

Dhaka Water Supply and Sanitation Project Resettlement Policy Framework

1. BACKGROUND

The Dhaka Water and Sewerage Authority (DWASA) currently supplies water to about 70% of the population of the Dhaka City Corporation (DCC) and its suburbs through a distribution network. The four million people living in the 3,000 Dhaka slums also rely on DWASA's piped water, as there is no other reliable source of water available; but public standpipes are always remotely located. DWASA's sewerage network covers only about 110 km². Trunk sewers suffered major damage during the 1998 and 2004 floods; as a result, only about 40% of the waste water generated by the existing 50,000 connections currently reaches the waste water treatment plant. High standard buildings dispose of their black waters in septic tanks and their grey waters in storm water drains. Lower income households rely on latrines. About 50% of the slum population has no access to adequate sanitation facilities. Industries are required to treat effluents before disposal in DWASA's sewers, but this regulation is seldom enforced. DWASA is also responsible for developing and operating the underground storm water drainage system that covers an area of about 140 km²; Dhaka City Corporation is in charge of surface drains. Natural channels and wetlands that help Dhaka cope with storm water flows are rapidly being destroyed by the urban development. Public health is affected by the limited coverage of both the water supply and waste water facilities and recurrent flooding. DWASA needs to update its water supply master plan to help protect existing sources, develop new ones, and rationalize its distribution network. DWASA also needs to update its sanitation strategy and its waste water management master plan, as well as its storm water drainage master plan, to ensure that minimum retention capacity of storm water flows is reserved in the city whose population is expanding at a rate of almost 0.8 million per year.

The Government of Bangladesh has requested assistance from the World Bank to prepare the proposed project to improve water supply, sewerage disposal, and sanitation and storm water drainage facilities in Dhaka. The project would be prepared and implemented by the Dhaka Water Supply and Sewerage Authorities (DWASA). The project plans, among other improvements, to rehabilitate the existing sewer systems and storm water drains and natural retention reservoirs, and build new water pumping stations in Dhaka. DWASA also intends to update the waste water management and sewerage master plan for more efficient planning and management of these facilities.

For Dhaka, the proposed project would focus mostly on:

- The rehabilitation of existing sewers to ensure full utilization of the existing waste water treatment plant;
- The rehabilitation of existing drains and natural retention reservoirs and construction of storm water pumping stations;
- The improvement of WSS service in selected slums with the assistance of specialized NGOs;
- The updating of the waste water and storm water drainage master plans;
- The assistance to DWASA performance improvement plan; and
- Should a gap occur in the financing plan of the water supply program, a complement, mostly for extension and rehabilitation of the water distribution system.

Following the project's Mid Term Review, it was agreed that the project would be extended and restructured in order to allow the two storm water pumping station contracts to be completed. As part of this restructuring the rehabilitation of existing sewers and the wastewater treatment plant would be dropped from the project scope as it would not be completed within the extended time period, and the activities under the DWASA performance improvement plan would be strengthened.

Some of sub-project activities may require procurement of privately owned land and the displacement of land users, either with or without valid title. It is observed that the banks of most storm water drainage canals in the city are occupied by squatters and encroachers that will be affected by the project improvement activities. Additionally, in some cases it may become necessary to canalize and straighten some of drains for efficient water flow that may make limited acquisition of private assets necessary. Although large scale acquisition of land and other assets is unlikely, even limited expropriation may produce economic loss and social and psychological disruption for the affected individuals and their families, and may include the loss of business income, on either a temporary or permanent basis. An assessment of these losses would be carried out for specific sub-projects and included in the Resettlement Plans and/or the Social Assessment Report and appropriate measures devised under the terms of the entitlement framework to ensure that affected people are able to improve, or at least able to restore their livelihood and income levels to pre-project levels. Mitigation measures for different types of losses and impacts would be guided by the Resettlement Policy Framework.

2. DWASA POLICY STATEMENT

DWASA aims to promote environmentally sound, socially acceptable and economically viable urban infrastructure projects. It believes that each of its projects will improve the living standards and the environment of populations in and around project locations.

DWASA commits each project to social relevance and acceptability by:

- Providing opportunities and avenues for informed stakeholder consultation, and, where appropriate, their participation in decision-making in project preparation, implementation and evaluation, in order to foster greater ownership and sustainability;
- Avoiding or minimizing resettlement due to land acquisition;
- Where involuntary resettlement is unavoidable, ensuring responsible resettlement and rehabilitation plans are prepared and implemented in a timely manner and that those to be resettled are provided opportunities to improve their livelihood and income levels, and are aware of their entitlements and of the grievance mechanisms open to them should they seek redress;
- Paying particular attention to the protection of marginalized, disadvantaged, and vulnerable groups, including women and children, and promoting and providing, wherever possible, opportunities for such groups to take advantage of the investment;
- Minimizing health and safety hazards and providing opportunities for enhancing public and environmental health;

DWASA recognizes the importance of addressing environmental and social issues in urban infrastructure investments, and seeks to promote stakeholder involvement in the pursuit of sustainable projects. It also recognizes that displacement of large number of squatters along the drainage systems and disruption of their livelihood is likely to occur. Where such displacement and disruption is inevitable DWASA aims to ensure that affected households are appropriately relocated, provided alternative housing options and their livelihoods are restored in a fair and transparent manner, and to link mitigation measures with development opportunities.

3. NATIONAL POLICY AND REGULATORY FRAMEWORK

3.1 Legal Context of Land Acquisition in Bangladesh

Currently the only legal framework that governs land acquisition in Bangladesh is the **Acquisition and Requisition of Immovable Property Ordinance, 1982**. However, its provisions are not adequate to address adverse impacts associated with land acquisition and involuntary displacement and do not fully satisfy the requirements of the Bank's Operational Policy (OP 4.12) on Involuntary Resettlement or that of the international practices. In essence, the law is largely indifferent to the landowners' present socio-economic conditions, or the long-term adverse impacts on incomes and livelihood that the acquisition and displacement may cause on the affected people. Also, there are no other policies that complement the acquisition ordinance in ways to assess, mitigate and monitor adverse impacts that the affected people may suffer. Some of the salient gaps in the existing legal framework are summarized below:

- **Avoiding/Minimizing Land Acquisition:** The law only implicitly discourages unnecessary acquisition, as lands acquired for one purpose cannot be used for a different purpose, and lands that remain unused be returned to the original owners. However, there are no mechanisms to monitor if these conditions are actually adhered to.
- **Eligibility for Compensation:** The law stipulates compensation only for the persons who appears in the land administration records as the owners. It does not recognize the rights of those, such as squatters, who do not possess legal title to the lands they live in or make a living from. There is thus no provision to mitigate the adverse impacts they suffer.
- **Income Losses not recognized.** The Land Acquisition Act provides for compensation for lands and other fixed assets built and grown on them (structures, trees and orchards, crops and any other developments like ponds, built amenities, etc.). There is no provision to assess the impacts on peoples' incomes and livelihood and loss of employment and businesses and for mitigation measures to restore loss of incomes and livelihood.
- **Compensation Standards:** Although the law stipulates payment of compensation at 'market prices' for acquired lands as the just compensation, the legal assessment procedures used almost always results in prices that are far below the actual market prices.
- **Relocation of Displaced Persons.** There is no provision in the existing laws for relocation of displaced families who are affected by the loss of their assets: land and/or structures.
- **Ensuring Payment/Receipt of Compensation.** The legal process to determine entitlements are too cumbersome and time consuming and do not ensure payment of compensation prior to their displacement. Lands are legally acquired and handed over to the project execution agency as soon as the authority identifies the owners (or 'awardees'), by examining the records, and sends a legal notice advising them to claim the compensation (or 'awards'). The onus is left on the affected land owners to prove, by producing an array of documents, that the acquired lands legally belong to them. As gathering these documents is a long, expensive and cumbersome process, many landowners may be unable to claim their awards. The project has meanwhile started to use the lands.
- **Socio-economic Rehabilitation.** Existing legal framework does not have any provisions to mitigate long-term impacts on peoples' livelihood caused by their displacement. Except for the compensation at the 'market price' for the loss of land, there are no other provisions, in the acquisition or other laws that require the government to mitigate the resultant adverse impacts caused by the acquisition. Socioeconomic rehabilitation of the involuntarily displaced persons is totally absent in the legal regime of the country.

3.2 World Bank's OP 4.12 Requirements

The primary objective of the World Bank policy on 'Involuntary Resettlement' is to explore all alternatives to avoid or at least minimize involuntary resettlement. Where resettlement is unavoidable, the resettlement activities should be conceived and executed as sustainable development programs, providing sufficient resources to enable affected persons to share in project benefits and assisted in their efforts to improve their livelihood and standard of living, or at least to restore them to pre-project level. The policy also requires that affected people are meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs. The policy applies to the taking of land and other assets when involuntary resettlement results in the loss of shelter, the loss of all or part of productive assets, or access to them, and the loss of income sources or means of livelihood, with or without physical displacement.

Measures required ensuring that resettlement has a positive outcome include:

- Providing Project-affected persons with options;
- Permitting their participation in planning and selecting these options;
- Prompt compensation at full replacement cost for losses;
- Choosing relocation sites that provide, at a minimum, the same benefits as the sites they replace;
- Providing allowances and other assistance to make a smooth transition after displacement;
- Identifying vulnerable groups and providing and special assistance to these groups; and,
- Implementing an institutional structure that supports the process to a successful end.

Bank's policy on Involuntary Resettlement requires payment of compensation and other assistance to project affected people before they are displaced from their existing locations. Further the policy requires income rehabilitation assistance to those affected severely due to the loss of their productive assets or loss of incomes and livelihood.

Absence of legal title does not exclude individuals from the eligibility to receive compensation and/or other assistance. The displaced or affected population eligible for compensation for losses include: those who have formal legal rights to land or other assets, and those who initially do not have formal legal rights to land or other assets but have a claim to legal rights based upon the laws of the country. The Policy also requires that those without legal title should be given assistance to meet the objectives of the policy. The genesis of these rights may come from continued possession of public land where the government has not sought their eviction. Bank's policy also recognizes that stakeholders who illegally occupy project-affected areas after established cut-off-date for any components are not eligible for compensation and other assistance provided that adequate measures are taken for information dissemination to people.

The gaps in the existing legal framework of Bangladesh and the objectives and requirements of the World Bank and other multilateral agencies are well recognized. Therefore, institutional or project specific policies are prepared to address these gaps and to meet the requirements of multilateral agencies in projects funded by them.

World Bank OP 4.10 Indigenous People

The project is designed to be implemented only in Dhaka city and is implemented by DWASA. According to national statistics, and based on the experience and learning from previous engagements with DWASA, there will be no indigenous people (IP) communities impacted by the project, and hence OP 4.10 has not been triggered.

4. DWASA RESETTLEMENT POLICY FRAMEWORK

4.1 Objectives of the Resettlement Policy Framework

This Resettlement Policy Framework seeks to address the inadequacy of the existing legal provisions discussed in the previous section. This policy is based on the philosophy that development projects must serve the needs of society and ensure that project affected persons (PAPs) are not made worse off by development projects. Thus, the project will not penalize any one person in order to benefit many other persons. Resettlement Policy Framework is supported by the detailed Implementation Guidelines¹ that will be prepared by the design consultants. *DWASA will be responsible for full and proper implementation of this policy framework.*

In response to above philosophy, involuntary resettlement should be an important consideration in project identification. Three important elements of involuntary resettlement are: (i) compensation for loss of assets, loss of livelihood and income, (ii) assistance for relocation, including provision of relocation sites with appropriate facilities and services, and (iii) assistance for rehabilitation to achieve at least the same level of well being with the project as without it. This can be ensured through the following basic objectives:

- (i) Avoid involuntary resettlement where feasible and minimize resettlement where population displacement is unavoidable,
- (ii) Ensure that displaced people receive compensation, assistance and rehabilitation so that they would be at least as well off as they would have been in the absence of the project,
- (iii) PAPs will benefit from the project, and
- (iv) Project stakeholders, including PAPs are consulted and given the opportunity to participate, as practicable, in the design, implementation, and operation of the project.
- (v) Additional assistance should be provided to vulnerable groups.

4.2 Definitions

For purposes of this framework, the following definitions will be applicable:

Project Affected Persons (PAP) includes any person or persons, households, a firm, or private or public institution who, in the context of acquisition of assets and change in land usage, as of the cut-off date, on account of the execution of the project, or any of its subcomponents or part, would have their:

- (a) Standard of living adversely affected;
- (b) Right, title, or interest in any house, land (including residential, commercial, agricultural and grazing land) or any other moveable or fixed assets acquired or possessed, in full or in part, permanently or temporarily adversely affected; or
- (c) Business, occupation, places of work or residence or habitat adversely affected, with or without displacement.

¹ The Implementation guidelines will cover, among other things, the processes and procedures, including necessary formats & criteria, where relevant, for initial social assessment; screening of project/sub-projects; census, inventory and socio-economic baseline surveys; market studies & valuation of different types of assets; computerized data management system; format and contents of RPs; monitoring indicators and formats and contents for supervision and monitoring reports; public consultation and participation process; documentation for grievance redress mechanism; and procedures for private negotiations for acquisition of private assets.

PAP means persons or affected household and consists of all members of a household residing under one roof and operating as a single economic unit, who are adversely affected by a project or any of its components. For resettlement purposes, affected persons will be considered as members of affected households.

'Household (HH)': A household is a group of persons who commonly live together and would take their meals from a common kitchen.

'Replacement Cost': means and include an amount needed to replace an asset at current value including depreciation and overhead expenses of the transaction, including stamp duty and registration charges, as follows:

- (a) Agricultural land based on its productive potential;
- (b) Residential land based on market value;
- (c) Houses and other related structures based on current market prices of building materials and labor, without depreciation and deductions for salvaged building materials, plus transaction costs (such as administrative charges, registration and titling costs), etc.;
- (d) Trees, crops and plants on current market value; and;
- (e) Other productive assets like shops and commercial assets based on market value of similar location attribute i.e. premium etc;

'Cut-off date': is the date prior to which the occupation or use of the project area makes residents/users of the project area eligible to be categorized as affected persons. In many projects, the cut-off date coincides with the commencement of the census of affected persons within the project area boundaries. Persons not covered in the census will not be eligible for compensation and other entitlements. *For PAPs with legal titles the cut-off date would be the date of issue of legal notice under the Land acquisition act. For those without titles, the cut-off-date will be the date of commencement of census.*

'Land': The term land refers to land acquired under the Land Acquisition Act or through private transactions.

'Squatters': are persons who occupy / possess an asset without legal title.

'Encroachers': are those owners of land adjacent to public property, who have illegally extended their land holdings or structures into the public land.

Tenants are those persons having tenancy agreements, written or unwritten, , to occupy a structure or land for residence, business or other purposes.

'Vulnerable groups'. These are distinct groups of people who might suffer disproportionately or face the risk of being marginalized from the effects of resettlement and specifically include: (i) female headed households with dependents, (ii) disabled household heads, (iii) households falling under the generally accepted indicator for poverty, (iv) elderly households with no means of support and landlessness, and (v) indigenous people or ethnic minorities.

4.3 Categories of Impacts

In order to provide a framework for the R&R process in projects where World Bank financing is involved, a detailed Social Entitlement Framework for World Bank financed projects is provided in Table 4.1. Following basic categories of issues/impacts are foreseen under this entitlement framework:

- a) Loss of land;
- b) Loss of structure;
- c) Loss of source of livelihood;
- d) Loss of access to common resources and facilities;
- e) Loss of standing crops, trees and perennial trees; and
- f) Loss of public infrastructure.

4.4 Eligibility Criteria

The following categories of PAPs will be eligible under the framework to receive compensation and/or assistance as per their entitlement:

Project Affected Persons (PAP) includes any person or persons, households, a firm, or private or public institution who, in the context of acquisition of assets and change in land usage, as of the cut-off date, on account of the execution of the project, or any of its subcomponents or part, would have their:

- (a) Standard of living adversely affected;
- (b) Right, title, or interest in any house, land (including residential, commercial, agricultural and grazing land) or any other moveable or fixed assets acquired or possessed, in full or in part, permanently or temporarily adversely affected; or
- (c) Business, occupation, places of work or residence or habitat adversely affected, with or without displacement.

PAP means persons or affected household and consists of all members of a household residing under one roof and operating as a single economic unit, who are adversely affected by a project or any of its components. For resettlement purposes, affected persons will be considered as members of affected households.

'Squatters': are persons who occupy / possess an asset without legal title.

'Encroachers': are those owners of land adjacent to public property, who have illegally extended their land holdings or structures into the public land.

Tenants are those persons having tenancy agreements, written or unwritten, to occupy a structure or land for residence, business or other purposes.

'Vulnerable groups'. These are distinct groups of people who might suffer disproportionately or face the risk of being marginalized from the effects of resettlement and specifically include: (i) female headed households with dependents, (ii) disabled household heads, (iii) households falling under the generally accepted indicator for poverty, (iv) elderly households with no means of support and landlessness, and (v) indigenous people or ethnic minorities.

The specific entitlements of each category of eligible entity in response to the categories of impacts are clearly spelt out in the entitlement matrix.

Impacts and Entitlement Framework

1. Entitlements for compensation and rehabilitation assistance to different categories of PAPs are described in the following sub-sections and presented in the Entitlement Matrix in Table 4.1 of this section:

A. PAPs losing Agricultural Land

(a) When the portion of the land to be lost represents 20% or less of the total area of the land-holding, cash compensation at full replacement value, will be provided to the PAP. Where significantly large or entire land holding is affected by the project, the general mechanism for compensation of lost agricultural land will be through provision of "land for land" arrangements of equivalent productivity and at location acceptable to the PAP. In case suitable replacement land is not available, at the PAPs request cash compensation at replacement cost will be provided. In cases where only partial land is affected but the remaining land becomes economically unviable, the PAP will be entitled to compensation for entire holding at full replacement value or land-for-land option.

(b) The replacement agricultural land will be provided to the PAP free of any tax, transfer costs, registration fee or charges.

(c) PAPs whose land is temporarily taken by the works under the Project will be compensated at replacement cost for their net loss of income, damaged assets, crops and trees, as the case may be.

(d) Affected tenants *and leaseholders* on the agricultural land will be compensated for the market value of the gross harvest for one year's production or the remaining period of the tenancy agreement/lease, whichever is greater.

(e) Affected agriculture labor will be compensated for the loss of income and will be paid compensation equivalent to the six months salary and assisted in getting alternative employment.

(f) Squatters and encroachers will not be entitled to compensation for affected land;

B. PAPs losing Residential or Commercial Land

(a) Where the portion of the land to be lost represents 20% or less of the total area of the land holding, PAPs will be entitled to cash compensation at full replacement value for the affected portion of the holding. Where significantly large or entire land-holding is affected by the project, the general mechanism for compensation of lost residential land will be through provision of "land for land" arrangements of equal size and at location acceptable to the PAP. In case, suitable land is not available, cash compensation at replacement cost will be provided. However, where only partial land is affected but the remaining land becomes either unviable or in area less than the minimum required under the prevailing zoning laws, the PAP will be entitled to compensation for entire holding at full replacement value, or land-for-land option. In case of loss of business premises, PAPs be entitled to alternative business site of equal size and location with good accessibility to customers and satisfactory to the PAP, or cash compensation at full replacement value, if suitable replacement land is not available.

(b) The replacement land for resettlement will be provided in fixed plot sizes according to the prevailing zoning laws and planning practices. However, if the lost land of PAP is in size larger than the plot sizes for relocation, a cash compensation to cover the difference of the area will be given to the PAP.

(c) The replacement land will be provided to the PAP free of any tax, transfer costs, registration fee or charges at the time of transfer.

(d) *Squatters and encroachers will not be entitled to compensation for affected land;*

(e) *Affected tenants and leaseholders on the commercial/residential land will be compensated in cash equivalent to the three months of rent or the remaining period of the tenancy/lease agreement, whichever is greater.*

(f) PAPs, whose land is temporarily taken by the works under the Project, will be compensated at replacement cost for their net loss of income and damaged assets, as the case may be.

C. PAPs losing Houses/Structures

(a) The mechanism for compensating loss of residential and other structures will be cash compensation reflecting full replacement cost of the structures, without depreciation.

(b) If the house or structure is only partially being affected by the Project, the PAP will be entitled to cash compensation for the affected portion of the structure and a repair allowance (minimum of 20% of compensation) for restoration of the remaining structure for its continued use. However, if the remaining structure is rendered unviable or in area less than the minimum house size under the prevailing zoning laws, the PAP will be entitled to compensation for entire structure at full replacement cost without depreciation.

(c) Tenants, who have leased a house / structures for residential or other purposes and affected by the project, will be provided with a cash grant equivalent to three months rental allowance, and will be assisted in identifying alternative rental accommodation.

(d) Affected households will also be entitled to a transfer/shifting allowance; and a transition allowance for three months.

Vulnerable squatters will also be provided with relocation assistance through viable options and assistance packages to choose from.

D. Loss of Business/Income or employment

Affected PAPs would be provided with opportunities for employment in reconstructed business enterprise. Alternatively, income rehabilitation package would be provided to the PAPs for re-employment, training in other trades and skills, agricultural inputs and extension services support, or for starting a new business depending upon their needs and priorities. The type and level of assistance required will be decided in consultation with the PAPs.

E. Loss of standing crops and trees:

PAPs will be entitled to cash compensation equivalent to market value of crops and trees *based on the type, age and productive value of affected trees.*

2. Compensation for all types of affected assets will be provided at replacement cost.

3. PAPs will be provided with compensation at full replacement cost, without depreciation for any other fixed assets affected in part or in full by the project, such as water wells, electric and water connections.

4. All PAPs severely affected by the project due to the loss of productive assets, incomes and employment will be entitled to the income rehabilitation assistance including income restoration programs, training to improve skills or other assistance for self-employment depending upon the needs and priority of the affected PAPs. These rehabilitation measures would specifically focus severely affected (displaced) PAPs, vulnerable groups, itinerant workers, small businesses and those either below the poverty line or those severely affected by the project due to the loss of productive assets and are likely to fall below the poverty line. Detailed baseline survey and socio-economic data will identify such vulnerable groups, and the scope and need for specific rehabilitation measure will be assessed during the project implementation stage in consultation with the PAPs. At least 30% of such rehabilitation assistance measures will be reserved for women.

5. In cases where community infrastructure such as schools, factories, water resources, roads, sewage system or electrical supply is damaged, project developers will ensure that these would be restored or repaired as the case may be, at no cost to the community.

6. Squatters without any legal title or ownership right to the land they occupy will be compensated for all their lost assets such as house/structure, fixed assets, shop/kiosk at full replacement cost and provided

assistance in finding suitable relocation site. The relocation site would, as far as possible, contain the access to facilities and services better than or at least equivalent to the one lost.

Encroachers will be considered as PAPs and will be eligible for assistance as described in the Entitlement Matrix.

7. PAPs entitled for relocation will be provided transport allowance or full assistance for transportation, and re-establishment of their house or business structures.

8. Transition allowances will be equivalent to the monthly incomes/wages of affected PAPs.

9. *Except for the long-term income rehabilitation assistance, payment of compensation and other allowances, and relocation assistance for a project component, phase or part thereof will be completed prior to award of civil works contracts.*

In case of other unforeseen impacts not covered above, appropriate measures would be determined keeping in mind the overall objective of this policy.

4.5 Mitigation Measures

Mitigating adverse impacts: Before taking possession of acquired lands and structures and before start of civil works construction, PAPs will be paid compensation and other assistance in full. Where PAPs are entitled to relocation, the relocation site will be fully developed before the PAPs are displaced. DWASA will ensure that the standard of living of all affected persons is restored to the level enjoyed before the commencement of the project, and, if possible, improved.

Procedures for land acquisition: Where possible and permitted by regulations, DWASA will acquire private land through direct purchase based on 'willing buyer willing seller' principle, as the first option. Negotiations for direct purchase would be carried in a public place and in transparent manner. All proceedings will be documented and final agreement would be signed by the negotiating parties. Under private negotiations the minimum negotiated price should not be less than replacement cost as established through the market surveys. The negotiated amounts will be paid within three month of completing the negotiations. Interest @12% will be added for the delay in payment of compensation. Where direct purchase by implementing agencies is not possible, required private land for the sub-projects would be acquired following the provisions of the Acquisition and Requisition of Immovable Property Ordinance, 1982 and the ESF.

Compensation at Replacement Cost: In case direct purchase by DWASA is not possible (or permitted), all acquisition of land would be under Land Acquisition Act 1982, and following the provisions of this policy framework which provides compensation for properties to be acquired and support to be extended for meeting replacement value of the property. Under the Land Acquisition Act compensation are assessed, and paid, by DC office to PAPs for each mouza where his/her assets are located. Such Compensation Under Law (CUL) that includes 50% premium on assessed values do not fully meet replacement cost. DWASA will top-up these amounts to make up for the balance so that the total amounts paid to PAPs are at replacement cost. To estimate top-up amounts, DWASA will *engage independent institution* to carry out market studies at the time of baseline surveys to determine market rates for different types of assets. Estimated resettlement costs to be included in the Resettlement Plans would be based on the market surveys. The amount of top-up due to a PAP will be calculated by comparing the total amount of CUL paid by the DCs for all acquired lands and other assets with the total replacement costs/market prices thereof. *In case of unusual delays in implementation after the market surveys are completed, there may be a need for revaluation of market rates at the time of implementation and finalization of top-up amounts.* Procedures to conduct market surveys and for valuation of affected assets would be described in the Implementation Guidelines.

Entitlements to affected people without legal rights to land. Lack of ownership does not imply lack of eligibility. . The presence of squatters poses particular challenge to DWASA as many of the canals that are likely to be included in the project have large number of squatter settlements along the banks. DWASA would strive to provide suitable alternatives to resettle displaced squatter communities.

Measures to avoid illegal occupation of cleared land. The preparation of a Resettlement Action Plan will require that an early cut-off date, preferably at the time of the baseline survey, is established. DWASA will ensure that the information on cut-off date and eligibility are provided to the people with clear understanding that anyone illegally occupying the land after the cut-off date will not be entitled to any compensation and/or assistance. DWASA will also appropriate measure to secure all lands that are cleared for the project.

Relocation of displaced squatters. Large number of potential displacement of squatters poses particular challenge to DWASA. DWASA will explore all possible housing options to relocate severely affected/displaced squatters to minimize long-term social and economic impacts of displacement and to enable them to restore their livelihood and incomes levels within least possible time. In order to minimize disruption of existing social ties and sources of incomes and employment, *particularly for vulnerable affected persons, the priority would be to relocate them as close to the existing locations with access to facilities and services better than, or at least similar to, those lost. Affected households will be provided with viable options for relocation to choose from that may include, among others: self-relocation; special package for transfer to the place of origin; and relocation to a suitable resettlement site either on available WASA land or other public land in the vicinity of the existing location or at other locations within the city. Where attempts to find suitable relocation sites are not successful or the locations of identified sites are not acceptable to the PAPs, other options will be considered in consultation with the World Bank.*

Table 4.1: Entitlement Matrix

SL No.	Type of Loss	Application	Entitled Person	Compensation
1.	Arable land	Less than 20 percent of land holding ² lost, the remaining land	Title holder	-Cash compensation for lost land at replacement cost.
		More than 20 percent of land holding lost OR where less than 20% holding lost but the remaining land becomes economically unviable	Title holder	-Land for land or compensation in cash. Compensation by receiving a new parcel of land of equivalent size and crop productivity and free of taxes, registration and transfer cost; at location acceptable to PAP; and with long-term security of tenure of better or equivalent nature to that affected. -Compensation for preparation of replacement land -Transition allowance for three months -Transfer/shifting allowance -PAPs will be entitled to income rehabilitation assistance
			Tenant/lease holder	-Cash compensation equivalent to the replacement value of gross harvest for one year or for the remaining period of tenancy agreement, whichever is greater.
			Agricultural labor	-Cash compensation equivalent to 6 months salary and assistance in getting alternative employment.
			<i>Squatters</i>	<i>Any squatters/encroachers affected by taking of agricultural/and will not be entitled to compensation for land. Affected vulnerable squatters will however, be provided with relocation assistance.</i>

2.	Residential / commercial land	Less than 20% of land holding lost and remaining land viable for present use	Title holder	-Compensation in cash at market value. Any squatters/encroachers affected by taking of residential land will not be entitled to compensation for land. For vulnerable squatters see entitlements for affected structures.
		More than 20% holding affected OR where less than 20% holding affected but the remaining area becomes smaller than minimally accepted under the zoning laws and unviable for continued use	Title holder	-Land for land or cash compensation. Replacement land of minimum plot of acceptable size under the zoning laws or a plot of equivalent size, whichever is larger, in an area with adequate physical and social infrastructure. In the case of loss of commercial land the replacement land of sufficient size for business continuation in market are or at location comparable to previous site. -Replacement land to be free from taxes, registration and transfer costs. -Transition Allowance for three months -Transfer/shifting allowance. Any squatters/encroachers affected by taking of residential land will not be entitled to compensation for land. <i>Vulnerable squatters will however, be provided with relocation assistance.</i>
			Tenant/Leaseholders	-Cash compensation equivalent to the three months of rent or for the remaining period of tenancy/lease agreement, whichever is greater.

² Land holding refers to the land plot directly impacted by the project and does not include any other land holdings that a PAP may own at other locations.

3.	Structures	Structures partially affected but the remaining structure viable for continued use.	Owner with valid title to land	-Compensation in cash for affected portion of the structure and other fixed assets at replacement cost, and -Assistance in restoration of the remaining structure (Repair Allowance, minimum 20% of compensation)
			Squatters	-Compensation in cash for affected portion of the structure - Transfer/shifting allowance. -Transition allowance for three months.
			Tenants	-Cash compensation equivalent to 3 months' rental allowance -Transfer/shifting allowance -Assistance in alternate rental accommodation.
			Encroachers	<ul style="list-style-type: none"> - Early notice on the demolition - Technical advice in demolition, relocation and repairing of affected structure - Payment for repairing only those damages to structure resulting from demolition, if required - Transfer/shifting allowances, if required - Transitional allowance
		Entire structure affected OR where structures partially affected such that the remaining structure is unviable for	Owner with valid title to land	-Compensation in cash for entire affected structure and other fixed assets (wells, electric and water connections etc.) at replacement cost, without depreciation. -Transfer/shifting allowance. -Transition allowance for three months.

		continued use.	Tenant	-Cash compensation equivalent to 3 months' rental allowance -Transfer/shifting allowance -Assistance in alternate rental accommodation.
			Squatters	All affected squatters will be entitled to: -Compensation in cash for affected structure -Transfer/Shifting allowance -Transition allowance for three months Additionally, vulnerable squatters will be <i>provided with relocation assistance and offered viable options to choose from.</i>
			Encroachers	<ul style="list-style-type: none"> - Early notice on the demolition - Technical advice in demolition, relocation and repairing of affected structure - Payment for repairing only those damages to structure resulting from demolition, if required - Transfer/shifting allowances - Transitional allowance
4.	Loss of business / incomes or employment	Temporary or permanent loss of business/ incomes/ employment	Affected individuals	-Employment in reconstructed enterprise or package for re-employment or starting a business -Transition allowance for the permanent loss of business, incomes & wages equivalent to the loss of income/wages for a period of 6 months for each affected members of households. In case of temporary loss of business of incomes / businesses, compensation will be wages equivalent to closure period.
5.	Standing crops	Crops affected by land acquisition or temporary acquisition/easement	<i>Owner of affected crops</i>	-Compensation in cash at market value.
6.	Trees	Trees lost	<i>Owner of affected</i>	-Compensation in cash calculated on the basis of type, age and productive value of affected trees.
7.	Loss of public infrastructure	Infrastructure (electric water supply, sewerage & telephone lines; public health center;	Relevant agencies.	-Compensation in cash at replacement cost to respective agencies <i>or restoration of affected assets.</i>
8.	Unforeseen Losses	As identified	As identified	Appropriate mitigation measures as determined to meet the objectives of this policy framework

5. SURVEYS AND DOCUMENTATION

5.1 Preliminary Screening

During the identification and preliminary stages of project preparation, DWASA will undertake a preliminary Social / Land Acquisition Assessment to identify the types, degree and scale of potential social impacts of the project. To correctly identify the relevant social issues and to assess the type and level of information required during subsequent field investigations, particular attention will be paid to adverse impacts to the affected community, such as loss of land and other fixed assets and the number of persons marginally or severely affected and the types of vulnerable groups affected. The information collected during the preliminary social / land acquisition assessment will provide the basis for determining severity of impacts and the level and depth of subsequent field surveys, investigations and documentation. In cases, where the preliminary assessment indicates that the potential impact of the proposed project will be significant, appropriate preparation would be done for extensive field surveys and consultation with key stakeholders.

5.2 Project Preparation

DWASA will be responsible for carrying out all necessary surveys, field studies and investigations, as identified during the screening. Prior to undertaking the survey DWASA will conduct a public information campaign to describe the project components, types of impacts, content and schedule for the census and inventory or other background surveys to the key stakeholders.

At least three basic types of surveys will be needed: a census; an inventory of affected assets and other losses; and a socio-economic baseline survey. The census and the inventory of affected assets will cover all PAPs, regardless of entitlement or land ownership. Criteria for vulnerability of PAPs should be paid particular attention in order to provide additional assistance. Baseline survey should cover at least 30% of severely affected/displaced PAPs and would include information on socioeconomic characteristics of potentially affected households. The baseline data would be used for post-implementation evaluation to determine whether or not affected peoples have been able to restore their livelihood. All data should be maintained on computerized data management system to facilitate analysis. *It is recommended that field surveys and investigations for census, inventory of assets and baseline data are carried out in an integrated manner to maximize use of available resources and to avoid repeated field visits.*

Expropriation, is likely to produce economic loss and social and psychological disruption for the affected individuals and their families, and may include the loss of business income, on either a temporary or permanent basis. An analysis of these losses must be included in the RAP and/or the Social Assessment Report and appropriate measures devised under the terms of the entitlement framework to ensure that livelihoods are restored.

5.3 Resettlement Plan (RP)

Based on the census and inventory of data and field investigations, RP would be prepared in sufficient details depending upon the degree and scale of impacts in a project. For the RP preparation process to begin, the exact ground locations of the required lands and right of way of the drainage canals and other structures are to be identified first and demarcated. As such, the social safeguard and the engineering consultants jointly with DWASA will carry out detailed engineering surveys and design the rehabilitation and improvement works and lay them on the mauza maps. Where private land is to be acquired, these mauza maps will also provide the basis to prepare the land acquisition proposals (LAPs) which are to be approved by the Ministry of Local Government Rural Dev. & Co operatives (MOLGRD). The LAPs will be prepared for each scheme and will include plot schedules, (with dag or plot numbers), the amount of land to be acquisitioned from each plot, and the ownership status, such as private and public lands. Land acquisition Proposals together with information on affected plot schedules and ownership status will be used as the basis by the DC office to determine CUL. Where private land acquisition will not be necessary, these mauza maps will help in identification of DWASA and other land boundaries for design purposes. Where surplus DWASA or other public land parcels can be identified these can be considered for relocation of displaced squatters.

With the acquisition locations demarcated on the ground, work on the major process tasks, such as social screening and PAP census, will begin to generate the RP inputs.

Abbreviated (Summary) Resettlement Plan:

In cases where the impacts of the sub-project are marginal such that less than 200 persons (about 40-50 families) are affected without any large scale displacement, or where the impacts are minor, although more than 200 persons may be affected, a simple RP should be prepared. It should provide general information of the project, social impacts and the number of people affected, entitlements for compensation and other assistance for each category of PAPs, estimated cost, and implementation schedule.

Detailed RP:

In cases where the project affects and/or displaces more than 200 people (40-50 families), a time-bound Resettlement Plan (RP) for the project will be prepared in accordance with the provisions of this Framework. *The threshold of 200 PAPs should apply to all sub-projects put together for which one single standalone RP would be required.* Resettlement plans should be built around a development strategy, and compensation, resettlement, and rehabilitation packages should be designed to improve or at least restore the social and economic base of those severely affected. Preference should be given to resettling vulnerable people dislocated from their existing settings by providing opportunities for sustainable income generation in similar settings. Where a project is likely to adversely affect households belonging to poverty groups, the resettlement plans should specify measures, additional to the compensation entitlements, aimed to improve status of the poor to bring them up to an acceptable level above the poverty line.

The RP will include: (i) project description and brief description of impacts; (ii) specific measures taken to minimize adverse impacts; (iii) socio-economic survey; (iv) detailed description of impacts and category of PAPs; (v) entitlement for different types of losses; (vi) specific measures provided to vulnerable groups and for income rehabilitation assistance; (vii) public consultation and participation; (viii) estimated resettlement cost; (ix) monitoring and evaluation procedures; (x) organizational responsibilities and implementation procedures including valuation of lost assets; identification of alternative relocation sites; provisions for shelter, infrastructure and social services; and procedures for landownership, acquisition and transfer; and (xi) implementation schedule.

DWASA will share the RAPs with the Bank for review and approval, before the civil works packages are accepted for Bank financing. During implementation, DWASA will ensure that all compensations/entitlements due to the PAPs are paid in full, before the civil works begin on the acquired lands, including the public lands repossessed from private uses.

6. PUBLIC CONSULTATION AND PARTICIPATION

DWASA has employed numerous consultation and communication methodologies during the preparation and implementation of the project. Participative workshops, household surveys, one-to-one discussions, focus groups, etc. used to inform communities regarding the likely project impacts, proposed mitigation measures; and to receive their feedback on their priorities and concerns, which in turn were used as key inputs for the preparation of the RAPs. Focus groups have discussed gender issues, children and schooling, health, land and security, access to places of employment, livelihood generation issues, among others.

DWASA has carried out consultations at various stages of the preparation of the RAPs and the key stakeholders were invited to participate in the deliberations for the formulation of the Resettlement and Rehabilitation (R&R) plans. The consultations were started with the reconnaissance level surveys followed by scoping workshops, focus group meetings, and follow up consultations. The opinions of stakeholders were documented and incorporated in the R&R planning as well as in designing socially acceptable mitigation measures.

The public consultation exercises undertaken during the preparation of RAPs involves information dissemination – ie, informing the target audience about the details of the project intervention in question and inviting their comments before finalizing the R&R design. The consultations were carried out with individuals during the screening survey stage and with both individuals and groups during the detailed social impact surveys.

Based on preliminary social assessments, scoping and initial field appraisals, participatory strategies were devised to ensure the participation of the affected populations in the RAP preparation. This approach helped:

- Identify social sensitivities and concerns so as to suitably modify the design and planning of the project intervention;
- Review measures to avoid, reduce or mitigate adverse impacts and minimize displacement;
- Explain principles and procedures and significance of land acquisition, resettlement and rehabilitation compensations and assistance to PAPs.

The focus group discussions were organized in the catchment areas of the proposed project interventions, involving PAPs and wider local communities in order to allay their apprehensions and explain to them the project's approach to resettlement. The RAPs already prepared under the project clearly document the consultation processes and include participant lists and photographs, along with evidence of how the inputs of PAPs were incorporated within the design of the R&R measures. Consultation and communication is an ongoing process and must be conducted throughout the life of the R&R program. DWASA has ensured that the project PAPs and communities are consulted on an iterative basis through different stages of the project cycle such that the consultation process is meaningful and PAP opinions and feedback are incorporated in the RAPs in a practical way. DWASA has developed a sound and effective communication and consultation strategy which has been used as an example at national level training workshops in the country on R&R.

DWASA will continue to use this strategy for the preparation and implementation of RAPs under the restructured project.

DWASA's existing consultation and communication strategy, which was developed and implemented under the previous project with the assistance of Bank staff, is fully compliant with OP 4.12. Consultations with PAPs under previous project interventions have been drawn on for the revision of this RPF. DWASA has also held consultative workshops at the national level with the participation of government officials from other ministries to demonstrate their consultation and communication strategy.

Preparation of appropriate documents, the planning and implementation for the acquisition of land and other assets, will be carried out in consultation with the PAPs. The PAPs will receive prior information of the compensation, relocation and other assistance available to them.

DWASA will be responsible to carry out continued consultation with and information dissemination to the key stakeholders regarding:

- The relevant details of the project;
- The resettlement plan and various degrees of project impact;
- Details of entitlements under the resettlement plan and what is required of PAPs in order to claim their entitlements (*a copy of the entitlement matrix should be provided to the PAPs*);
- Agreement on entitlements with the various categories of PAPs
- Compensation process and compensation rates;
- Agreement on compensation and assistance rates and modalities of making payments and delivering assistance
- Relocation and resettlement site development operation in order to obtain agreement and support of affected people in participating in these operations; and
- Implementation schedule with a timetable for the delivery of entitlements. Details of the grievance redress process with agreement on local representatives and contact information of project coordinator and DWASA R&R officer/consultant.

DWASA shall also provide a detailed explanation of the grievance process and enlist the help of community leaders and other influential community officials in encouraging the participation of the PAPs in resettlement activities. Finally, DWASA shall attempt to ensure that all vulnerable groups and indigenous peoples/ethnic minorities (if any) understand the process and that their needs are specifically taken into consideration. DWASA will hold separate consultation sessions on gender issues and on the special needs of children.

Public participation is performed and information would be made available during preparation and implementation of the resettlement plan and would include, at a minimum, community meetings and focus-group discussions.

7. GRIEVANCE REDRESS MECHANISM

Despite best efforts to arrive at fair rewards in project involving involuntary resettlement, there shall always be a few unsatisfied citizens. DWASA has established an Environmental and Social Cell (Resettlement Cell, for the purpose of this document). The latter includes a Resettlement Officer who is responsible for handling R&R related issues and works closely with the consultants hired to prepare and implement RAPs, as well as monitors their progress and operations. The DWASA will make efforts at project level to resolve grievances through negotiations *involving community leaders and PAP's representatives with the facilitation of the Resettlement Officer and relevant consultants involved in the RAP preparation and implementation process.*

Grievance Resolution Committee: In case dispute is not resolved at local level, the matter through submission of a formal reference from DWASA will be placed before a Grievance Resolution Committee.

Grievance Resolution Committee (GRC) shall be constituted consisting of a panel of four to five Members, one of whom shall be DWASA Project Coordinator (not below the rank of Executive Engineer from within the PMU). Other members would include a representative from the residents

of the project area, who would be publicly known to be persons of integrity, good judgment and command respect. Other persons would be representative from local NGO/CBO (not involved in the R&R process or associated with the project) and a local government representative (ward commissioner/member). The DWASA Resettlement Officer/consultant will also be represented at the committee.

As a first step the complainants will approach the DWASA Resettlement Officer/consultant. The contact numbers and the office addresses of the relevant personnel will be shared with the PAPs and the local PAP representative during the consultations. They will review the complaints and will try to resolve the issues at the local level through consultation with the concerned PAPs and local representatives. If they cannot resolve the issue within two weeks, they will refer the issue to the Grievance Redress Committee. Also, if the DWASA Resettlement cell determines, upon receipt of the complaint, that it is too complex to be dealt with without the intervention of the GRC, it will transfer the complaint to the later immediately upon receipt.

The Project Coordinator shall:

- Convene meetings of the committee as necessary at such place or places in the project area as he considers appropriate within one week of receiving a complaint; and
- Facilitate the proceedings in a manner that is considered appropriate with the object to bring an amicable settlement between the parties;

The meeting report shall be recorded in writing and attested copies thereof shall be provided to the parties.

The GRC will receive complaints/petitions related to the project, obtain factual reports on the matter, hear the aggrieved persons and effect redressal of the grievances related to perceived threats, inadequate compensation, etc. In case of continuing differences and notwithstanding the provisions of Land Acquisition Act, the GRC can take a decision regarding entitlement and compensation. The decision taken during negotiations and GRC meetings shall be formally recorded for future reference and presentation in court, if necessary. If the GRC is unable to resolve the issue within two weeks they will inform the Bank and seek advice on how to proceed. All expenses incurred in arranging grievance negotiations and meetings of GRC as well as logistics required, shall be arranged by project-executing agency.

Right of Complaint: The aggrieved PAP, if not satisfied with the decision of Grievance Resolution Committee, has the right to refer his/her petition to court of law.

8. INSTITUTIONAL ARRANGEMENTS

Dhaka Water Supply and Sewerage Authority (DWASA) is an autonomous body with the Managing Director as its Executive Head. DWASA is directly controlled by the Local Government Division, of the Ministry of Local Govt. Rural Development and Cooperatives (LGRD&C). Dhaka WASA is governed by its Board constituted as per provision of DWASA ACT, 1996.

Operational functions are divided into four major wings, each headed by a Deputy Managing Director (DMD), namely:

- 1) DMD Administration (A);
- 2) DMD Finance (F)
- 3) DMD Operation & Maintenance, (O&M); and

4) DMD Research, Planning and Development (RPD).

All sewerage and drainage development projects, including planning and design, are undertaken by respective Project Directors in-charge of sewerage and drainage components, functioning under the RPD wing. Each Project Director's office is assisted by an Environmental cell.

Project Director will be overall responsible for all activities related to the World Bank financed DCWASA project. Project Director will be assisted by staff of the Environment Cell to address all the environment and social issues and activities related to the project. Staff of the Environment Cell will be responsible to work with the consultants in carrying out necessary field investigations, surveys; analysis of data; and preparation of necessary documents. Staff of the Environment Cell will also be responsible for supervision and monitoring of resettlement implementation.

The Managing Director through DMD (RP&D) and DMD(FA) will monitor the activities of the project Director for timely completion of the project.

9. SUPERVISION AND MONITORING

DWASA will appoint adequate full time staff to monitor the process of resettlement. In order to assist with this monitoring, DWASA shall obtain and maintain appropriate baseline data prior to the resettlement impacts. The monitoring staff will prepare periodic progress reports for submission to the Project Director. The main objective of the monitoring reports is to determine whether the resettlement is effective and to make the needed recommendations for change. The monitor should be present in the field as well as at every meeting related to resettlement. Monitoring of resettlement implementation will be carried out by the Environment Cell of DWASA. The consultants will establish appropriate monitoring indicators (process, output and outcome) that would be used to monitor the progress of resettlement implementation.

After resettlement is completed, DWASA will carry out post implementation evaluation to evaluate the impact of resettlement on PAPs and to determine whether or not the PAPs have been able to restore their incomes and living standards, by comparing with the baseline data collected in the preparation stage. In case the PAPs are not able to achieve the stated objectives of this policy DWASA will provide additional support as necessary.

10. COST AND BUDGETING

Funds for planning and implementing a Resettlement Plan will be provided by DWASA. DWASA will also provide for all costs related to mitigating adverse social impacts based on budgetary requirements established in the RP. All of these costs are to be a part of the total project cost.

Each RP will detail cost estimates for compensation and relocation (if applicable) of PAPs, particularly vulnerable squatters, with a breakdown by category of PAPs and by type of asset affected, such as agricultural, residential, and commercial land; affected house, structures and other fixed assets; and type of assistances, such as transport/shifting allowance, transition allowance, etc. The Costs estimate will make adequate provisions for contingencies.

In case of over runs due to unforeseen circumstances or delays, DWASA will allocate additional funds as necessary.