. Community and Cultural Assets/ Facilities</b>			
4.1 Loss of community buildings/ structures, cultural assets, or loss of access to such assets	Local municipality or community/ User's group	<ul style="list-style-type: none"> <li>Replacement of the affected community assets and determination of compensation at replacement cost through negotiations.</li> </ul>	<ul style="list-style-type: none"> <li>Community resources/facilities include schools, temples/monasteries, religious trees, graveyards, ghats, waiting sheds, and a community hall or library, established by the local community/CBOs.</li> </ul>
4.2 Loss of land or access to such assets	Local municipality or community/ User's group	<ul style="list-style-type: none"> <li>Compensation of replacement of equal quality in the surrounding area</li> <li>Such replacement land to be identified in consultation with affected communities and relevant authorities</li> <li>Restoration of access to community resources</li> </ul>	<ul style="list-style-type: none"> <li>The project in close consultation with concerned municipalities and community user groups will identify probable replacement land. in the area nearby.</li> <li>The land revenue office in the district and concerned municipalities will be requested to assist the communities in identifying the replacement.</li> </ul>
4.3 Loss of community forests and other natural resources due to construction	District forest office/ Forest user's group/Other Groups Concerned	<ul style="list-style-type: none"> <li>Mitigation measures should be initiated to control erosion caused by tree cutting and to stabilize and rehabilitate the slopes with suitable bioengineering works and vegetation.</li> <li>Community forestland lost due to project activities should be replaced and reforested according to government regulatory requirements, including others concerned.</li> </ul>	<ul style="list-style-type: none"> <li>List of plant and tree species lost</li> <li>An assessment land for compensatory plantation in close consultations with concerned government agency and Forest user's group</li> <li>Compensation for trees determined based on the standard practice of the government</li> </ul>

Type of Loss	Entitlement Unit	Description of Entitlement /Compensation Policy	Implementation issues/procedures
		<ul style="list-style-type: none"> <li>• Advance notice to harvest resources from affected community forest areas.</li> <li>• Compensation for trees to the government as per the existing laws</li> </ul>	<ul style="list-style-type: none"> <li>• Activities to be undertaken in consultations with the concerned government agencies to minimize damage.</li> </ul>

#### **4.6 Temporary Easements**

Temporary easements are requirements for space (easements) during construction, such as alternative routes or detours, access roads, spoil disposal areas, worker's camps, and equipment and supply yards, among others. It is expected that the contractors will manage such land through negotiations with the landowner on terms that are mutually agreed upon by two parties. However, if the project or the local government themselves secure these easements for the contractors, the compensation should be market rental for the land, and compensation to structures, trees, and crops that may be removed or damaged during the lease period will be provided as prescribed in the Entitlement Matrix (Table 4.2 above).

#### **4.7 Unanticipated Damages/Changes in the required area**

Unanticipated land needs such as additional area or right of way shall be subject to the Entitlement Matrix above and negotiations with owners. However, if the damages are caused by the contractor, these shall be settled by the contractor with their owners and claimants.

#### **4.8 Cut-off date**

As per ESS 5, the cut-off date will be the date by which the affected property has been surveyed/measured as part of the census to document an inventory of the affected assets. All households, individuals and groups identified in the census survey will be eligible for compensation and support. However, there are complications in determining cut-off date based on the completion of the survey in Nepal. Some of the complications include official confirmation of such date, lack of a regulatory framework to legally establish the date and the survey completion date may differ from one affected property to another depending on when the survey was completed. Given these complications, the prevailing practice is that the cut-off date is the date that the chief of Compensation Determination Committee (CDC) publishes a public notice of Land Acquisition as per Clause 9 of the Land Acquisition Act, 1977, which effectively freezes land transactions and assets documented in the assets inventory survey. The project will adopt this widely this prevailing practice i.e., the date of the publication of the Land Acquisition notice as the cut-off date for the titleholders. In the case of non-titleholders, and keeping in mind the requirements of ESS5, the last date of the census survey will be established as the cut-off date. The cut-off date(s) will be communicated to PAPs and the local community that anyone occupying land or establishing structures after these cut-off date(s) will not be eligible for compensation.

## 4.9 Vulnerable Groups

Based on the socioeconomic conditions of the country, the vulnerable and disadvantaged groups to be encountered in the project area may include (i) Dalits; (ii) IPs; (iii) single women-headed households; (iv) elderly household heads; (v) household living below the poverty threshold; (vi) households with undernourished young children; (vii) landless farmers/laborers; and (viii) persons with disabilities. The PAPs belonging to these groups will be identified and their conditions carefully considered in the consultation approach and in the type of assistance to be extended. The subproject-specific RAP/LRP will identify and document the presence of the vulnerable people and recommend options for approaches and assistance. The types and nature of assistance will be determined during consultations and/or individual negotiations with the concerned PAPs or their groups.

**Table 4.3: Possible additional assistance to be provided to vulnerable PAPs.**

<b>Vulnerable PAP</b>	<b>Approach/Assistance that maybe extended</b>
Dalits	<ul style="list-style-type: none"> <li>• Consultations and FGDs</li> <li>• Exploring possibilities of employment in the subproject</li> <li>• Provision of livelihood support, including skill training</li> </ul>
Household below poverty threshold	<ul style="list-style-type: none"> <li>• Exploring possibilities of employment in the subproject</li> <li>• Livelihood assistance such as skill trainings</li> </ul>
Single women-headed households	<ul style="list-style-type: none"> <li>• Livelihood assistance such as skill trainings</li> <li>• Assistance in demolition, transport of belongings and materials, and in reconstruction of abodes</li> </ul>
Elderly headed households	<ul style="list-style-type: none"> <li>• Assistance in harvesting of affected crops/trees before construction</li> <li>• Assistance in demolition, transport of belongings and materials and in reconstruction of abodes.</li> </ul>
Landless farmers/laborers	<ul style="list-style-type: none"> <li>• Employment in the subproject</li> <li>• Livelihood assistance such as skill trainings</li> </ul>
Households with disabled persons, elderly, and small children	<ul style="list-style-type: none"> <li>• Transportation during transfer</li> <li>• Assistance in finding a place to move to</li> <li>• Special care and food allowance during transfer</li> </ul>

## 5. Preparation and Implementation of Resettlement Action Plans

### ***The Resettlement Planning Process***

The project will deploy the following steps for the preparation and implementation of the subproject level RAPs.

#### **1. E&S Screening:**

Every proposed subproject will be subjected to an E&S screening process before it is selected for inclusion in the project. The E&S Screening Form provided in [Annex 1](#) of the ESMF contains checklists on social aspects of the subproject. The screening process will determine, among others, the eligibility of subprojects for funding under the project. The information gathered through the process will be reviewed and validated by the E&S staff of the Social Development Unit of the participating municipality as part of the process of subproject evaluation. The E&S screening will be carried out in close consultation with various stakeholders, including the beneficiaries, PAPs, women, IPs, and vulnerable such as Dalits, and other local key informants. The results of the screening will be evaluated against the exclusion list in the ESMF to determine the eligibility of the subproject for project financing.

**2. Social Assessment of the Affected Community.** The social assessment is one of the components of the subproject level E&S assessment instrument and is conducted through ESIA, EIA/IEE, or ESMP. The main scope of the social assessment is to collate information sufficient to determine land requirements for the subproject, precise location of land acquisition and probable social and resettlement impacts that may be triggered by the land acquisition. This action will be completed prior to invitation of bids for corresponding activities.

**3. Census of PAPs.** Each subproject is required to conduct a census survey of all the PAPs, who would be impacted by the project in terms of either physical or economic displacement. The census will provide baseline socioeconomic data of the PAPs and their households, informing the project about the scale of the risks and impacts. Specific information about the PAPs and their households will also be used in identifying vulnerabilities and determining the appropriate assistance to be extended and approaches to be employed during the land acquisition and resettlement process. An indicative guide questionnaire has been provided in [Annex 2](#) of this RPF. This action will be completed to inform RAP preparation

#### **4. Preparation of initial resettlement and/ or livelihood document**

The document will mainly contain the principles and draft policies of RAP designed/proposed for a specific subproject site based on the socio-economic conditions of the affected communities. It will layout anticipated scale and types of losses to be incurred by the PAPs and the methods that will be applied to determine the valuation of the impacted assets and options of resettlement supports. In addition, the document will contain the feasible options for compensations based on the local conditions, including proposed assistance to vulnerable PAPs. The indicative contents of the RAP/LRP are provided in [Annex 1](#). This action will be completed prior to invitation of bids for corresponding activities.

#### **5. Consultations on compensations with prospective PAPs**

The subproject will organize the first-round consultations with the prospective PAPs and present the RAP principles, draft policies, compensation determination methods, resettlement assistance and additional support to IPs and vulnerable people along with the options available to the PAPs. The consultations will result in the selection of feasible options, among others. The consultations, including all the comments/concerns/suggestions made by the participating PAPs, will be well documented. At the end of the meeting, the assigned E&S staff of the subproject will read out the broad outcomes of the meeting and it will also be communicated to both the PAPs and other concerned agencies through the information dissemination channels prescribed by the SEP. The minutes of the meeting will be attached to the RAP/LRP document. This action will part of RAP preparation.

#### **6. Development of the RAP/LRP**

The subproject will develop a first draft of the RAP/LRP by using the agreed principles and policies of RAP, compensation determination methods, resettlement assistance, and additional support to IPs and vulnerable people and incorporating the results of the first round of consultations. The E&S staff of the Social Development Unit of the participating municipality will take a lead role in developing the draft RAP/LRP.

#### **7. Disclosure of draft RAP/LRP**

The first draft of the RAP/LRP will be presented to the PAPs for confirmation of the changes, the timeline, the whole process of acquisition, including determination of compensation, resettlement assistance and additional supports to IPs and vulnerable people and the mode of compensation payment. All the comments/concerns/suggestions/feedback expressed in the consultation meeting will be documented, and the results of the meeting will be communicated to the PAPs and project stakeholders through the information dissemination

channels prescribed by the SEP. The minutes of the meeting will be attached to the RAP/LRP document.

#### **8. Finalization of RAP/Land Acquisition Documents and Disclosed**

The RAP/LRP will be finalized based on the results of the Second Round of Consultation and the final version of the RAP/LRP will be disclosed to the PAPs through the information dissemination channels prescribed by the SEP. The Final RAP will also be made available in the communities. Once finalized, the subproject will submit copies of the final RAP/LRP to the PMU at the DWSSM for review and approval. The approved RAP/LRP will be posted on the DWSSM and project Websites. The finalization, approval and disclosure of RAPs will be completed prior to invitation of bids for corresponding sub-project/activities. Based on RAPs, all compensation will be paid prior to commencement of works.



## **6. Public Participation, Consultation and Grievance Mechanism**

As envisaged by the SEP prepared for the project, the project will conduct meaningful consultation with all the project identified stakeholders, including project-affected people, other interested parties and IPs, and vulnerable people for arranging for proper resettlement and compensation mechanisms

### ***6.1 Stakeholder engagement planning***

A specific stakeholder engagement plan has been prepared to guide meaningful consultations with stakeholders, including the PAPs during project design and implementation, throughout the project lifecycle, and to ensure that they have equal opportunities to participate in and benefit from the project.

During detailed design, all project stakeholders will be identified for the project. Project stakeholders included:

- Project-affected parties are those Directly affected people who are physically or economically displaced due to project-related land acquisition and other construction activities or the restrictions created by the project activities in accessing to the land and common property
- Other interested parties such as government departments, non-government organizations, and media groups.
- Vulnerable groups including Dalit, indigenous groups, women, children, youth and the elderly, peoples with disabilities, LGBTI (lesbian, gay, bisexual, transsexual, intersex), minority groups, and households in extreme poverty.

### ***6.2 Mechanisms of consultation and participation of PAPs***

Public consultation will include both local governments, local communities, project affected families, IPs and vulnerable groups, women groups, differently able groups, media, politicians, water user groups, and civil society throughout the project lifecycle. In the consultations, the PAPs would be regularly provided with information on the project and the resettlement process prior to and during the preparation for resettlement actions. Mechanisms of consultation and participation will include:

- Public meetings in the subproject area
- Information/ awareness campaigns
- Interviews/surveys in project-affected households
- Information about the restriction in access to common resources
- Focus group discussions (separate focus group discussion if required),
- Formation of committees and/or groups including stakeholders during project preparation and implementation.

- Development of grievance redresses mechanism in line with the SEP of the Project.

Project-related information will be publicly disclosed throughout the project lifecycle using a range of channels, including the following:

- Periodic stakeholder consultations, such as public hearings
- Project-related information will be posted on the notice boards at the public offices
- Information dissemination through social media such as Facebook, Messenger or WhatsApp and local communality radio, among others.
- Digital boards will also be placed on selected worksites to display up-to-date information regarding the project, ensuring that local people understand the information well.
- Development and distribution of project factsheet, information on the GRM, and FAQ in Nepali.

In addition, the draft and final version of the RPF will be disclosed to the stakeholders, including the PAPs through appropriate channel, and consulted with them to get their comments, concerns, and feedback on the draft RPF. Similarly, the final version of the RPF, which will incorporate relevant suggestions and feedback received from the stakeholders, including the PAPs prior to completion of appraisal will be disclosed once approved by the PSC.

### ***6.3 Consultations with IPs and vulnerable individuals and groups***

The project and the subprojects will deploy special measures to mitigate any adverse impacts on vulnerable project-affected persons. The IPs include the 60 ethnicities and castes categorized as indigenous peoples by the government. The vulnerable groups may include the Dalits, women (including women of single-headed households, women of low-income households, and landless women), children, youth and elderly, peoples with disabilities, those who identify as LGBTI, minority religious groups, and households living in extreme poverty. SEP outlines the specific measures proposed for engagement with the IPs and the vulnerable groups throughout the project lifecycle. The time and location of consultations will be determined as appropriate to the needs of IPs and vulnerable people.

### ***6.4 Establishment of Grievance Redress Mechanisms***

As explained in detail in the project SEP prepared as per the ESS 10, the project will establish a Grievance Redress Mechanism to allow affected persons and other related stakeholders to appeal any disagreeable decisions, practices, and activities that may arise during preparation and implementation of the RAP. The PAPs will be made fully aware of their rights and the procedures for filing the complaints and grievances verbally and in writing during the consultation, survey, and time of compensation. To ensure a functioning GRM, the project has envisaged a two-tier project GRM system.

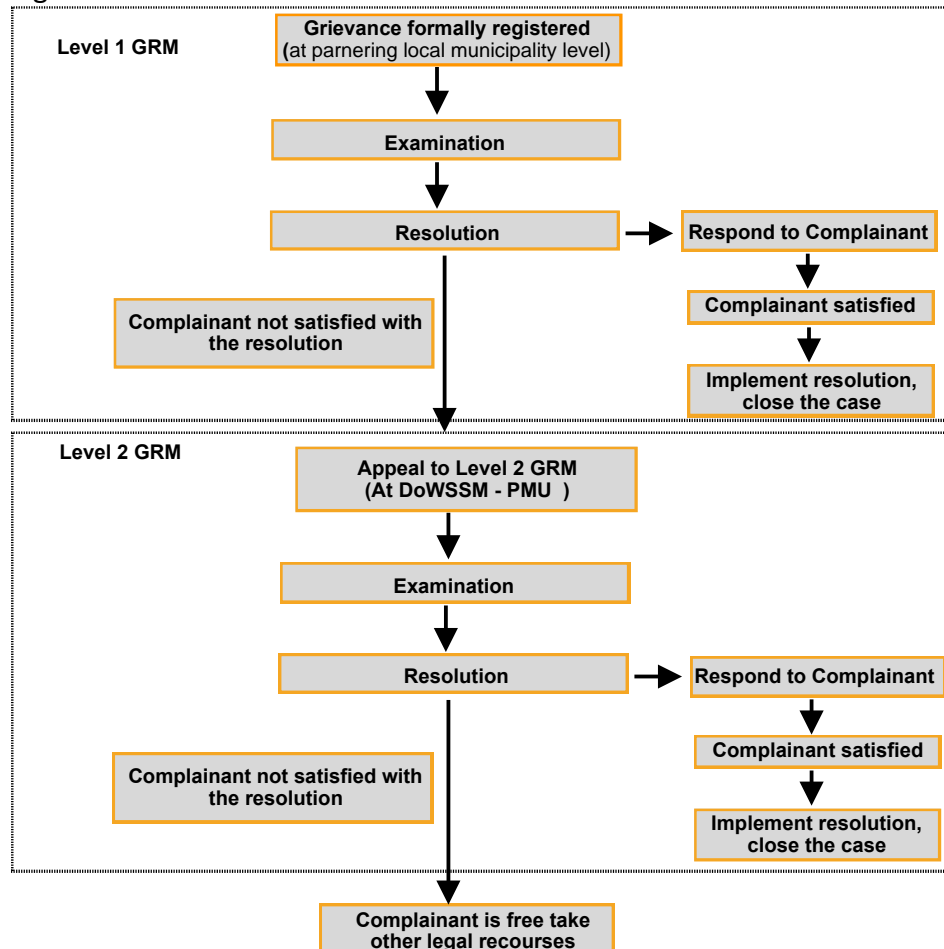
**Level 1:** This is based at the subproject locations in the participating municipalities and will serve as entry points for all complaints related to the project. Once the grievance is registered, it would come into the Level 1 of the GRM system. The Level 1 GRM committee will be led by the Chief of the Social Development Unit (and later WASH Units when constituted) at the partnering municipalities along with the E&S staff and a technical engineer at the municipalities and a representative of local Water User's Committee. Together, these officials constitute the members of the four-member local level GRM committee. If required, the Level 1 GRM committee may seek support from the Judicial Committee (section 5.6 provides more information about the committee) at the local level.

**Level 2:** If the complainant rejects the resolution of Level 1 or the GRM Committee remains unable to make any resolution within the stipulated time, the grievance will be scaled up to level 2 of the GRM system. The Level 2 GRM committee, which will be based in the PMU of the DWSSM, will be headed by the chief of the PMU, and supported by the Social Development Specialist at the PMU and another person assigned by the PUM head. The three-member committee can seek supports from other experts or institutions in course of investigating and resolving complaints. If the complainants remain unsatisfied or reject the resolution provided by the Level 3 GRM, they will be advised to seek recourse through the courts or any formal system available. The project will ensure of the availability of the following channels for registering grievance and the available channels will be made public and properly communicated during the consultations with the PAP. The PAPs can lodge grievance by

- Filling out and submitting online complaint forms established by the Municipal Assembly.
- Filling out and submitting printed complaint forms available at the social development section of the participating municipalities. The E&S staff at municipalities will assist in filling out the complaint form for complainants who are unable to read or write and/or are unfamiliar with the grievance process. In such case, the designated E&S staff will formally register the grievance by filling out the complaint form made available for the project
- Sending emails or/and calling to phone numbers of Municipalities (e.g., Birendranagar Right to Information Telephone number),
- Posting complaints into the project social media handles (i.e., Facebook)
- Using postal service to project offices at Federal and local levels.

Details of the project-level GRM, which will be used for addressing and resolving resettlement-related grievances, are outlined in the SEP for the project. The proposed structure for the GRM is outlined below. A draft grievance recording form has been provided at [Annex 1](#) of the project SEP.

Fig. 5.1: Grievance Redress Mechanism



In addition to the project GRM, the PAPs will also have access to the government grievances mechanisms set up at the concerned District Administration Office and the Ministry of Home Affairs as per the Land Acquisition Act, 1977. The act has specifically provided the PAPs a window to file a complaint to the Ministry of Home Affairs (MoHA) through the Chief District Officer (CDO) regarding the amount of compensation offered to him/her. Similarly, the act also allows the PAPs to appeal to exclude him/her from the list of landowners whose land would acquire for the project once such list of land acquisition had been published.

## **7. Monitoring and Evaluation**

The implementation of the RAP/LRP will be monitored both internally and externally with the objective of identifying problems and successes and providing feedback to management as early as possible so that timely corrective actions and adjustments are made in the implementation arrangements.

### ***7.1 Monitoring Social Aspects Pertaining to RAP***

The objectives of the monitoring program are:

- To ensure that the information related to the preparation and implementation of RAP are properly disseminated and consulted with the PAPs
- To ensure the grievances/complaints or concerns of the PAPs on RAP implementation are readdressed effectively and timely manner
- To ensure that the livelihood of the PAPs is restored or improved
- To monitor whether the timelines for resettlement and compensation are met
- To assess the effectiveness of resettlement and rehabilitation supports provided to the PAPs
- To identify problems or potential social, ethnic, or other conflicts; and
- To identify methods of responding immediately to mitigate problems.

The monitoring and evaluation of RAP implementation with a focus on social implications will be conducted at two stages: the first will be conducted within 2 months after the completion of the land acquisition and the second will be undertaken a year before the project completion. The first evaluation will focus more on the implementation of the RAP in terms of distribution of the compensation and resettlement assistance, including the job opportunities provided to the PAPs. The first evaluation will also support the preparation of the Land Acquisition Completion Report. It will also assess the type of adjustments/adaptations being made during implementation because of the monitoring.

### ***7.2 Types of Monitoring***

For subprojects where resettlement and land acquisition will be required, specific monitoring and evaluation programs will be implemented to

- To record and assess project inputs and the number of persons affected and compensated, and
- To confirm that former subsistence levels and livelihoods are being restored.

The range of activities and issues that would therefore have to be recorded and checked, include:

- Land acquisition and transfer procedures
- Compensation payments
- Construction of replacement houses by displaced households
- Re-establishment of displaced households and business enterprise
- Perception of displaced households to resettlement and compensation packages; and
- Restoration of livelihood, including income levels.

Two main monitoring mechanisms will be applied:

#### **7.2.1 Internal Monitoring**

The internal monitoring will study the ongoing process and the respective outputs, compared against established social indicators. The project in coordination and collaboration with the subprojects will be responsible for internal monitoring of RAP implementation. The PMU of the DWSSM will supervise the land acquisition components of the RAP and will prepare quarterly RAP implementation reports on the findings of the monitoring reports received from the sub-projects. The funding agency (World Bank) will receive copies of these monitoring reports. Once approved by the PMU and the funding agency for public disclosure, the quarterly RAP implementation reports will be disseminated through the project website as well as through the official website of DoWSSM.

#### **7.2.2 External Monitoring**

The external monitoring to be conducted by an independent monitoring agency will assess the extent to which resettlement and rehabilitation objectives have been met or being achieved. The PMU, following the approval of the ToR for a specific task from the World Bank, will recruit an independent external firm/consultant for an independent annual review of RAP implementation to determine whether intended goals are being achieved, and if not, what corrective actions are needed. The independent agency will carry out field visits and consultations with the PAPs, including IPs and vulnerable communities. The findings of the external monitoring reports will be subject to public disclosure through a public consultation meeting. External monitoring reports will be submitted directly to the PMU of the DWSSM with copies to the funding agency, the World Bank. Once approved by the PMU and the funding agency for public disclosure, the external monitoring reports will be disseminated through the project website as well as through the official website of DoWSSM

### **2.3 Social Indicators to Monitor the Effectiveness of the Proposed RAPs**

The following table presents the basic indicators that are recommended under this framework for monitoring the success/failure of the resettlement activities and the development programs for vulnerable groups.

**Table 7.1: Framework for Monitoring Social Issues Related to Resettlement and Vulnerable Groups**

Type	Indicator	Variables
Process monitoring indicators	PAP involvement in ongoing project works, Consultation, Participation, and Grievance Resolution	<ul style="list-style-type: none"> <li>• Number of consultations with the PAPs and issues discussed</li> <li>• Number of workers employed from the project affected families/area</li> <li>• Number of persons belong to IPs or vulnerable groups being employed</li> <li>• Number of women being employed</li> <li>• Number registered grievances, types, and resolution</li> <li>• Number of field visits by project/subproject staff</li> <li>• Number of FDGs with IPs and or vulnerable groups on RAP issues</li> <li>• Number of PAPs who complaint that they don't understand entitlements</li> <li>• Number of PAPs receiving compensation and resettlement assistance</li> </ul>
	Procedures in Operation	<ul style="list-style-type: none"> <li>• Census and CDC asset determination/verification procedures in place</li> <li>• Effectiveness of compensation payment/delivery system</li> <li>• Number of land transfers undertaken</li> <li>• Coordination between PMU and line agencies</li> <li>• Number of households/PAPs to be resettled because of displacement.</li> <li>• Status of livelihood restoration activities.</li> <li>• Number of targeted beneficiaries provided support with employment and other income-generating activities, among others.</li> </ul>
Output and monitoring indicators	Acquisition of Land	<ul style="list-style-type: none"> <li>• Area of private agricultural land acquired by the subproject</li> <li>• Area of other types of private land acquired</li> <li>• Area of public/government land acquired</li> <li>• Compliance of established norms in land acquisition</li> <li>• Number of disputes resolved related to land acquisition</li> </ul>



Type	Indicator	Variables
	Structures	<ul style="list-style-type: none"> <li>• Number, type, and size of private structures acquired</li> <li>• Number, type, and size of community structures acquired</li> <li>• Number, type, and size of government structures acquired</li> </ul>
	Trees and Crops	<ul style="list-style-type: none"> <li>• Number and type of private crops and trees removed</li> <li>• Number and type of government/community crops and trees removed</li> <li>• Crops destroyed by area, type, and number of owners</li> </ul>
	Compensation and Rehabilitation	<ul style="list-style-type: none"> <li>• Number of households affected in terms of loss of land, buildings, trees, crops</li> <li>• Number of owners compensated by type of loss</li> <li>• Amount compensated by type and owner</li> <li>• Number and number of allowances paid</li> <li>• Number of replacement houses constructed by concerned owners</li> <li>• Number of replacement businesses constructed by owners</li> <li>• Number of owners requesting assistance for purchase of replacement land</li> <li>• Number of replacement land purchases effected</li> <li>• Number of delivery of entitlements</li> <li>• Number of use of entitlements by PAPs</li> <li>• Suitability of entitlements to APs as per RAP objectives</li> <li>• Number of poor and vulnerable APs requesting assistance to allocate land and provide lease/temporary rights</li> <li>• Number of assistances made related to poor and vulnerable APs</li> </ul>
	Construction-induce impact	<ul style="list-style-type: none"> <li>• Number of households affected and the nature of impacts</li> </ul>

Type	Indicator	Variables
	Reestablishment of community resources	<ul style="list-style-type: none"> <li>• Number of community buildings/facilities repaired/ replaced</li> <li>• Number of saplings supplied for plantation</li> <li>• Number of trees planted by government agency as compensatory plantation</li> </ul>
Outcome/ Impact and evaluation indicators	Household Earning Capacity	<ul style="list-style-type: none"> <li>• Employment status of economically active members</li> <li>• Landholding area cultivated, production volume by crop</li> <li>• Types and value of livestock raised</li> <li>• Selling of cultivation land</li> <li>• Changes to agricultural income-earning activities – pre-and post-disturbance</li> <li>• Changes to off-farm income-earning activities - pre-and-post-disturbance</li> <li>• Amount and balance of income and expenditure</li> <li>• Numbers of vulnerable groups received livelihood opportunities</li> <li>• Number of APs received employment opportunities to restore pre-project income levels and maintain their original living standards.</li> </ul>
	Changes to Status of Women	<ul style="list-style-type: none"> <li>• Participation in users' committees, disaggregated by subject</li> <li>• Participation in training programs, disaggregated by subject</li> <li>• Participation and types of saving/ credit facilities</li> <li>• Participation in construction employment contracts and payment</li> <li>• Participation in commercial enterprises</li> <li>• Change in ownership over assets</li> <li>• Change in status in decision making</li> <li>• Change in the mobility and participation in public affairs and user groups (if formed).</li> </ul>

Type	Indicator	Variables
	Changes to Status of Children	<ul style="list-style-type: none"> <li>• School attendance rates (male/female)</li> <li>• Participation in civil construction of the subprojects</li> <li>• Incidences of trafficking</li> </ul>
	Settlement and Population	<ul style="list-style-type: none"> <li>• Growth in number and size of settlements</li> <li>• Growth in market areas along the access road to subproject</li> <li>• Influx of informal settlers and informal occupiers around the subproject areas</li> <li>• Increase in public facilities</li> </ul>
	Multiplier effect	<ul style="list-style-type: none"> <li>• Changes in the economic activities, enterprises, and functions of the market</li> <li>• Changes in the employment status of the population</li> <li>• Changes in the economic and social infrastructures</li> <li>• Changes in the pattern of consumption</li> </ul>

## **8. Institutional Arrangements and Responsibilities**

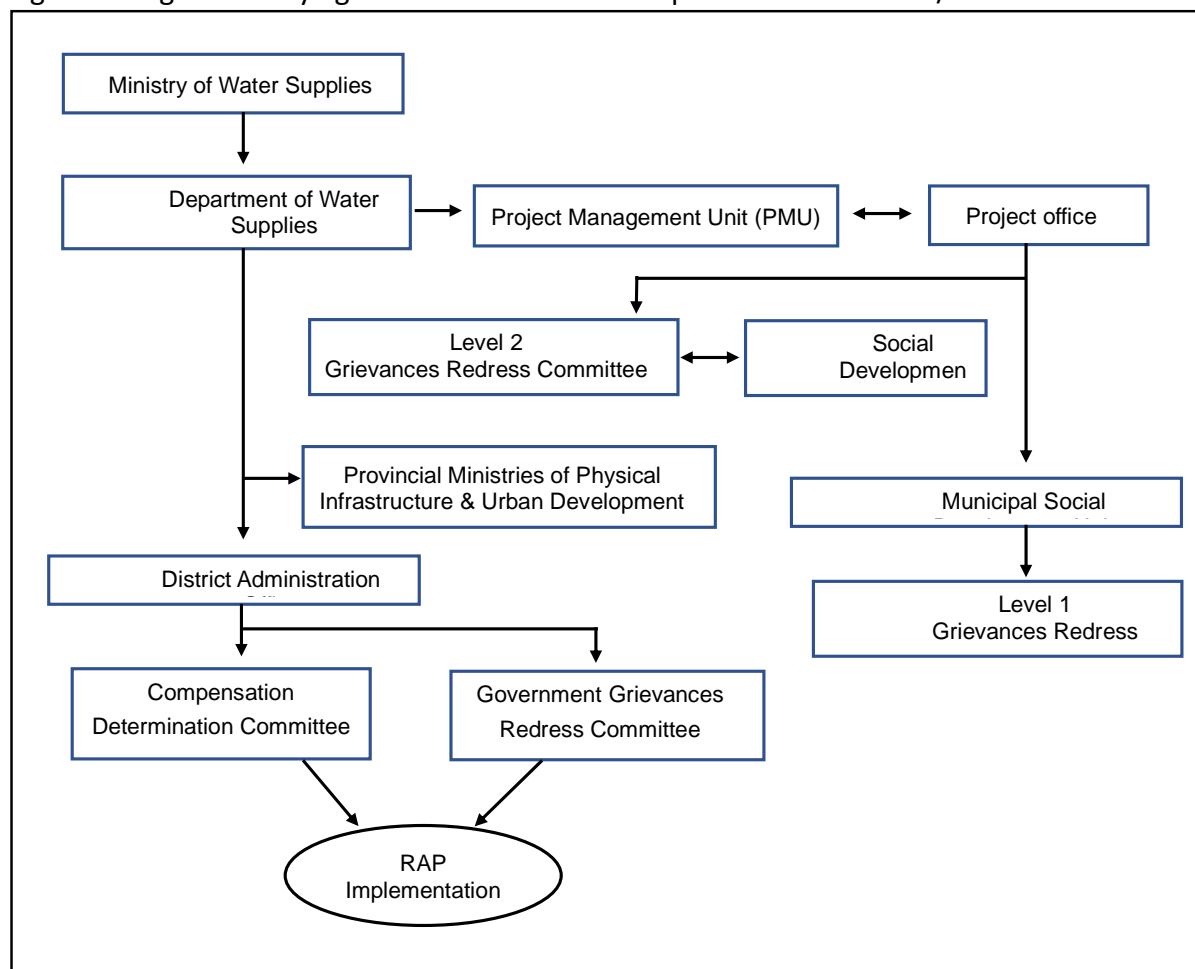
The institutional arrangement that the project has adopted for the effective implementation of the RPF is as follows.

### **8.1 Organizational structure to implement the PRF/RAP**

**Federal level:** The project will have an Intergovernmental Project Steering Committee (PSC) led by the secretary of the Ministry of Water Supplies (MoWS) at the Federal level and one of the major tasks of the committee will be to ensure collaboration and coordination between the three tiers of government and other key stakeholders. Similarly, there will be a Project Management Unit (PMU) at the DWSSM, and the PMU will be tasked with overall financial management and reporting along with channeling the resources to the implementing agencies at the local levels and will also be responsible for the implementation of Component 1. The PMU has recruited a Social Development Specialist who, among others, will assume overall responsibility for effective implementation of the RPF, monitoring consultation activities, and reporting quarterly on the implementation of the RPF and other social management plans. The Social Development Specialist will also act as a focal point for GRM. Similarly, an environmental specialist has also been appointed at PMU, will be responsible for effective implementation of environmental aspects related to RPF, monitoring consultation activities and quarterly reporting Level 2 at the PUM. The Social Development Specialist will be assisted by an Environment Safeguard Specialist who leads the implementation of the environmental impact assessment and management of environmental issues at the partnering municipality.

**Local Level (participating municipalities):** The Municipal Social Development unit (and later the WASH units yet to be established) will be responsible for the implementation of RPF/RAP consultation and implementation activities, managing RAP and project-related complaints and grievances, and supporting community mobilization efforts of the project. Existing staff at the social development units will be trained by the World Bank, and units without staff will be supported by the project to recruit dedicated E&S staff to be responsible for the implementation of the planned activities in this RPF/RAP. In addition, the staff will also serve as the focal persons for the GRM Level 1 at the local level. In effect, the E&S staff at the participating municipality will be responsible for managing E&S issues of the project at the local level, with technical support and guidance from the E&S specialists at the PMU. The E&S staff will also provide monthly RPF/RAP implementation and status reports to the E&S safeguard specialist at the DWSSM. The organizational structure will be reviewed periodically to ensure the effectiveness of RPF/RAP implementation. The roles of key agencies involved are illustrated in Fig. 8.1.

Fig. 8.1: Diagram of key agencies involved in the implementation of RPF/RAP



## 8.2 The Roles and Responsibilities of Units/Agencies and individuals

The roles and responsibility of key agencies/units envisaged for the implementation of the RAP are shown in the table below.

**Table 8.1: Roles and Responsibility of Related Units/Agencies**

Key units/agencies	Roles and responsibilities
Project Steering Committee (PSC)	<ul style="list-style-type: none"> <li>Ensuring collaboration and coordination between the three tiers of government and other key stakeholders in issues related to land acquisition and implementation of RPF/RAP</li> <li>Take required policy decision to ensure effective implementation of the RPF/RAP</li> <li>Approval of RAP prepared by the sub-projects</li> <li>Ensure adequate financial resources for the implementation of RPF/RAP</li> </ul>
PMU (DWSSM-based)	<ul style="list-style-type: none"> <li>Planning, budgeting, and ensuring the implementation of the RPF/RAP.               <ul style="list-style-type: none"> <li>Coordinate and monitor RPF/RAP activities with the partnering municipalities.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Collating PRF/RAP-related activities from the partnering municipalities along with their performances and outcomes.</li> <li>○ Undertaking periodic monitoring of PRF/RAP, and preparation and dissemination of quarterly PRF/RAP implementation reports.</li> <li>• Ensuring necessary financial and human resources for effective implementation of the PRF/RAP and other E&amp;S management plans.</li> <li>• Ensuring the project activities as per the various guidelines and directives issued by the government and other related organizations, including Covid 19 management protocols.</li> <li>• Ensuring effective management and reporting of project-related complaints and grievances as per the project GRM.</li> </ul>
Provincial Ministries of Physical Infrastructure Development	<ul style="list-style-type: none"> <li>• Providing technical backstopping and support to municipalities for the implementation of Components 2 and 3, taking into consideration community concerns</li> </ul>
Social Development Units at Municipal Assemblies (and later WASH units when constituted)	<ul style="list-style-type: none"> <li>• Lead the implementation of stakeholder consultation activities at the community level as per the RPF/RAP</li> <li>• Supporting the PMU in identifying PAPs of the project at the local level and updating the list of stakeholders.</li> <li>• Mobilizing and organizing consultations and project engagement activities related to implementation of RPF/RAP</li> <li>• Disseminating project-related information in a timely manner.</li> <li>• Managing and ensuring the smooth functioning of the Level-1 GRM.</li> <li>• Reporting (monthly) on PRF/RAP and GRM to PMU</li> </ul>
Host/Local community	<ul style="list-style-type: none"> <li>• Participate in consultations and information disclosure programs</li> <li>• Provide feedback on project related documents disclosed for public scrutiny</li> <li>• Use GRM to report any grievances and complaints</li> </ul>

**Table 8.2: Roles and Responsibilities of Individual/expert**

Key staff/expert	Responsibilities
Project manager (PMU- DWSSM)	<ul style="list-style-type: none"> <li>• Responsible for monitoring and supervising the overall implementation of the RPF/RAP, including managing financial resources and supporting logistics, and preparing and disseminating PRF/RAP implementation reports.</li> </ul>
Social Development Specialist <del>E&amp;S Safeguards specialists</del> (PMU- DWSSM)	<ul style="list-style-type: none"> <li>• Responsible for the overall implementation of the PRF/RAP, information disclosure, and effective functioning of the GRM.</li> <li>• Coordinate the PRF/RAP implementation activities among the provincial agencies and Local Levels.</li> </ul>

	<ul style="list-style-type: none"> <li>• Updating the PRF/RAP to accommodate any changes and take corrective actions immediately as and when required.</li> <li>• Preparing quarterly PRF/RAP implementation report and submit to the Word Bank office through the PMU</li> </ul>
E&S Staff (Participating Municipalities)	<ul style="list-style-type: none"> <li>• Support the PMU in the implementation of the PRF/RAP at the local level</li> <li>• Hold consultations with stakeholders, including IPs and vulnerable groups on RAP status and prepare meeting minutes.</li> <li>• Disseminate RAP-related information to the PAPs through available means</li> <li>• Receive and acknowledge grievances and maintain a logbook/electronic database of grievances and status.</li> <li>• Support the local municipalities to ensure smooth functioning of Level-1 grievance system.</li> <li>• Report on the status of grievances to the E&amp;S Safeguard Specialists at the PMU at DWSSM and forward unsolved grievances to Level 2.</li> <li>• Provide data and field-level information related to RAP implementation activities to the Social Safeguard Specialist of the PMU at the DWSSM.</li> <li>• Support E&amp;S Safeguard Specialists to prepare quarterly RAP implementation reports as required.</li> </ul>

### 8.3 Approval and Implementation Schedule for the Resettlement Action Plan

This RPF has prepared by PMU and RAPs during implementation will be prepared by participating municipalities based on the provisions made in the RPF. All these documents will be approved by the intergovernmental Project Steering Committee (PSC) headed by the secretary of the Ministry of Water Supplies (MoWS).

The PMU at the DWSSM will ensure that required funds are managed and handed over to the CDC for timely acquisition of private land. It will make sure that the civil works contracts will not be awarded unless the agreed compensation has been paid and the title transfer activities of both voluntary and involuntary contribution of land have been completed.

For the project, an indicative schedule for implementing the RAP is shown in the following table, assuming a sequential order of proposed activities. Some of these steps may overlap in their timing and some will be repeated throughout the project cycle.

**Table 8.3: Milestones for RAP Implementation Schedule**

Activities	Milestone	Schedule
Deploy PMU at DWSSM and required logistics	PMU established and started functioning	First year
Provide orientation/training on RAF/RAP to the Social Development Specialist at the PMU	Orientation/training provided/organized	First year
Recruit, mobilize and provide orientation/training on RAF/RAP to the E&S staff at the partnering municipality level Continue implementing consultation, information dissemination and participation programs and grievance resolutions Consultation with local officials, PAPs and concerned groups/ departments	Recruit E&S staff at the participating municipality. Activities related to consultations and information dissemination started. GRM established and started functioning Orientation/training provided/organized.	First year
Undertake Asset Inventory Survey Prepare and distribute copies of RAP, entitlement framework to affected PAPs/communities	Survey conducted and RAP prepared Entitlement framework discussed with the PAPs	First year
Verify inventory of losses	Inventory of losses verified	First year
Finalize list of entitled persons, establish compensation rates, effect compensation payments, ensure appropriate advance evacuation notification and implement land transfer procedures	A list of the entitled persons and the entitlement framework finalized Public notice issued by the CDC as per Clause 9 of the Land Acquisition Act, 1977 Land transfer procedures initiated and implemented	First year
Provide rehabilitation support and other social preparation/ social mobilization programs	Rehabilitation support provided to the eligible PAPs	First Year



Construction induced impact procedure	Construction induced impact procedure prepared	During construction
Contract and mobilize independent Monitoring agency	Independent Monitoring agency selected and mobilized	Second year
Implement internal and external monitoring programs	Periodic monitoring reports are prepared and disseminated	From second year and throughout the construction period

#### **8.4 Cost estimate and financing for the Resettlement Action Plan**

The costs of land acquisition and resettlement will be itemized and included in the overall project costs under the budget for 'Environmental and Social Management Costs'. The cost of land acquisition and resettlement will be financed from government's counterpart fund. The detailed cost estimates for the currently selected 6 subprojects will be captured in the respective IEEs or EIAs and, where applicable in the respective RAPs. The cost estimates will include:

- Planning and preparation costs, including the sub-project specific RAP and asset inventory survey
- Resources for land acquisition and resettlement costs,
- Funds for PAP consultations, information dissemination, and GRM operation
- Contingency arrangements.

A Detailed Cost Estimation chapter will be included in the subproject level Resettlement Action Plan (RAP).

## **Annex 1. Indicative Contents of the Resettlement Action Plan (RAP)**

1. *Description of the project.* General description of the project and identification of the project area.
2. *Potential impacts.* Identification of:
  - the project components or activities that give rise to displacement, explaining why the selected land must be acquired for use within the timeframe of the project.
  - the zone of impact of such components or activities.
  - the scope and scale of land acquisition and impacts on structures and other fixed assets.
  - any project-imposed restrictions on use of, or access to, land or natural resources.
  - alternatives considered to avoid or minimize displacement and why those were rejected; and
  - the mechanisms established to minimize displacement, to the extent possible, during project implementation.
3. *Objectives.* The main objectives of the resettlement program.
4. *Census survey and baseline socio economic studies.* The findings of a household-level census identifying and enumerating affected persons, and, with the involvement of affected persons, surveying land, structures and other fixed assets to be affected by the project. The census survey also serves other essential functions:
  - (a) identifying characteristics of displaced households, including a description of production systems, labor, and household organization; and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population.
  - (b) information on vulnerable groups or persons for whom special provisions may have to be made.
  - (c) identifying public or community infrastructure, property or services that may be affected.
  - (d) providing a basis for the design of, and budgeting for, the resettlement program.
  - (e) in conjunction with establishment of a cutoff date, providing a basis for excluding ineligible people from compensation and resettlement assistance; and
  - (f) establishing baseline conditions for monitoring and evaluation purposes.
  - (g) As the Bank may deem relevant, additional studies on the following subjects may be required to supplement or inform the census survey:

- (h) land tenure and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, non-title-based usufruct systems (including fishing, grazing, or use of forest areas) governed by local recognized land allocation mechanisms, and any issues raised by different tenure systems in the project area.
  - (i) the patterns of social interaction in the affected communities, including social networks and social support systems, and how they will be affected by the project; and
  - (j) social and cultural characteristics of displaced communities, including a description of formal and informal institutions (e. g., community organizations, ritual groups, nongovernmental organizations (NGOs)) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.
5. *Legal framework.* The findings of an analysis of the legal framework, covering:
- (a) the scope of the power of compulsory acquisition and imposition of land use restriction and the nature of compensation associated with it, in terms of both the valuation methodology and the timing of payment.
  - (b) the applicable legal and administrative procedures, including a description of the remedies available to displaced persons in the judicial process and the normal timeframe for such procedures, and any available grievance redress mechanisms that may be relevant to the project.
  - (c) laws and regulations relating to the agencies responsible for implementing resettlement activities; and
  - (d) gaps, if any, between local laws and practices covering compulsory acquisition, imposition of land use restrictions and provision of resettlement measures and ESS5, and the mechanisms to bridge such gaps.
6. *Institutional framework.* The findings of an analysis of the institutional framework covering:
- (a) the identification of agencies responsible for resettlement activities and NGOs/CSOs that may have a role in project implementation, including providing support for displaced persons.
  - (b) an assessment of the institutional capacity of such agencies and NGOs/CSOs; and
  - (c) any steps that are proposed to enhance the institutional capacity of agencies and NGOs/CSOs responsible for resettlement implementation.
7. *Eligibility.* Definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

8. *Valuation of and compensation for losses.* The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation for land, natural resources and other assets under local law and such supplementary measures as are necessary to achieve replacement cost for them.
9. *Community participation.* Involvement of displaced persons (including host communities, where relevant): a description of the strategy for consultation with, and participation of, displaced persons in the design and implementation of the resettlement activities.
  - (a) a summary of the views expressed and how these views were taken into account in preparing the resettlement plan.
  - (b) a review of the resettlement alternatives presented, and the choices made by displaced persons regarding options available to them; and
  - (c) institutionalized arrangements by which displaced people can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such vulnerable groups as indigenous people, ethnic minorities, the landless, and women are adequately represented.
10. *Implementation schedule.* An implementation schedule providing anticipated dates for displacement, and estimated initiation and completion dates for all resettlement plan activities. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.
11. *Costs and budget.* Tables showing categorized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.
12. *Grievance redress mechanism.* The plan describes affordable and accessible procedures for third-party settlement of disputes arising from displacement or resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.
13. *Monitoring and evaluation.* Arrangements for monitoring of displacement and resettlement activities by the implementing agency, supplemented by third-party monitors as considered appropriate by the Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of results for a reasonable period after all resettlement activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

### *Additional planning requirements where resettlement involves economic displacement*

- 24. If land acquisition or restrictions on use of, or access to, land or natural resources may cause significant economic displacement, arrangements to provide displaced persons with sufficient opportunity to improve, or at least restore, their livelihoods are also incorporated into the resettlement plan, or into a separate livelihood improvement plan. These include:
- 25. *Direct land replacement.* For those with agricultural livelihoods, the resettlement plan provides for an option to receive replacement land of equivalent productive value or demonstrates that sufficient land of equivalent value is unavailable. Where replacement land is available, the plan describes methods and timing for its allocation to displaced persons.
- 26. *Loss of access to land or resources.* For those whose livelihood is affected by loss of land or resource use or access, including common property resources, the resettlement plan describes means to obtain substitutes or alternative resources, or otherwise provides support for alternative livelihoods.
- 27. *Support for alternative livelihoods.* For all other categories of economically displaced persons, the resettlement plan describes feasible arrangements for obtaining employment or for establishing a business, including provision of relevant supplemental assistance including skills training, credit, licenses or permits, or specialized equipment. As warranted, livelihood planning provides special assistance to women, minorities or vulnerable groups who may be disadvantaged in securing alternative livelihoods.
- 28. *Consideration of economic development opportunities.* The resettlement plan identifies and assesses any feasible opportunities to promote improved livelihoods as a result of resettlement processes. This may include, for example, preferential project employment arrangements, support for development of specialized products or markets, preferential commercial zoning and trading arrangements, or other measures. Where relevant, the plan should also assess the feasibility of prospects for financial distributions to communities, or directly to displaced persons, through establishment of project-based benefit-sharing arrangements.
- 29. *Transitional support.* The resettlement plan provides transitional support to those whose livelihoods will be disrupted. This may include payment for lost crops and lost natural resources, payment of lost profits for businesses, or payment of lost wages for employees affected by business relocation. The plan provides that the transitional support continues for the duration of the transition period.

## Annex 2. PAP Census Questionnaire Template

Name of the partnering municipality: \_\_\_\_\_

Address: \_\_\_\_\_

Name of Interviewee: \_\_\_\_\_

Age, sex \_\_\_\_\_

Relationship to the PAP: \_\_\_\_\_

Date of Interview: \_\_\_\_\_

1. Name of PAP? \_\_\_\_\_

2. Age of the PAP? \_\_\_\_\_ Gender? \_\_\_\_\_ HH head? \_\_\_\_\_

3. Civil status of the PAP? \_\_\_\_\_

4. Number of members in the PAP household? \_\_\_\_\_

5. What is your main occupation of the PAP? \_\_\_\_\_

6. Estimated annual income of PAP from all sources? \_\_\_\_\_

7. How many in PAP household are earning regular incomes (incl. PAP)? \_\_\_\_\_

8. What is the estimated combined annual income of the PAP household? \_\_\_\_\_

9. How many children below 5y of age are in the PAP household? \_\_\_\_\_

10. Have any of the children been diagnosed as underweight/undernourished?

\_\_\_\_\_

11. Persons with disability in the PAP household? \_\_\_\_\_ Nature of disability? \_\_\_\_\_

12. Are there elderly persons in the PAP household? \_\_\_\_\_

13. Has the PAP lost his home before? \_\_\_\_\_ How/Why? \_\_\_\_\_

14. What is the total (estimated) area in hectares of all PAP landholdings? \_\_\_\_\_

15. What is the floor area of PAP's current house? \_\_\_\_\_

16. Does the PAP own the house he is currently living in? \_\_\_\_\_

17. Does the PAP belong to any caste? \_\_\_\_\_ which one? \_\_\_\_\_

18. Does the PAP belong to any IP group? \_\_\_\_\_ which one? \_\_\_\_\_

19. Does the PAP home have access to piped drinking water? \_\_\_\_\_

20. Does the PAP home have electricity connection? \_\_\_\_\_

Other relevant observations (about socioeconomic status, ethnicity, etc.):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Inventory of Affected Assets for RAP/LRP

**Status (Preliminary/Final):**

---

PAP Code#/ Name	Affected Asset	Quantity	Assessed Value	Concurrence (PAP Signature)
xxx01 (Name is optional)	Land	x	x	xx
	Entire Home*	x	x	
	Structure*	x	x	
	Trees	x	x	
	Crops	x	x	
	<b>Total</b>	x	x	
xxx02	Land	x	x	xx
	Entire Home*	x	x	
	Structure*	x	x	
	Trees	x	x	
	Crops	x	x	
	<b>Total</b>	x	x	
xxx03	Land	x	x	xx
	Entire Home*	x	x	
	Structure*	x	x	
	Trees	x	x	
	Crops	x	x	
	<b>Total</b>	x	x	
xxx04	Land	x	x	
	Entire Home*	x	x	
	Structure*	x	x	
	Trees	x	x	
	Crops	x	x	
	<b>Total</b>	x	x	
xxx05	Land	x	x	
	Entire Home*	x	x	
	Structure*	x	x	
	Trees	x	x	
	Crops	x	x	
	<b>Total</b>	x	x	
xxx06	Land	x	x	
	Entire Home*	x	x	
	Structure*	x	x	
	Trees	x	x	
	Crops	x	x	
	<b>Total</b>	x	x	

\*Even if only portions are affected but the remaining is no longer viable as a dwelling place, the entire home is deemed displaced. Otherwise, the affected portion will be counted as part of the other structures in the property.

### Annex 3. Indicative RAP Monitoring Report Template

Name of Subproject: \_\_\_\_\_

Nature of Subproject (describe): \_\_\_\_\_

Address: \_\_\_\_\_

#### I. General

##### 1. Status of Subproject (Check Status):

\_\_\_\_\_ Under Preparation

\_\_\_\_\_ Procurement

\_\_\_\_\_ Construction

\_\_\_\_\_ Completed

##### 2. Status of Land Acquisition Activities for the Subproject (Check Status):

\_\_\_\_\_ Screening Validation

\_\_\_\_\_ RAP/LAD Preparation

\_\_\_\_\_ RAP/LAD Implementation

\_\_\_\_\_ Completed Land Acquisition/Implementation

\_\_\_\_\_ Completed Resettlement/Evaluation Stage

##### 3. Issues and constraints encountered in the implementation of RPF

Issues and Constraints Encountered (Describe)	Suggested Corrective Actions	Status

#### II. Specific to the PAPs

##### Status of PAPs (Use portrait orientation for more space)

Name of PAP	HH Size	Vul*	Land sq m	House flr area	Structure flr area**	Crop s area	Trees no.	Livelihood yes/no.	Status ***	Remarks/ Issue
1.										
2.										
3.										

\*Vulnerability: IP, Dalit, PWD, IDP, Single Woman, Landless

\*\*Structure affected other than house

\*\*Surveyed, Assessed, Paid, Relocated



#### Annex 4. Steps of Land Acquisition through Eminent Domain in Nepal

	Steps	Activity
1	Decision to Acquire Land	The government/project shall nominate designate a Preliminary Action Officer (PAO) who would undertake the preliminary action. The officer should be a Gazetted Class 3 officer or Head of Office or the Project Chief.
2	Posting of Notice (Intent to Acquire)	The PAO will post a notice of land acquisition intent near or around the properties to be acquired and at the VDC or Municipality Office.
3.	Entry of the property to undertake validation/ confirmation of suitability	Three (3) days after posting, the PAO may enter the subject property along with employee and workers to conduct survey, map, collect samples of the soil, demarcated, etc. to confirm land suitability. During this activity, any trees, crops, or wall to be demolished maybe done with the approval of the PAO and in the presence of the concerned property owner.
4.	Payment of compensation for damage during the Preliminary Action	PAO to determine the amount of compensation and pay the property owner for any losses because of clearing and confirmation
5.	Filing and resolution of any complain about the Preliminary Action damage compensation	If dissatisfied with the amount of compensation payment, the PAP owner shall file complaint to the District Officer. District Officer's decision is final.
6.	Preparation and Submission of Report on the Findings of the Preliminary Action	The PAO shall complete the preliminary action within fifteen (15) days and then submit a report containing necessary information in respect to preliminary action to the Local Office/CDO as early as possible. The report shall mention the property losses/damage during preliminary action and the amount of compensation paid.
7.	Notification of Land Acquisition	After receiving a report of Preliminary Action Report, the local officer/CDO shall issue a notification containing particulars about the property to be acquired, the associated assets to be affected, the purpose for the acquisition, the particulars for the information of the concerned PAP, including requirements for an application for compensation, the time-limit for the claims (i.e. fifteen days) and time-limit for felling trees or harvesting corps grown on the land, demolition of structures, etc.  The notification shall be posted in the ff: (a) The local office of the project; (b) the district government office, (c) the VDC or Municipality Office, (d) Land Revenue Office, (e) thoroughfares

	Steps	Activity
		around the subject land, (f) others. However, the local officer may, if he/she so deems appropriate and feasible, personally send a notice to property owners.
8.	Land Revenue Office to suspend all transaction relating to the title of the land	After the notice mentioned has been affixed, the appropriate Land Revenue Office shall suspend land title of the land. The suspension shall be lifted in case the local officer directs the Land Administration or Revenue Office in writing to that effect
10.	PAP appeal period regarding the Notice of Land Acquisition	Within seven (7) days from the date of the publication of a Notice, the concerned landowner may file a complaint with the Ministry of Home Affairs, the Government of Nepal through the local officer/CDO, explaining the reasons, if any, why his/her land should not be acquired. In hearing the complaint, the Ministry of Home Affairs, the Government of Nepal shall exercise the powers vested in a district court in respect to conducting local investigations. Decision on the complaints shall be pronounced ordinarily within fifteen days from the date of receipt of such complaint.
11	PAP submit application for Compensation Claim based on the Notice	Concerned person shall apply claiming compensation within a minimum time-limit of fifteen days, along with documentary evidence of his/her title to the land
12.	List of Entitled to Compensation	Based on the applications received within the time-limit prescribed in the notification issued, the local officer/CDO shall prepare a list of persons entitled to compensation and issue a notice accordingly for the information of the concerned persons.
13.	PAP appeal regarding the List of Entitlements	A person who is not satisfied with the list contained in the notification issued may file a complaint with the Ministry of Home Affairs, the Government of Nepal within fifteen (15) days after the publication of such notification.
14.	Taking possession of the land	<p>After a decision has been made on the complaint or at any time after the expiry of period allowed to file a complaint, the local officer/CDO takes possession of the land and hand it over to the Project.</p> <p>If any house is to be acquired along with the land, and if it is being occupied personally by the owner thereof, it shall not be taken possession of (by the local officer) unless (the owner thereof) is paid 50 percent of the amount of compensation payable to him/her, if such compensation has already been determined, or reasonable expenses in advance as required to</p>

	Steps	Activity
		enable him/her to shift his residence, if the amount of compensation has not already been determined.