

**ROAD DEVELOPMENT AUTHORITY
MINISTRY OF HIGHER EDUCATION AND HIGHWAYS
DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**



DRAFT RESETTLEMENT FRAMEWORK

FOR

CENTRAL EXPRESSWAY

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**PREPARED BY
ENVIRONMENT AND SOCIAL DEVELOPMENT DIVISION
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ABBREVIATIONS

ADB	Asian Development Bank
CEA	Central Environmental Authority
CSC	Construction Supervision Consultant
CV	Chief Valuer
DH	Displaced Household
DSD	Divisional Secretariat Division
DS	Divisional Secretary
ESDD	Environment and Social Development Division, RDA
PIB	Public Information Booklet
PS	Pradeshiya Saba
GN	Grama Niladhari
GND	Grama Niladhari Division
GOSL	Government of Sri Lanka
GRC	Grievance Redress Committee
LAA	Land Acquisition Act
LARC	Land Acquisition and Resettlement Committee
LARS	Land Acquisition and Resettlement Survey
MOHE&H	Ministry of Higher Education and Highways
MLLD	Ministry of Land and Land Development
NEA	National Environmental Act
NGO	Non-governmental Organization
NIRP	National Involuntary Resettlement Policy
PD	Project Director

PEA	Project Executing Agency
PMU	Project Management Unit
PP	Preliminary Plans
RF	Resettlement Framework
RP	Resettlement Plan
RDA	Road Development Authority
ROW	Right-of-Way
SEW	Southern Expressway
SPS	ADB Safeguards Policy Statement, 2009
TA	Technical Assistance

GLOSSARY

Acquiring Officer: The officer designated with statutory powers to acquire land as stipulated in the law. E.g. The Land Acquisition Act (LAA), generally the Divisional Secretary in the respective area where the land identified for acquisition is located carry out the functions of a land acquiring officer.

Chief Valuer: The Chief Valuer of the Department Valuation of the Government of Sri Lanka, his officers, his authorized representative.

Compensation: Payment in cash or in kind to replace an asset, resource or income source which has been acquired or affected by a or affected by a project for which the person affected is entitled to, and the amount of money required to keep a person in the same socio economic position that he held before acquisition.

Cut-off date: A cut-off date is the date that establishes the eligibility for receiving compensation and resettlement assistance by the project displaced persons. For titleholders, its section 2 gazette notification and for non title holders it's the last day of the census survey.

Displaced persons: In the context of involuntary resettlement, displaced persons are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihood) as a result of involuntary acquisition of land, or involuntary restrictions on land use or on access.

Economic displacement: Loss of land, assets, access to assets, income sources, or means of livelihood as a result of involuntary acquisition of land, or obstructed access to resources (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.

Entitlement: Resettlement entitlements with respect to a particular eligibility category are the sum total of compensation and other forms of assistance provided to displaced persons in the respective eligibility category.

Host communities. Communities receiving physically displaced persons of a project as resettlers.

Income restoration. Re-establishing productive livelihood of the displaced persons to enable income generation equal to or, if possible, better than that earned by the displaced persons before the resettlement.

Physical displacement: Relocation, loss of residential land, or loss of shelter as a result of involuntary acquisition of land, or involuntary restrictions on land use or on access.

Preliminary Plans: Plan prepared under Section 6 of LAA by the Survey Department on the land to be acquired showing different allotments according to the ownership.

Replacement Cost: Replacement cost involves replacing an asset at a cost prevailing at the time of its acquisition. This includes fair market value, transaction costs, interest accrued, transitional and restoration costs, and any other applicable payments, if any. Depreciation of assets and structures should not be taken into account for replacement cost. Where there are no active market conditions, replacement cost is equivalent to delivered cost of all building materials, labor cost for construction, and any transaction or relocation costs.

1. INTRODUCTION

A. BACKGROUND

1. Effective transportation systems have always played a major role in a country's economic growth. Compared to other countries in the Asian region Sri Lanka has a higher road density. During the recent past some of these roads have been upgraded with better pavement conditions and to suit present traffic conditions. The Government of Sri Lanka (GoSL) has identified the development of the transport network as one of the key requirement to achieve economic growth in the country.

2. In 2007, the Road Development Authority under the then Ministry of Highways and Road Development, introduced the expressway network through National Road Master Plan 2007 - 2017. (Refer Figure 1.1). This document highlights the need for construction of expressways to link economic growth areas which will be constructed as a high-standard limited access road network linking the major population and growth centers, will assist the development of the other economically weak regions by encouraging growth in manufacturing, tourism, fisheries and agriculture.



Figure:1.1 Expressway Network

B. PROJECT

3. The National Road Master Plan has identified Central Expressway as one of the key expressways to be implemented in the future. The Central Expressway is intended to ultimately connect Colombo and northern region of the country.

4. Development of the Central Expressway Project (CEP) is to be undertaken in two (2) phases. Phase 1 will commence from Kadawatha area of Gampaha District (Western Province) up to Dambulla area of Matale District (Central Province). A link will be provided to Kandy area (Central Province) under the same phase. Under Phase 2 of the CEP, it is expected that this link will be extended up to North and Eastern provinces of the country.

Phase 1 of the CEP has been divided into four (4) stages as follows:

Section 1 - Kadawatha (0.0km) to Meerigama (37.1km)

Section 2–Meerigama (37.1km) to Kurunegala (76.8km) and Ambepussa link road (9.3km)

Section 3 –Pothuhera (0.0km) to Galagedara (Kandy) (32.5km)

Section 4 – Kurunegala (76.8km) to Dambulla (137.1km)

5. Potential benefits were identified in extending Stage 1 from Meerigama to Ambepussa, thereby providing linkage between the Central Expressway and the existing Colombo - Kandy (A001)Highway. This link has subsequently been considered as the Ambepussa link road segment. Refer Figure 1.2.

6. The proposed CEP will traverse through four provinces, five (5) districts and 21 Divisional Secretariat Divisions. A brief description on the provinces is provided in table 1.1.

Province	District	Population (Census 2012)	Land area (km ²)	Population Density (person/km ²)	Poverty head count ratio (2012/2013)
Western	Gampaha	2,304, 833	1386.7	1719	2.1
Sabaragamuwa	Kegalle	840,648	1693.0	499.0	6.7
North Western	Kurunegala	1,618,465	4812.8	350	6.5
Central	Kandy	1,375,382	1940.0	717	6.2
	Matale	484,531	1993.0	248	7.8

Source: Department of Census and Statistics

7. The Asian Development Bank (ADB) is assisting the GoSL in developing Meerigama to Kurunegala section of Central Expressway and the Ambepussa link road. This section with the link road of the proposed CEP traverses through the Gampaha district in Western Province, Kurunegala district in North-Western Province and Kegalle district in Sabaragamuwa province. A total of seven DSDs within these three provinces will be affected by the project section.

8. The project will create significant resettlement impacts. The lands need to be acquired and people living within the ROW will be physically displaced. The productive assets like agricultural lands and commercial structures will be affected and people will lose their

livelihoods. Thus, this project is categorized as category A in accordance with ADB's Safeguards policy Statement, 2009.

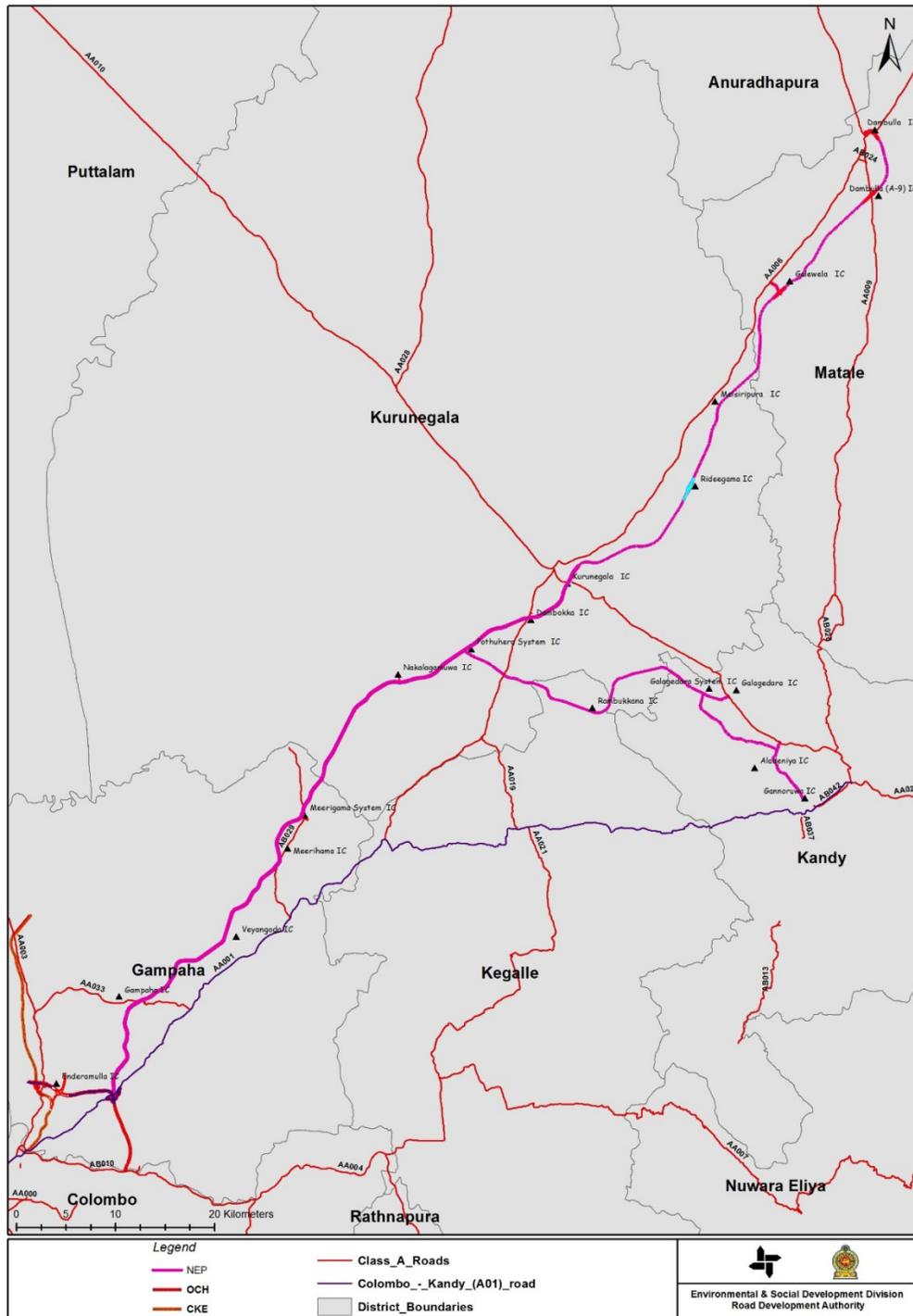


Figure 1.2: Location Map

B. PURPOSE OF THE RESETTLEMENT FRAMEWORK

9. The resettlement framework has been prepared in order to guide resettlement planning for the project and to ensure that the resettlement impacts of the project will be identified, mitigated and compensated in accordance with legal and policy framework of the Government and ADB's Safeguard Policy Statement 2009 and as established for the project in this framework. The framework also builds upon principles currently being developed under other ADB funded infrastructure projects in Sri Lanka.

2. LEGAL AND POLICY FRAMEWORK

10. This chapter discusses the legislative and regulatory framework for land acquisition and resettlement and policies pertaining to resettlement.

A. Legislative Framework

The Land Acquisition Act of 1950 (LAA) and Subsequent Amendments and Regulations

11. The Land Acquisition Act (LAA) of 1950 is the most important legal provision which 'Makes provisions for acquisition of the Lands and Servitudes for public purposes and provides for matters connected with or incidental to such provision'. It provides the payment of compensation at market rates for lands, structures and crops. It has several amendments and the latest being the version of 1986 and the land acquisition regulations, 2008 gazetted as No. 1585/ 7 on Tuesday, 20th of January 2009.

The sequence order of LAA (1950) procedures can be listed in the following table.

Table 2.1 Procedures for Land Acquisition

Activity	Agency in Charge
Preparation and submission of land acquisition proposal	Project executing/implementing agency
Issuance of order to survey (LAA S. 2)	Ministry of Land and Land Development
Preparation and posting of notices (S. 2)	Divisional Secretary
Preparation of advance tracing	Survey Department
Issuance of order to acquire the land (S. 4)	Ministry of Land and Land Development
Section 04 posting and publication of notices(S. 4)	Divisional Secretary, Government Press
Objection inquiries	Project executing/implementing agency
Gazette notification (S. 5)	Divisional Secretary, Department of Government Printing
Preparation of preliminary plan	Survey Department
Gazette notification (S. 7)	Divisional Secretary
Inquiries (S. 9)	Divisional Secretary
Decision (S. 10-1)	Divisional Secretary
Valuation	Valuation Department
Award (S. 17)	Divisional Secretary
Payment of compensation	Divisional Secretary

Order (S. 38a)	Ministry of Land and Land Development, Department of Government Printing
Provision (S. 38a)	Ministry of Land and Land Development, Department of Government Printing
Taking over the vacant possession	Divisional Secretary, Project executing/implementing agency
Registration of land	Divisional Secretary, Project executing/implementing agency

Source: Social Assessment and Involuntary Resettlement Compliance Manual, Road Development Authority of the then Ministry of Highways, Ports and Shipping, 2009

12. In order to expedite the process of land acquisition, a 39 week program has been prepared by the project. In this process, most of the land acquisition activities are proposed to be carried out parallel providing all necessary requirements of stakeholders.

Land Acquisition Resettlement Committee (LARC) Process

13. Under LAA any aggrieved party on the valuation determined by the Department of Valuation is expected to appeal to the Land Acquisition Review Board within 21 days of receipt of the Section 17 order from the Divisional Secretary. If party is dissatisfied with the decision of the Review Board, the party can made a petition of appeal to the Supreme Court. No stamp duty is charged for this appeal. However, experience showed that the process involved here was time consuming; moreover, in most occasions, variation between the assessment of the Dept. of Valuation and the review board's decision was very marginal.

14. Responding to this situation with the commencement of the Southern Transport Development Project (STDP) land acquisition which involved with taking a large extend of land along a 126km stretch, the government decided to introduce a new scheme to compensate the displaced people in 2001, outside the LAA by creating a body called Land Acquisition and Resettlement Committee (LARC). This body was set up to determine the replacement cost (not the depreciated value) of the buildings and the market value of the land of the displaced people. This system was abolished with the introduction of 2008 land acquisition regulations. However, in 2013 the LARC system was reintroduced to some selected projects and this project was included in the list. The LARC shall consist of the following members.

Composition of the committee:

- The Divisional Secretary or Assistant Divisional Secretary (Chairman)of the relevant Divisional Secretariat Division
- Survey General or his/her nominee
- Chief Valuer or his/her nominee
- Representative of the RDA
- Displaced Person

15. The notable feature of this committee is that the displaced person himself is a member of the committee.

Super LARC (Ministerial Compensation Appeal Board)

16. Any displaced person who is aggrieved by the assessment of the compensation made by the LARC will have an option of appealing to the super LARC committee which is established by the decision of the cabinet of ministers.

17. Composition of the Super LARC:

- Secretary of the Ministry of Highways and Higher education or a person delegated by him/ her.
- Secretary of the Ministry of Land and Land Development or a person delegated by him/ her.
- Secretary of the Ministry of Finance or a person delegated by him/ her.
- Chief Valuer or his/her representative.
- Survey General or his/her representative
- Chairman or Chief Executive Officer of the Project or his/her representative.

18. The displaced person will also be called for the inquiry and the decision of the super LARC is final.

Land Development Ordinance (1935)

19. By virtue of this ordinance and its subsequent amendments, households that are occupying crown land may request permission from the Divisional Secretary to be regularized on the Land in question. The Acquiring officer (Divisional Secretary) makes an investigation and may recommend giving a one-year permit initially, if the land is not reserved land or not required for any other government purpose. Subsequently, the person may be given a long lease which constitutes a legal title without right to disposal. The term for such titles is 'Swarna Boomi' (golden land) or 'Jaya Boomi' (victorious land).

20. There are two categories of encroachments into crown land. (1) Middle income category, the households that have other agricultural land and (2) Lower income category, the landless households will be given special consideration for allocation of crown land that is not reserved land.

Road Development Authority Act No. 73 of 1981

21. The Road Development Authority Act (1981) provides for the establishment of the RDA and specifies the powers, functions, duties and responsibilities of the RDA. Part II of the Act deals with declaring areas for 'road development', which under the meaning of the Act includes the construction of new roads or the maintenance or improvement of existing roads (Improvements are deemed to include any widening, leveling, provision of footpaths, treatment for mitigation of dust or any other works beyond ordinary repairs).

22. The functions and duties of the RDA include, inter alia, carrying out integrated road planning and development, submitting such plans for government approval, and following approval, implementing the road development plans, works and activities.

23. Under Section 8 of the Act, the Minister, after taking into consideration the requirements of local and national planning and what is expedient for the regulation and control of road development, may declare a 'road development area' following an order or notice (which sets out the requirement and physical boundaries) published in the gazette.

24. Section 22 deals with land acquisition for road development as a "public purpose" and provides for the acquisition by, and transfer to, the RDA of immovable or moveable property within any declared road development area, for which the RDA will pay any sum payable under the LAA [Section 22 (2)]. Therefore, after the Section 2 notice has been published, if land or other property is to be acquired, the procedures to do so are as set out in the LAA.

State Land Ordinance No 8 of 1947

25. This ordinance is known as the State Land Ordinance No 8 of 1947. Section (b) of the ordinance explains the land grants which can be made and the rents to be obtained for the grants. As it is mentioned in section 22, the period of the grant be up to 50 years only and the prescribed form given in the ordinance be filled and signed by the officer authenticated to sign for the grant. A person seeking a crown land has to appeal to the Government Agent of the area. Such person has to pay the rent decided by the Land Commissioner or the Government Agent of the area. Provisions also have provided to officers such as General Manager Railways and chairman of the Colombo Port to rent out the lands under their purview, under special circumstances.

Prescriptive Ordinance No 22 (1871)

26. Under sections 3 and 13 of this ordinance, households who have encroached into private land and have been occupying the land for at least 10 years may apply through the courts for prescriptive rights to the land.

27. Following are the other subsequent statute laws, which enable the compulsory purchase of property for special purposes or have interfered with the compensation in the term of 'Market Value' and has imposed certain restrictions, conditions and circumstances in which value has to be determined, when properties are compulsorily acquired by the State or become vested in the state, by the force of legislations on payment of compensation.

- Urban Development Authority Law No 41 of 1978
- National Housing Development Authority Act No.17 of 1979
- Greater Colombo Economic commission Law No.4 of 1978
- Town and Country Planning Ordinance Of 1946
- Land Reform Law No.1 of 1972 - Land Reform Commission Act. No.26 of 1972
- Colombo District (Low Lying Areas) Reclamation and Development Board Act No.15 of 1968
- Rent Act No.7 of 1972 and amendments thereto, No.55 of 1980 and No.26 of 2002
- Co-operative Societies Law No.5 of 1972
- Ceiling on Housing Property Laws No1 of 1973

- Apartment Ownership Law No.11 of 1973
- Tourist Development Act No.14 of 1968
- Coast Conservation Act
- Agrarian services Act no.58 of 1979
- Roads and Thoroughfares Act no.45 of 1956 and Law no.37 of 1973
- Mahaweli Authority of Sri Lanka Act No.23 of 1979
- Walawe Lands Act No.11 of 1958

National Environmental Act No 47 of 1980 (NEA)

28. These are some provisions in the NEA Act No.47 of 1980, with the amended Act No.56 of 1988 with reference to Involuntary Resettlement. The Hon. Minister in charge of the subject of environment has prescribed projects and undertakings which approval shall be necessary under the provisions of the NEA.

29. The Minister by gazette notification No 858/14 of 23rd February 1995 has determined the types of projects and undertakings which need the approval under the terms of the NEA. The schedule includes item 12 which refers to “involuntary resettlement exceeding 100 families, other than resettlement resulting from emergency situations”.

B. POLICY FRAMEWORK

30. Land Acquisition Act provides compensation only for land, structures, and crops and provisions are not available to address key resettlement issues to mitigate or avoid impacts on people resulting from land acquisition. In addition, non-titled people and other dependents on land cannot be assisted under the LAA.

31. To address the current gaps in the LAA in addressing the key resettlement issues such as exploring alternative project options that avoid or minimize impacts on people, the government of Sri Lanka (through the cabinet of Ministers) adopted the National Involuntary Resettlement Policy (NIRP) on the 24th May 2001. The NIRP also highlights the need for consultation of DPs and their participation in the resettlement process actively. The CEA was tasked to review and approve Resettlement Plans (RPs) prepared by project executing agencies. The plans also required to be publicly available.

National Involuntary Resettlement Policy, 2001

32. The Government has adopted National Involuntary Resettlement Policy (NIRP) in order to address the adverse social and economic impacts on people who are affected by the acquisition of land by the state for development purposes. The hardships encountered by displaced persons due to compulsory land acquisition often caused for social unrests and miseries adding turmoil to various disruptions. Among these miseries, impoverishment of displaced families due to loss of land and livelihood opportunities, food insecurity, lack of access to common property and public services and disruption to existing social organizations were very noticeable. The development taking place without due consideration to resettlement

issues of the displaced persons caused for loosing public interest and confidence on development. This led to grow public resistance for development which has very negative implications in the process of development.

33. The legislative enactments like LAA and other such provisions and regulations with their amendments are directed towards paying for compensation for land, structures and crops to lawful owners of such assets. These enactments don't have remedial measures for non-titled holders although they are using the land in question over many years. The consequences of land acquisition occurring to them are completely outside matters that have to be solved differently. In addition, apart from provision of funds for compensation payments, project execution agencies didn't have any responsibility for looking after the fate of displaced persons. Even, in the case of title holders, just receipt of compensation doesn't necessarily make them better off. At least majority of them need numerous assistances to restore their lives to pre project levels or to improve better. The non-title holders need much more assistance to reinvigorate their new life with shelter, employment and social and economic infrastructure etc.

34. NIRP took these ill-effects of land acquisition in to consideration with the aim of ensuring 'that all efforts are made to minimize involuntary resettlement in projects and where it is unavoidable, affected people are assisted to re-establish their livelihoods' (NIRP Forward). NIRP assign responsibility of implementing a Resettlement Plan addressing key resettlement issues such as (i) exploring alternative project options which avoid or minimize impacts on people; (ii) compensate those who do not have title to land; (iii) consulting displaced persons and host community on resettlement options, (iv) providing for successful social and economic integration of the displaced persons and their hosts; and; and (v) full social and economic rehabilitation of the displaced persons.

35. NIRP was developed through a consensus reaching process with the participation of all concerned government agencies and authorities; NGOs and foreign development agencies and other stakeholders. The steering committee appointed by the government reviewed the existing laws and policies and approved the National Involuntary Resettlement Policy on 5th March 2001 and the government of Sri Lanka adopted it (by cabinet approval) as a National Policy on 24th May 2001.

Objectives of the NIRP

Avoid, minimize and mitigate negative impacts of involuntary resettlement by facilitating the reestablishment of the DPs on a productive and self-sustaining basis. The policy also facilitates the development of the DPs and the project by

- Ensuring that DPs are fully and promptly compensated and satisfactorily resettled. The livelihoods of all displaced persons should be re-established and their standard of living improved;
- Ensuring that no impoverishment of people shall result as a consequence of compulsory land acquisition for development purposes by the state;
- Assisting DPs in dealing with the psychological, cultural, social and other stresses

- caused by land acquisition;
- Making all DPs aware of process available for redress of grievances, which are easily accessible and immediately responsive; and
- Having in place a consultative, transparent and accountable involuntary resettlement process with a time frame agreed to by the project executing agency and DPs.

36. NIRP applies 'to all development induced land acquisition and Resettlement Action Plan must be prepared where 20 or more families' (NIRP Forward). NIRP requires that a comprehensive RP be prepared where 20 or more families are displaced. In case where less than 20 families are displaced, the NIRP still requires a RP with lesser level of detail. NIRP applies to all projects irrespective of source of funding.

ADB Safeguards Policy Statement, 2009

37. The ADB's Safeguard Policy Statement 2009, recognizes and addresses the resettlement and rehabilitation impacts of all the Displaced persons, irrespective of their titles, and requires the preparation of RP in every instance where involuntary resettlement occurs. The ADB policy requirements are:

- Avoid or minimize impacts where possible;
- Consultation with the displaced people in project planning and implementation;
- Payments of compensation for acquired assets at the replacement cost;
- Ensure that no one is worse off as a result of resettlement and would maintain at least their original standard of living;
- Resettlement assistance to Displaced Persons, including non-titled persons;
- and
- Special attention to vulnerable people/groups.

The main policy principles of the SPS are:

- Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
- Carry out meaningful consultations with displaced persons, host communities, and concerned non-government organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and reporting of resettlement programs. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the displaced persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.

- Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when displaced livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
- Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.
- Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
- Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.
- Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
- Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to displaced persons and other stakeholders. Disclose the final resettlement plan and its updates to displaced persons and other stakeholders.
- Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
- Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
- Monitor and assess resettlement outcomes, their impacts on the standards of living of

displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

Existing Gaps in LAA and NIRP vis-a-vis Safeguards Policy Statement, 2009

38. There are differences between LAA and other policy instruments like, NIRP and SPS. LAA is a legal enactment and others are policy instruments at ideological level. They represent different phenomena. In broader perspectives NIRP and ADB SPS are more or less harmonious, and no disagreement among them. LAA being an act enforced more than six decades ago has clear differences from above policy expressions made around 2000. These differences are discussed in the following Legislative gap analysis.

Table 2.1 Comparative Analysis on the Gaps in the GOSL Laws/Policies and the SPS 2009

Aspect	GOSL Laws/Policies	SPS, 2009	Measures to Bridge the GAP
Requirement of a RP	<ul style="list-style-type: none"> Does not require under the LAA, NIRP requires that a comprehensive RP for projects exceeding displacement of more than 20 families. A project affecting 100 families is considered as a prescribed project under the NEA. 	<ul style="list-style-type: none"> RP is required for the project exceeding displacement of more than 200 people. 	<ul style="list-style-type: none"> Project Management Unit (PMU) for the Project follow the NIRP and SPS which spell out the type of RP to be prepared.
Compensation for non-title holders	<ul style="list-style-type: none"> LAA consider only titleholders and tenants protected under Rent Act 1972 NIRP policy principles states that affected persons who do not have documented titles to land should receive fair and just treatment. 	<ul style="list-style-type: none"> The entitlements will be provided to those who have no-title for the land or structures in the project area prior to the cut-off date for eligibility or resettlement assistance. 	<ul style="list-style-type: none"> Project Management Unit (PMU) for the Project follow the NIRP and SPS. Entitlement matrix of this RF is prepared in accordance with NIRP and SPS.
Consultation with stake holders	<ul style="list-style-type: none"> Does not require under LAA, it is a requirement under NIRP. 	<ul style="list-style-type: none"> Consultation is required with displaced persons (Same as NIRP) 	<ul style="list-style-type: none"> PMU will follow the NIRP and SPS as indicated in this RF.
Participation of DPs to planning, implementation and monitoring of involuntary resettlement	<ul style="list-style-type: none"> Does not require under LAA, the full participation of the provincial and local authorities in the planning and implementing process is a requirement under NIRP 	<ul style="list-style-type: none"> Participation of DPs to planning, implementation and monitoring of involuntarily resettlement is encouraged. 	<ul style="list-style-type: none"> PMU will follow the NIRP and SPS as indicated in this RF.
Public disclosure including RP	<ul style="list-style-type: none"> LAA statutorily imposes all communication to be publicly announced through legal notifications in print media, and through GN offices Provided in the NEA If the project is subject to an IEE or EIA, the report should be available for the information of the public or public comments respectively. No stipulation on the public release of RP is found. 	<ul style="list-style-type: none"> Public disclosure is required 	<ul style="list-style-type: none"> RP will be disclosed to the public and will be available in the web site of RDA and ADB. The entitlement matrix will be translated in local language and distributed to DPs.
Income Restoration	<ul style="list-style-type: none"> NIRP Provides. Income should be restored and livelihood be reestablished and standard of living 	<ul style="list-style-type: none"> Income should be restored 	<ul style="list-style-type: none"> Project Management Unit (PMU) for the Project follow the NIRP and SPS. Entitlement matrix of

Aspect	GOSL Laws/Policies	SPS, 2009	Measures to Bridge the GAP
	improved.		this RF is prepared in accordance with NIRP and SPS.
Taking over possession before Payment of compensation	<ul style="list-style-type: none"> • LAA provide, NIRP does not allow • RDA's customary practice is not to remove DPs before paying compensation and other concessions. 	<ul style="list-style-type: none"> • Does not allow 	<ul style="list-style-type: none"> • PMU will follow the NIRP and SPS as indicated in this RF.
Grievance Redress Mechanism	<ul style="list-style-type: none"> • LAA has provisions for formal appeals in the country's legal system. • Establishment of a project based GRM is an explicit objective of NIRP. 	<ul style="list-style-type: none"> • SPS requires grievances of DPs to be redressed through a GRM 	<ul style="list-style-type: none"> • PMU will follow the NIRP and SPS as indicated in this RF.
Replacement Cost	<ul style="list-style-type: none"> • LAA does not provide but LARC provides • Provided in the NIRP 	<ul style="list-style-type: none"> • The DPs need to be compensated at full replacement cost. 	<ul style="list-style-type: none"> • Project Management Unit (PMU) for the Project follow the NIRP and SPS. Entitlement matrix of this RF is prepared in accordance with NIRP and SPS.
Assistance for vulnerable people	<ul style="list-style-type: none"> • LAA is silent on this aspect. NIRP require special treatment for the vulnerable groups. 	<ul style="list-style-type: none"> • SPS requires a special assistance for the vulnerable people. 	<ul style="list-style-type: none"> • Project Management Unit (PMU) for the Project follow the NIRP and SPS. Entitlement matrix of this RF is prepared in accordance with NIRP and SPS.

3. PROJECT RESETTLEMENT PRINCIPLES AND POLICIES

39. The proposed CEP will traverse through private lands which are used for agricultural, residential and commercial purposes. The acquisition of lands will displace the people physically and economically and will create adverse impacts to the community. In order to mitigate the adverse impacts created by the project, following principles and policies are established.

A. Basic Principles

- **Avoiding or minimizing involuntary resettlement by exploring all viable options.**
The project need to consider alternatives for less land acquisition, less disruption of livelihood and less resettlement plan implementation cost.
- **All DPs should be compensated and assisted.**
DPs need to be assisted for their physical and economic displacement. **Assistance for Physical Displacement** includes relocation assistance, secured tenure for relocation land, better housing with accessibility, transitional support...etc. **Assistance for Economic Displacement** includes compensation at full replacement cost for the loss of income or livelihood sources with employment and training opportunities.
- **DPs without formal legal title should receive fair and just treatment.**
The absence of formal legal title to land by displaced people should not be a bar to compensation.
- **The compensation for affected assets shall be provided at Replacement cost.**
The compensation for the acquired land, housing and other assets should be made at full replacement cost.
- **Land based compensation should be an option for compensation in the case of loss of land.**
Priority should be given the to the land-based resettlement approach for displaced persons whose livelihoods are land based. In the absence of replacement land cash compensation should be an option.
- **Vulnerable groups should be identified and given appropriate assistance.**
The vulnerable households like female headed households, families with differently able or elderly need to be identified and their livelihoods need to be restored so that they will be marginalized.
- **Existing social and cultural institutions of resettlers and their hosts should be supported.**

In relocation of DPs, efforts shall be made that the existing social and cultural institutions of the people being resettled and resettlers should be integrated economically and socially in to host community.

- **The resettlement plan preparation and its' implementation should be carried out with participation and consultation of all DPs.**

The project information need to be disclosed and DPs should be fully involved in the process of preparation of relocation sites., livelihood assistance, compensation and development options.

- **The implementation schedule and full costs of resettlement and compensation should be incorporated in to the overall project.**

The implementation schedule and budget for resettlement planning should include socio economic/census survey costs, resettlement plan updation costs, income restoration cots...etc.

- **Payment of compensation and relocation need to be completed prior to civil works contracts for the Project.**

The compensation payment and relocation need to be completed prior to award of civil works contracts for the project. Rehabilitation measures must also be in place, but not necessarily completed as these may be ongoing activities.

B. Project Policies

For the implementation of the above principles, the following policies shall apply:

1. Land acquisition and involuntary resettlement will be avoided where feasible, or minimized, by identifying possible alternative project designs that have the least adverse impact on the communities in the project area.
2. Where displacement of households is unavoidable, all DPs (including communities) losing assets, livelihoods or resources will be fully compensated at replacement cost and assisted so that they can improve, or at least restore, their former economic and social conditions.
3. Compensation and rehabilitation support will be provided to any DPs, that is, any person or household or business which on account of project implementation would have his, her or their:
 - i. Standard of living adversely affected;
 - ii. Right, title or interest in any house, interest in, or right to use, any land (including premises, agricultural and grazing land, commercial properties, tenancy, or right in annual or perennial crops and trees or any other fixed or moveable assets, acquired or possessed, temporarily or permanently;
 - iii. Income earning opportunities, business, occupation, work or place of residence or habitat adversely affected temporarily or permanently; or
 - iv. Social and cultural activities and relationships affected or any other losses that may be identified during the process of resettlement planning.

4. Cut-off dates for titleholders will be the date of notification under the LAA and for non-titled holders will be the last day of the Land Acquisition and Resettlement Survey.
5. The resettlement plan preparation and its implementation will be in accordance with Sri Lanka's *National Involuntary Resettlement Policy* and *ADB's Safeguard Policy Statement*.
6. Displaced populations will be involved in the process of developing and implementing resettlement plan.
7. DPs and their communities will be consulted about the project, the rights and options available to them, and proposed mitigation measures for adverse effects, and to the extent possible be involved in the decisions that are made concerning their resettlement.
8. DPs and host communities will be involved in resettlement site selection, layout and design.
9. The resettlement sites need to be provided with all facilities in consultation with DPs and sites should be prepared at the time of the resettling of DPs. The sites can be handed over to the housing community for maintenance after all the facilities are provided.
10. The DP households settling in resettlement sites need to be provided with title deeds for their plot of land.
11. The consultative process will include DPs, representatives of local government, leaders of host communities, civil society organizations such as NGOs, and members of community organizations such as Farmers' Organizations, Agrarian Development Councils, local social welfare organizations, religious organizations, and Young Women's Council and where relevant the members of ethnic minority communities.
12. All DPs included in the list of families to be compensated and rehabilitated or able to prove residence on, or use of, the affected land before the cut-off date are equally eligible to compensation at replacement cost and entitled to benefits from livelihood restoration measures and income rehabilitation support.
13. Compensation rates for physical assets (land, house/building/other structures) and non-physical assets (lost income from productive assets or jobs) will be calculated at replacement cost at current market value.
14. Compensation will include not only immediate losses but opportunities foregone, and will also include training for alternative livelihoods and support to cover income losses during training, and rehabilitation programs.
15. Compensation for DPs dependent on agricultural activities will be land-based wherever possible. Land-based strategies may include provision of replacement land, ensuring greater security of tenure, and upgrading livelihoods of people without legal land titles. If replacement land is not available, other strategies may be built around opportunities for re-training, skill development, wage employment, or self-employment, including access to credit. Solely cash compensation will be avoided as an option if possible, as this may not address losses that are not easily quantified, such as access to services and traditional rights, and may eventually lead to those populations being worse off than

without the project.

16. Resettlement sites, should be within the immediate vicinity of the affected lands wherever possible and be of comparable productive capacity and potential. As a second option, sites should be identified that minimize the social disruption of those affected; such lands should also have access to services and facilities similar to those available in the lands affected.
17. The resettlement plan must consider the needs of those most vulnerable to the adverse impacts of resettlement (including women, children, elderly, disabled...etc.) and ensure they are considered in resettlement planning and mitigation measures identified. Assistance should be provided to help them improve their socio-economic status.
18. Adequate budgetary support will be fully committed and made available to cover the costs of land acquisition (including compensation and income restoration measures) within the agreed implementation period.
19. Approval to award civil works contracts will not be given until the required lands have been fully acquired and DPs have been appropriately compensated and relocated in accordance with the principles set out above.
20. Where a host community is affected by the development of a resettlement site in that community, the host community shall be involved in any resettlement planning and decision-making. All attempts shall be made to minimize the adverse impacts of resettlement upon host communities.
21. Organization and administrative arrangements for the effective implementation of the resettlement planning process will be identified and in place prior to the commencement of the process; this will include the provision of adequate human resources for supervision, consultation, and monitoring of land acquisition and rehabilitation activities.
22. Appropriate reporting, monitoring and evaluation mechanisms, will be identified and set in place as part of the resettlement management system. An external monitoring group shall be hired by the project and shall evaluate the resettlement process and final outcome. Such groups may include qualified consultants, NGOs or research institutions. Monitoring reports shall be forwarded directly to the ADB.

4. ELIGIBILITY AND ENTITLEMENTS

A. Eligibility

40. Under the existing land laws (Land Acquisition Act No. 9 of 1950 and subsequent amendments), those who own land or servitudes are the primary beneficiaries eligible for statutory compensation. However, most of the non-title holders don't have testimonial evidence to suit statutory requirements of the land acquisition process and therefore they are often left out from statutory compensation processes. NIRP is an attempt to expand the coverage of beneficiaries displaced from acquisition described as non-titleholders who don't have strong testimonial evidence for their relationship to land. The LARC system is a complementary instrument that goes with the LAA to accelerate acquisition process. Mainly, it provides DPs the

difference between statutory compensation and replacement cost and concessions for a range of DPs affected economically and socially.

41. The cut-off date for eligibility for entitlement for titleholders is the date of notification under the LAA and for non-titleholders is the last day of the LARS. Persons who encroach on the area **after** the cut-off-date are **not** entitled to compensation or any other form of resettlement assistance. Although people who move into the project area and/or who construct assets after the project cut-off date are not entitled to compensation or any other form of resettlement assistance, they will be given sufficient advance notice, and requested to vacate premises and dismantle affected structures prior to project implementation.

B. Project Entitlement Matrix

Table 4.1: Entitlement Matrix

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility
A. AGRICULTURAL LAND					
A1	Loss of Agricultural land	Owner with title deed or registration certificate	<p>All (cash) payments for land will be at replacement costs.</p> <p>Cash payment for loss of standing crops and trees at market prices In case the DP loses 10% or more of their productive, income generating assets and / or remaining portion is economically not viable for continued use as determined by LARC, these options will be available: -</p> <p>1) If opted by DP, the remainder land will be acquired or injury will be paid at replacement cost.</p> <p>3) Preference will be given to DPs for land for land option (similar location and productive quality, subject to availability or cash payment for loss of land at full replacement costs. Cash Payment for loss of income for portion of land as per the land acquisition Act or as determined by the LARC.</p> <p>Reasonable time will be given to harvest perennial crops if not payment will be made at market value.</p> <p>Allowances mentioned in I2 as required.</p>	<p>Payment for lost assets and restoration of livelihood.</p> <p>Payment for loss of income based on entitlement under Land Acquisition Act [46 1] or as determined by the LARC.</p>	<p>RDA, CV, DS, LARC.</p>
A2	Loss of access to agricultural land	Tenant, user with lease	<p>No payment for land.</p> <p>Cash payment for loss of standing crops and trees at market prices, if cultivated by tenant or user with lease; AND Cash payment for loss of net income for portion of land affected for</p>	<p>Payment to cover lost crops and restoration of livelihood</p>	<p>RDA, CV, DS, LARC.</p>

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility
			<p>the remaining leased/assigned period.</p> <p>Reasonable time will be given to harvest perennial crops if not payment will be made at market value.</p> <p>Allowances mentioned in I2 as required.</p>		
A3	Loss of access to agricultural land	Ande farmer (sharecropper)	<p>No payment for land.</p> <p>Payment for trees and crops shall be shared between owner and sharecropper according to the sharecropping agreement;</p> <p>Reasonable time will be given to harvest perennial crops if not payment will be made at market value.</p> <p>Allowances mentioned in I2 as required.</p>	Payment to cover lost crops and restoration of livelihood	RDA, CV, DS, LARC.
A4	Loss of access to agricultural land	Non-titled user or squatter on private land or state land	<p>No payment for land.</p> <p>Cash payment for loss of standing crops and trees at market prices, if cultivated by him/her.</p> <p>Reasonable time will be given to harvest perennial crops if not payment will be made at market value.</p> <p>Allowances mentioned in I2 as required.</p>	Payment to cover lost crops and restoration of livelihood.	RDA, CV, DS, LARC.
B. NON AGRICULTURAL LAND/BARE LANDS					
B1	Loss of Non Agricultural/Bare land	Owner with title deed or registration certificate	<p>All (cash) payments for land will be at replacement costs.</p> <p>Cash payment for any developments at market prices if developed by the DP.</p> <p>In case the remaining portion of the land is incapable of being</p>	Payment for lost based on entitlement under Land Acquisition Act [46 1] or as determined by the	RDA, CV, DS, LARC.

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility
			utilized as a separate entity LARC may give an allowance to the owner if he/she wishes to retain the extra portion.	LARC.	
B2	Loss of Non Agricultural/Bare land	Tenant, user with lease	No payment for land. Cash payment for any developments at market prices if developed by the tenant or user with lease; AND Cash payment for loss of net income for portion of land affected for the remaining leased/assigned period.	Payment to cover lost assets.	RDA, CV, DS, LARC.
B3	Loss of Non Agricultural/Bare land	Non-titled user or squatter on private land or state land	No payment for land. Cash payment for any developments at market prices if developed by the DP.	Payment to cover lost assets.	RDA, CV, DS, LARC.
C. RESIDENTIAL LAND AND STRUCTURES					
C1	Loss of Residential land and structure	Owner with title deed or registration certificate	All (cash) payments for land will be made at replacement cost. All (cash) payments for structure will be made at replacement cost considering i) for parts of structure: the floor area to be considered for payment up to the structural points ii) If the remaining portion of the structure is not suitable for further usage LARC will consider to pay the compensation for that part as well. All payments at replacement cost in cash, according to the actual loss to repair or rebuild the structure to original or better condition when remaining land sufficient to rebuild upon (the floor area to be considered for payment up to the structural points) For structures not having sufficient land to rebuild upon will be	Payment for lost based on entitlement under Land Acquisition Act [46 1] or as determined by the LARC. Assistance to reorganize on existing land or relocate on alternate land and support for transition period.	RDA, CV, DS, LARC.

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility
			<p>entitled to the following:</p> <ol style="list-style-type: none"> 1. All (cash) payments for land and structure at full replacement cost (for materials and labor) in cash, WITHOUT deduction for depreciation or salvageable materials; 2. Assistance from LARC to locate alternative plot for relocation; OR relocation to a resettlement site if developed by the project and decided by DP (undeveloped value of the land plot will be recovered by RDA from the DP); OR an extra allowance between Rs. 150,000 to Rs. 500,000 depending on the location for self relocation. <p>Allowances mentioned G, H and J as required.</p>		

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility																	
C2	Loss of rental accommodation	Owner, Tenant, user with lease	<p>No payment for land.</p> <p>If there is partial loss of rental accommodation, DP has the option to stay with the owners agreement OR if there is a complete loss and DP chooses to move out, difference between replacement cost and statutory payment to be divided between the owner and the occupant on the following basis.</p> <table border="1" data-bbox="737 613 1356 987"> <thead> <tr> <th data-bbox="737 613 1014 675" rowspan="2">Period of occupation</th> <th colspan="2" data-bbox="1014 613 1356 675">% of payment</th> </tr> <tr> <th data-bbox="1014 675 1173 737">occupant</th> <th data-bbox="1173 675 1356 737">owner</th> </tr> </thead> <tbody> <tr> <td data-bbox="737 737 1014 799">Over 20 years</td> <td data-bbox="1014 737 1173 799">75</td> <td data-bbox="1173 737 1356 799">25</td> </tr> <tr> <td data-bbox="737 799 1014 860">10-20 years</td> <td data-bbox="1014 799 1173 860">50</td> <td data-bbox="1173 799 1356 860">50</td> </tr> <tr> <td data-bbox="737 860 1014 922">05-10 years</td> <td data-bbox="1014 860 1173 922">25</td> <td data-bbox="1173 860 1356 922">75</td> </tr> <tr> <td data-bbox="737 922 1014 987">Less than 05 years</td> <td data-bbox="1014 922 1173 987">10</td> <td data-bbox="1173 922 1356 987">90</td> </tr> </tbody> </table> <p>Allowances mentioned G, H and J as required.</p>	Period of occupation	% of payment		occupant	owner	Over 20 years	75	25	10-20 years	50	50	05-10 years	25	75	Less than 05 years	10	90	Equitable distribution of compensation depending on the period of occupation.	RDA, CV, DS, LARC.
Period of occupation	% of payment																					
	occupant	owner																				
Over 20 years	75	25																				
10-20 years	50	50																				
05-10 years	25	75																				
Less than 05 years	10	90																				
C3	Loss of Residential land and structure	Non-titled user, non-permitted user or squatter	<p>No payment for land.</p> <p>All (cash) payments for structure will be made at replacement cost considering i) for parts of structure: the floor area to be considered for payment up to the structural points ii) If the remaining portion of the structure is not suitable for further usage LARC will consider to pay the compensation for that part as well.</p>	Payment for lost assets and provision of alternate site if choosing to relocate and support for transition period.	RDA, CV, DS, LARC.																	

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility
			<p>Assistance from LARC to locate alternative plot for relocation; OR relocation to a resettlement site if developed by the project and decided by DP OR an extra allowance between Rs. 150,000 to Rs. 500,000 depending on the location for self relocation.</p> <p>Allowances mentioned G, H and J as required.</p>		
D. COMMERCIAL LAND AND STRUCTURE					
D1	Loss of commercial land and structure	Owner / operator of business	<p>All (cash) payments for land will be made at replacement cost.</p> <p>All (cash) payments for structure will be made at replacement cost considering i) for parts of structure: the floor area to be considered for payment up to the structural points ii) If the remaining portion of the structure is not suitable for further usage LARC will consider to pay the compensation for that part as well.</p> <p>All payments at replacement cost in cash, according to the actual loss to repair or rebuild the structure to original or better condition when remaining land sufficient to rebuild upon (the floor area to be considered for payment up to the structural points)</p> <p>For structures not having sufficient land to rebuild upon will be entitled to the following:</p> <ol style="list-style-type: none"> 1. All (cash) payments for structure at full replacement cost (for materials and labor) in cash, WITHOUT deduction for depreciation or salvageable materials; 2. Assistance from LARC to locate alternative plot for relocation; OR relocation to a resettlement site if developed by 	<p>Payment for lost based on entitlement under Land Acquisition Act [46 1] or as determined by the LARC. Project shall give reasonable time for DPs to continue their business operation while rebuilding their structures. DPs will rebuild their structure as soon as payment is released and clear the area in the agreed timeframe. Transition</p>	<p>RDA, CV, DS, LARC.</p>

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility															
			<p>the project and decided by DP (undeveloped value of the land plot will be recovered by RDA from the DP); OR an extra allowance between Rs. 150,000 to Rs. 500,000 depending on the location for self relocation.</p> <p>3. For income losses of Formal businesses: cash payment, average annual net profits from business as shown by the books of accounts, for three years immediately preceding acquisition. For businesses who do not maintain books of accounts cash payment equivalent to 3 months net income OR Rs. 15,000 Livelihood assistance grant, whichever is higher.</p> <p>Allowances mentioned G, H, I and J as required.</p>	assistance and income restoration.																
D2	Loss of rental accommodation	Tenant operator registered business / of	<p>No payment for land.</p> <p>If there is partial loss of rental accommodation, DP has the option to stay with the owners agreement OR if there is a complete loss and DP chooses to move out, difference between replacement cost and statutory payment to be divided between the owner and the occupant on the following basis.</p> <table border="1" data-bbox="732 1078 1354 1391"> <thead> <tr> <th data-bbox="732 1078 1014 1141">Period of occupation</th> <th colspan="2" data-bbox="1014 1078 1354 1117">% of payment</th> </tr> <tr> <td data-bbox="732 1141 1014 1205"></td> <th data-bbox="1014 1141 1173 1205">occupant</th> <th data-bbox="1173 1141 1354 1205">owner</th> </tr> </thead> <tbody> <tr> <td data-bbox="732 1205 1014 1268">Over 20 years</td> <td data-bbox="1014 1205 1173 1268">75</td> <td data-bbox="1173 1205 1354 1268">25</td> </tr> <tr> <td data-bbox="732 1268 1014 1331">10-20 years</td> <td data-bbox="1014 1268 1173 1331">50</td> <td data-bbox="1173 1268 1354 1331">50</td> </tr> <tr> <td data-bbox="732 1331 1014 1391">05-10 years</td> <td data-bbox="1014 1331 1173 1391">25</td> <td data-bbox="1173 1331 1354 1391">75</td> </tr> </tbody> </table>	Period of occupation	% of payment			occupant	owner	Over 20 years	75	25	10-20 years	50	50	05-10 years	25	75	Cash payment for livelihood restoration, assistance for finding alternate rental accommodation and support for income losses and during transition period.	RDA, CV, DS, LARC.
Period of occupation	% of payment																			
	occupant	owner																		
Over 20 years	75	25																		
10-20 years	50	50																		
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Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility			
			<table border="1" data-bbox="737 293 1352 354"> <tr> <td data-bbox="737 293 1016 354">Less than 05 years</td> <td data-bbox="1016 293 1173 354">10</td> <td data-bbox="1173 293 1352 354">90</td> </tr> </table> <p data-bbox="674 418 1419 623">For income losses of Formal businesses: cash payment, average annual net profits from business as shown by the books of accounts, for three years immediately preceding acquisition. For businesses who do not maintain books of accounts cash payment equivalent to 3 months net income OR Rs. 15,000 Livelihood assistance grant, whichever is higher.</p> <p data-bbox="674 656 1241 683">Allowances mentioned G, H, I and J as required.</p>	Less than 05 years	10	90		
Less than 05 years	10	90						
D3	Loss of commercial land and structure	Non-titled user, non-permitted user or squatter	<p data-bbox="674 721 968 748">No payment for the land.</p> <p data-bbox="674 781 1419 985">All (cash) payments for structure will be made at replacement cost considering i) for parts of structure: the floor area to be considered for payment up to the structural points ii) If the remaining portion of the structure is not suitable for further usage LARC will consider to pay the compensation for that part as well.</p> <p data-bbox="674 1018 1419 1187">All payments at replacement cost in cash, according to the actual loss to repair or rebuild the structure to original or better condition when remaining land sufficient to rebuild upon (the floor area to be considered for payment up to the structural points)</p> <p data-bbox="674 1219 1419 1284">For structures not having sufficient land to rebuild upon will be entitled to the following:</p> <p data-bbox="674 1317 1419 1382">1. All (cash) payments for structure at full replacement cost (for materials and labor) in cash, WITHOUT deduction for</p>	Payment for lost assets, transition assistance and income restoration	RDA, CV, DS, LARC.			

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility
			<p>depreciation or salvageable materials;</p> <p>2. Assistance from LARC to locate alternative plot for relocation; OR relocation to a resettlement site if developed by the project and decided by DP; OR an extra allowance between Rs. 150,000 to Rs. 500,000 depending on the location for self relocation.</p> <p>3. For income losses of Formal businesses: cash payment, average annual net profits from business as shown by the books of accounts, for three years immediately preceding acquisition. For businesses who do not maintain books of accounts cash payment equivalent to 3 months net income OR Rs. 15,000 Livelihood assistance grant, whichever is higher.</p> <p>Allowances mentioned G, H, I and J as required.</p>		
E. OTHER PRIVATE PROPERTIES OR SECONDARY STRUCTURES					
E1	Partial or complete loss of other property or secondary structure (i.e. shed, outdoor latrine, rice store, animal pen etc)	Owners of structures (regardless if the land is owned or not)	All (cash) payments for affected structure at replacement cost; OR Cost of repair of structure to original or better condition; OR Cash assistance for relocation of structure.	Payment for loss and relocation if required	RDA, CV, DS, LARC.
E2	Loss of tombs or graves	All owners	All cash payments per tomb to cover the cost of exhumation (including any religion ceremony) if required relocation.	Payment for loss and relocation if required	RDA, CV, DS, LARC.

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility
F. LOSS OF INCOME OF EMPLOYEES OR HIRED LABORERS					
Temporarily Affected					
F1	Loss of livelihood (i.e. while businesses are reorganizing on remaining land or relocating in the same area)	All affected employees, wage or daily laborers' in private or government businesses	Cash payment as determined by the LARC.	Businesses will be encouraged to retain existing employees Payment for lost income during business re-establishment	RDA, CV, LARC
F2	Loss of livelihood	All affected Self employees	Loss of livelihood payment as determined by the LARC.	Payment for lost income during employment re-establishment	RDA, CV, LARC
Permanently Affected					
F3	Job loss due to relocation of business to another area or business operator decides not to re-establish	All affected employees, wage or daily laborers in private or government businesses	Cash payment as determined by the LARC.	Payment for lost income, rehabilitation package to provide support and income restoration	RDA, CV, LARC

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility										
G. TREES & STANDING CROPS (already included under A)															
G1	Loss of crops and trees	Person who cultivates crops and/or trees owns by private /state; if the trees in private the timber given to owner and if trees in state land the timber given to timber cooperation; (regardless if the land is owned or not)	For owner, payment for crops and trees at market prices; For tenant, payment for crops shall be paid to tenant; For sharecropper, payment for crops shall be shared between owner and sharecropper according to the sharecropping agreement; For all - advance notice to harvest crop; AND Payment for net value of crops where harvesting is not possible; AND Cash payment for loss of trees and standing crops at market prices; AND Rights to resources from privately owned trees (i.e. timber or firewood) All felled trees will be given back to the owners.	Payment for losses. Payment for trees calculated on market value on the basis of land productivity, type, age, and productive value of affected trees	RDA, CV, DS, LARC										
H. LIVELIHOOD RESTORATION & REHABILITATION ASSISTANCE															
Shifting Allowance															
H1	Loss of residential/commercial structures	Relocating DPs/ DPs reorganizing or rebuilding on same plot	A shifting allowance shall be paid to the DPs based on the floor area of the structure in which they were resident prior to the acquisition. Payments will be as follows. <table border="1" data-bbox="674 1198 1409 1421"> <thead> <tr> <th>House category (on floor area) (Sq.ft)</th> <th>Payment (Rs)</th> </tr> </thead> <tbody> <tr> <td>Less than 500</td> <td>50,000</td> </tr> <tr> <td>500 - 750</td> <td>75,000</td> </tr> <tr> <td>750 - 1000</td> <td>100,000</td> </tr> <tr> <td>More than 1000</td> <td>150,000</td> </tr> </tbody> </table>	House category (on floor area) (Sq.ft)	Payment (Rs)	Less than 500	50,000	500 - 750	75,000	750 - 1000	100,000	More than 1000	150,000	Payment for disturbance and to assist in rebuilding	RDA, CV, DS, LARC
House category (on floor area) (Sq.ft)	Payment (Rs)														
Less than 500	50,000														
500 - 750	75,000														
750 - 1000	100,000														
More than 1000	150,000														

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility																				
Temporary Accommodation																									
H2	Loss of residential structures	Relocating DPs/ DPs reorganizing or rebuilding on same plot	<p>Rent allowance shall be paid to the DPs based on the floor area of the house in which they were resident prior to the acquisition. Payments will be as follows.</p> <table border="1"> <thead> <tr> <th>House category (on floor area) (Sq.ft)</th> <th>Municipal Council Area (Rs)</th> <th>Urban Council Area (Rs)</th> <th>Pradesh iya Sabah Area (Rs)</th> </tr> </thead> <tbody> <tr> <td>Less than 500</td> <td>50,000</td> <td>40,000</td> <td>20,000</td> </tr> <tr> <td>500 - 750</td> <td>60,000</td> <td>50,000</td> <td>30,000</td> </tr> <tr> <td>750 - 1000</td> <td>75,000</td> <td>60,000</td> <td>40,000</td> </tr> <tr> <td>More than 1000</td> <td>100,000</td> <td>75,000</td> <td>50,000</td> </tr> </tbody> </table>	House category (on floor area) (Sq.ft)	Municipal Council Area (Rs)	Urban Council Area (Rs)	Pradesh iya Sabah Area (Rs)	Less than 500	50,000	40,000	20,000	500 - 750	60,000	50,000	30,000	750 - 1000	75,000	60,000	40,000	More than 1000	100,000	75,000	50,000	Payment for disturbance and to assist in rebuilding	RDA, CV, DS, LARC
House category (on floor area) (Sq.ft)	Municipal Council Area (Rs)	Urban Council Area (Rs)	Pradesh iya Sabah Area (Rs)																						
Less than 500	50,000	40,000	20,000																						
500 - 750	60,000	50,000	30,000																						
750 - 1000	75,000	60,000	40,000																						
More than 1000	100,000	75,000	50,000																						
I LIVELIHOOD RESTORATION (ASSISTANCE & TRAINING)																									
I1	Permanent effects on livelihood	Severely affected commercial owners	Assistance to reestablish businesses with professional assistance and advice, credit facilities, if required, to invest funds or to set up a business at a commercially viable location.	Access to existing credit facilities.	RDA, IRP Specialist																				
I2	Permanent effects on livelihood	Severely affected farmers remaining on affected land/farmers who wish to continue farming in new lands	Assistance to increase productivity (i.e. increasing cropping intensity, use of high yielding seeds, diversification and introduction of new seeds or crops etc) and assistance to access existing subsidies.	Access to existing agricultural extension services and development of new services as per the specific needs of DPs as identified through consultation with them, support for access to existing	RDA, IRP Specialist																				

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility
				subsidies, development and training from Department of Agriculture, Tea Smallholding Authority, Agrarian Services Department, Coconut Development Board, and Rubber Control Department	
J. SPECIAL ASSISTANCE					
J1	Loss of Residential Building/ Agricultural land	Owner of residential structure or Agricultural land.	Ex-gratia payment will be paid if the DP handed over the possession of a cultivated land or a residential building before the date specified by the Acquisition Officer. The payment will be determined by the LARC.	To encourage DPs to handover the acquired properties on a timely basis.	RDA, CV, DS, LARC
J2	Effects on sub families	Sub families living in the same house	Assistance from LARC to locate alternative plot for relocation; OR relocation to a resettlement site if developed by the project and decided by DP; OR 50% of the self relocation allowance.	Assistance for re establishment.	RDA, CV, DS, LARC
J3	Effects on vulnerable DPs	Vulnerable DPs including the female - headed households, elderly people	A special grant for DP household to improve living standards of vulnerable DPs and assistance to in finding suitable land for relocation and shifting.	Assistance, over and above payment for lost assets, to reduce impacts of resettlement	RDA, CV, DS, LARC

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility
		(60 years) and differently able.		which can disproportionately affect the already vulnerable and to ensure that the project does re-establish the levels of vulnerability or marginalization	
K. COMMUNITY ASSETS					
KI	Loss of buildings and other structures (schools, temples, clinics, common wells etc), infrastructure (local roads, footpaths, bridges, irrigation, water points or communal hand pumps etc), common resources	Divisional Secretary of the division, village, local community or local authority owning or benefiting from community property, infrastructure or resources	Restoration in existing location of affected community buildings, structures, infrastructure and common property resources to original or better condition; OR Replacement in alternative location identified in consultation with affected communities and relevant authorities; OR (Cash) Payment at full replacement cost; AND restoration of buildings, structures, infrastructure, services or other community resources.	Full restoration of buildings, structures, infrastructure, services or other community resources (costs to be borne by project) or payment for such if agreement for local authority or community to undertake the restoration works.	RDA, CV, DS, LARC

Item	Type of loss	Entitled Persons	Entitlements	Intent/ Requirement	Responsibility
	(such as water supply, community forests)				
L. Unanticipated Resettlement					
	Any unanticipated adverse impact due to project intervention	Any unanticipated consequence of the project will be documented and mitigated based on the spirit of the principles agreed upon in this policy framework.			

5. PROCESS FOR RESETTLEMENT PLAN PREPARATION

42. Resettlement screening has been completed for the project. The project impacts are significant, more than 200 people will experience major impacts, being physically displaced from housing or losing 10% of their productive assets. Therefore, the project is categorized as Category A project requiring to prepare a full resettlement plan as per the ADB Safeguards Policy Statement, 2009. The Involuntary Resettlement checklist is attached in Annexure 5.1. NIRP also requires a preparation of a full resettlement plan if 20 or more families are affected. A resettlement plan will be prepared for the project based on this resettlement framework. The resettlement plan will be updated later once the land acquisition plans (Preliminary Plans) are available. The resettlement plan preparation guidelines are as follows.

Conducting Land Acquisition and Resettlement Survey and Socio economic Survey

43. A census survey¹ need to be carried out for the project area to identify all DPs. The census survey should include following;

- Total and affected areas of land, by type of land assets;
- Total and affected areas of structures, by type of structure (main or secondary);
- Ownership status of affected land and structure assets;
- Quantity of other losses, e.g., business or other income, jobs or other productive assets;
- Quantity and types of affected crops and trees;
- Quantity/area of affected common property, community or public assets, by type;
- Socio economic data on DP households; and
- DP preferences for compensation and relocation.

44. The survey process is a participatory process involving the DPs, with the following procedures established for the project:

- The enumerators need to be trained about the survey activities and legal procedures of LAA with the assistance of ESDD prior to the starting of the survey.
- The survey activities should be informed to the relevant Divisional Secretaries and Grama Niladaries and DPs need to be informed through them. The DPs should be informed about the survey schedule, and provides them with clear information about the project, the rights and entitlements of DPs and the procedures of LAA and LARC and payment of compensation.
- In cases where DPs are unavailable for the survey, the joint team will make three call-backs to collect data from DPs.

45. The RP preparation consultant and RDA will continue consultations with DPs to identify their preferences and special needs, and incorporate such provisions in the plans. In addition, information on market prices for land, crops, structures and other assets collected through a market rates survey will enable resettlement cost estimates.

46. The plan will be prepared in accordance with this project resettlement framework. The requirements for a full resettlement plan are:

¹ Census is a count of all displaced persons irrespective of they are titled or non titled land ownership status.

- A. Executive Summary
- B. Project Description
- C. Scope of Land Acquisition and Resettlement
- D. Socio economic information and Profile
- E. Information Disclosure, Consultation and Participation
- F. Grievance Redress Mechanisms
- G. Legal Framework
- H. Entitlements, Assistance and Benefits
- I. Relocation of Housing and Settlements
- J. Income Restoration and Rehabilitation
- K. Resettlement Budget and Financing Plan
- L. Institutional Arrangements
- M. Implementation Schedule
- N. Monitoring and Reporting

Resettlement Plan Disclosure

47. The copies of the RPs in all three languages will be placed in relevant PMU, DS offices, and Local Authorities prior to ADB approval and will be disclosed to DPs. Once ADB approves the resettlement plan it will be disclosed on the websites of ADB and RDA.

6. CONSULTATION, PARTICIPATION AND DISCLOSURE

48. Information dissemination, consultation and participatory process involved with DPs and other stakeholders will maintain transparency throughout the land acquisition and resettlement process. This openness reduces potential conflicts; minimize risk of project delays and help PMU to formulate resettlement and rehabilitation to suit the needs of DPs.

49. In line with this approach, prior to land acquisition and resettlement process commenced, PMU conducted two day workshop in May 2014 to improve mutual understanding on the roles and responsibilities of key collaborating partner agencies responsible for land acquisition namely, Ministry of Land and Land Development, Departments of Valuation, Survey and the Divisional Secretaries. Then Ministry of Ports and Highways supported the PMU to organize these workshops and they served as important forums in reaching consensus on complicated legislative issues.

Consultation during the formulation of Resettlement Plan

50. During resettlement plan preparation and when carrying out Land acquisition and resettlement survey key informant interviews and informal meetings with DPs and various stakeholders will be carried out. This process will start off with a meeting with the Divisional Secretaries along the roads to provide project background and relevant details to the Divisional Secretary and to also identify each of the Grama Niladaris divisions affected. Meetings should then be held with the Grama Niladaris of affected divisions prior to any other public meetings, one on one interviews with DPs, or the commencement of any survey.

51. Keeping the Divisional Secretaries and Grama Niladari informed is an important part of

the process as they form the backbone of the existing administrative and communications structure and are often sought out to adjudicate disputes and grievances.

52. For the updating of the plan (based on preliminary plans) further consultation and participation will be undertaken to ensure that information on the overall project, implementation schedule, resettlement and land acquisition, eligibility and compensation issues are properly understood and accepted by the affected communities.

Public Information Disclosure

53. Apart from the regular meetings with DPs, Divisional Secretaries, Grama Niladari and other relevant agencies, the disclosure process for the project will be in the form of a PIB that will be prepared, translated into Sinhalese and Tamil, and distributed to ensure that the DPs and various stakeholders of the affected areas fully understand the details of the resettlement plan program, compensation and rehabilitation measures applicable to the project.

The general contents of the PIB will include the following:

- Brief description of the project;
- Types of impacts expected;
- Basic compensation policy and entitlements;
- Outline of livelihood restoration measures;
- Consultation and participation of DPs and community;
- Implementation schedule; and
- Who to contact for additional information.

54. In addition to the PIB, posting of the plan and overall implementation schedule in communities and project offices will be carried out and updated regularly. These activities will continue throughout the implementation of the project.

7. GRIEVANCE REDRESS MECHANISM

A. Grievance Redress Mechanism for the Project

55. Preventative measures need to be taken to minimize grievances rather than going through a redress system. Grievances can be minimised through careful project design and implementation by ensuring full and honest participation and consultation with DPs, supported by a constructive dialogue between the community and project staff through frequent interactions, transparency and monitoring.

56. A Grievance Redress Mechanism was introduced to this project at the inception to address the issues raised by the public with regard to the project implementation since a GRM provides a predictable, transparent and credible process to all parties, resulting in outcomes that are seen as fair, effective and lasting. Accordingly, Grievance Redress Committees (GRC) have been appointed to take necessary steps in order to harmonize project activities as well as the well being of the General Public.

Objectives of GRM

57. The main objective of establishing GRM is to resolve problems in an efficient, timely and cost effective manner in a cordial environment with the participation of all stakeholders including

affected parties. Under the GRM, it shall describe the options available to the project for grievance redress. Any environmental or social impacts (other than issues of valuation and compensation) that would be adversely affecting the general public in the project area should be resolved at the GRC.

58. GRM should be able to provide benefits to both the project and affected parties by setting up following objectives,

- Provide a forum for redressing grievance and disputes at the lowest level.
- To create effective communication between the project and DPs.
- To build up productive relationship among the all stakeholders including DPs.
- Provide access to affected parties to negotiate and influence the decisions and policies of the project which might be adversely affected to them.
- Mitigates or prevents adverse impacts of the project on communities and produces appropriate corrective or preventive action.
- To harmonize both project and activities of DPs.

Implementation of GRM

59. The GRM designed for CEP is two staged. Accordingly two (2) GRCs will be appointed for these two stages. The higher level GRC will be formulated at Divisional Secretariat level, while the lower level (ground level) GRC will be formulated at Grama Niladari Level.

- **Step 1 - Grievance Redress Committee**

60. Step 1 GRC is comprised by following members.

Social Safeguards Officer/Resettlement Officer	- Chairman
Grama Niladari	- Secretary
Project Engineer/PMU	- Member
Representative of Contractor	- Member
Representatives from a Social Organization (if necessary)	- Member
Community member (if necessary)	- Member

61. Committee meetings will be conveyed by the GN (Secretary of Step 1 GRC). The chairman of Step 1 GRC is expected to take appropriate action with the consultation of other committee members within given three weeks time and to be informed immediately to DPs.

- **Step 2 - Grievance Redress Committee**

62. The issues that could not be resolved by Step 1 GRC, will be forwarded to Step 2 GRC within seven days (working days) of the final decision of Step 1 GRC. Step 2 GRC is comprised by following members.

- Divisional Secretary / Asst. Divisional Secretary - Chairman
- Social Safeguards Officer of PMU - Secretary
- Chief Engineer RDA - Member
- Chairmain Samatha Mandalaya - Member
- A respective clergy from the area - Member
- Community Leader -Member

63. The main objective of Step 2 GRC is to review the issues in a policy point of view and to take appropriate policy measures to overcome such issues. Accordingly Step 2 GRC is requested to convey its decisions to Step 1 GRC and other relevant parties within four (4) weeks time (from the date of receiving issues from Step 1 GRC) without further delay to take immediate actions.

64. The Chairman of Step 2 GRC has no casting vote since the Chairman of this GRC should be an independent person and he/she is expected to consult relevant parties to take policy decisions for the issues in a broad point of view. Refer Annexure 7.1 for the structure of GRC.

B. Other agencies that the DPs could forward their Grievances

Land Acquisition Compensation Review Board (LARB)

65. There is a provision in the LAA itself for any aggrieved party to appeal to the LARB, in respect of the statutory valuation determined by the Valuation Department. Such appeals should be made within 21 days of the award of the compensation under section 17 of LAA.

Samatha Mandalaya – SM (Board of Mediation)

66. This is a body of distinguished citizens functioning as a conflict resolving committee appointed by the Ministry of Justice for each Judicial District, the decisions of the Samataha Mandalaya is not binding on the parties to the conflict. It has no mandate to enforce decisions, this is purely a consultative process, and disputes between DPs could be referred to SM to persuade the parties to arrive at an amicable solution without resorting to protracted litigation.

Human Rights Commission (HRC)

67. By the constitution of Sri Lanka, commission has been established to entertain and inquire into the violation of human rights by state officials and agencies. This is a built in

mechanism provided by the state to safeguard the rights of the citizens against arbitrary and illegal actions of the state officials. An aggrieved party could seek relief from HRC. Chairman and members of the HRC is appointed by the President.

Parliamentary Ombudsman

68. Independent official appointed under the Constitution, to inquire into the grievances brought to his notice by the members of the public.

Parliament Petition Committee (PPC)

69. An aggrieved member of public could bring to the notice of the Hon. Speaker of Parliament through a member of parliament (peoples' representative) about his grievance. Hon. Speaker will direct the PPC to inquire into the matter. The committee will direct the offending party to provide relief to the aggrieved, if the committee finds that relief sought is justifiable.

Parliament Consultative Committee of the Ministry of Highways and Higher Education

70. This is another forum where an aggrieved DP could direct his grievance. Secretary to the Ministry of Highways and Higher Education, Chairman and Director General and other relevant senior officers are members of this committee which will be chaired by the Minister in charge of the portfolio of highways.

Litigation

71. A DP aggrieved by a decision of any public official in the process of implementation of the land acquisition and implementation process could challenge such decisions in an appropriate court of law, if such person is unsuccessful in obtaining a reasonable redress through discussions.

Legal Aid Commission

72. Government of Sri Lanka has established an agency to help people who cannot afford legal expenses, when they seek redress from the judiciary .On an application made to the Secretary of the Legal Aid Commission with evidence of his income, the Legal Aid Commission will make arrangements to appear for the aggrieved party in a court of law without fees.

8. RESETTLEMENT STRATEGY

Valuation of Land & Assets in the Project

The Chief Valuer of the Valuation Department will have the responsibility of determining the compensation rate as per statutory directives (LAA act) as well as the replacement costs for all types of losses to be applied in project area.

The following approach will be adopted for determining the replacement value:-

- The Chief Valuer / Office will determine the compensation as per statutory directives for all assets and entitlements.
- The Chief Valuer / Office will determine the replacement value / costs for all types of

losses at current market value following the international valuation best practice. The Chief valuer and the valuation department will establish the methodology and principles for determining the replacement costs for all types of losses that are acceptable to both DPs and RDA. These rates will be reviewed and updated on an annual basis by the Chief valuer during the course of project implementation.

- During payment of compensation to DPs, there will be a detailed breakdown of all entitlements and against each entitlement the amount as per statutory compensation will be indicated as well as that determined as per replacement value in order to ensure transparency.

Loss of Land

73. The replacement cost will be paid for the lands. In valuating lands, the trees and crops will be considered. If the remaining portion of land is not viable, LARC will take a decision on acquiring the remaining portion depending on the preference of the DP.

Loss of Structures

74. Replacement cost will be paid for all buildings irrespective of the age of the building. DPs are entitled to retain the salvage materials. In order to translate the concept of helping the displaced persons to achieve a higher level of living standard than what they experienced prior to the implementation of the project, a DP who was in occupation of even a cadjan hut (temporary) is entitled to a cash grant for the loss of the house in addition to other compensation available for them.

Shifting Allowance

A shifting allowance will be paid to the DPs who are relocating in the range of Rs.50,000 – Rs. 150,000 based on the floor area of the house in which they were resident prior to the date of the order published under Section 2 of the Act.

Temporary Accommodation

A rent allowance will be paid for DPs who are relocating based on the floor area of the house in which they were resident prior to the date of the order published under Section 2 of the act.

Incentive Payment for handing over possession of properties before deadline

If the affected person hand over the possession of a cultivated land or a residential building before the date specified by the acquiring officer, they shall be entitled for an ex gratia payment determined by the LARC.

Special Needs of Vulnerable Households

75. Vulnerable households need to be identified during the census survey. Women headed households, families with very elderly persons, differently able persons have been included in to this category. They are entitled to a special grant of money per household decided by LARC in

addition to the compensation available for other losses. PMU will support them during the construction of their houses.

Special Preparation for the Vulnerable Groups

76. PMU undertakes to develop specific plans for the vulnerable groups as they would feel the effect of resettlement more seriously than others. The identified group of vulnerable people will be helped by community organizers who will identify their needs and interests in consultation with them, prior to resettlement. These community workers in a position to help the vulnerable DPs to build their skills, identify opportunities, and review constraints that hinder improvement to their socio economic status with the support of PMU. The small groups of vulnerable people depending on the category and degree of vulnerability may be linked to national institutions that provide assistance and interventions to such groups.

Schools for children of DP families

DPs who are relocating need to find new schools for their children in the place where they relocate. The PMU will assist/coordinate with Department of Education to find new schools for children.

Lands less than six perches

If a less than six perches are remaining after land acquisition, the PMU will assist the DPs get building approval to build their houses in remaining land through local authorities.

Self Relocation

The DPs who wish to relocate on their own will be facilitated by providing cash entitlement varying from Rs. 150,000 to Rs. 500,000 depending on the area of relocation.

Developing Resettlement Sites

77. The resettlement sites will be developed by the project if the sites are requested by the DPs. The DPs with titled ownership who lose residential or commercial structures and who need relocation will be eligible for 20 perches land plot in the site. If decided by the LARC, the non titled owner will also receive 10 perches land plot from a resettlement site. The sub families living in the same house, in fulfilling certain criteria will receive the same 10 perches land plot.

78. The project with the assistance of the relevant Divisional Secretaries will identify possible resettlement sites to be developed by the project. The selection of the sites will be based on the following criteria.

- The site selection should be a participatory process with the involvement of DPs and host communities. They should be allowed to participate in decisions of site selection, layout and design and development.
- The site should be within at least 1km radius of the place of dislocation of DPs.
- The sites should not be very close to the expressway.
- All civic and social infrastructure should be ready before the resettlement of DPs.

- A title deed need to be provided for all DP households relocating in the site.

Livelihood and Income restoration Strategy

79. The project trace traverses through semi urban and rural setting. The land acquisition will create severe impacts for the DPs with productive assets like commercial structures and agricultural lands as they lose their livelihoods. The project policies encourage for reestablishment of livelihood and DPs achieving at least pre project living standard or higher.

80. All DPs whose livelihood are affected will be supported for income losses and those whose livelihoods are affected adversely will be assisted with livelihood restoration measures (including allowances and interventions for severely affected, poor and vulnerable DPs); The livelihood restoration will be carried out through a separate consultancy and DPs will be selected for the program through an initial survey. The income restoration measures will include following;

- A livelihood restoration grants to offset lost income not directly compensated for and to assist as seed money for re-establishing a business at a new location or setting up a new business if DP has to change their livelihood;
- Vocational or skills training – DPs who will suffer major livelihood losses will also be entitled to training for up to two members of their households and subsistence allowance during the training period. Training can include entrepreneurial development training, basic skills training (for example, improving literacy and numeracy), and household budgeting and domestic financial management (linked with assistance in accessing existing micro-credit facilities);
- Agricultural extension assistance – farmers losing considerable portion of their land and who remain on their land will be given assistance to improve the productivity of the remaining agricultural land. This will be provided through training from Department of Agriculture, Tea Smallholding Authority and Agrarian Services Department.
- Project-related employment (for unskilled and semi-skilled tasks during construction) - severely affected and vulnerable groups will be given priority for project-related employment opportunities as drivers, carpenters, masons, clearing and digging work, and if possible as clerks or basic administration support staff. To this end the contract documentation will need to include a clause requiring contractors to preferentially recruit DPs; and
- In the spirit of “resettlement with development” which requires that the resettlement of those forcibly giving up assets or being displaced should be treated as an opportunity for development so as to improve their livelihoods after relocation, the project includes a special assistance grant for DPs that are vulnerable (i.e. the elderly, female headed households, the disabled with little or no other means of support) to improve their living standards or at least ensure that the project does not merely re-establish their level of poverty, vulnerability or marginalization.

9. BUDGET

An itemized budget is required for all resettlement activities, including compensation for land acquisition and resettlement including all allowances. The major items of the budget can be mentioned as follows; Compensation for acquired assets, relocation costs, compensation for loss of income, income and livelihood restoration costs, administrative/implementation service costs, costs for monitoring and evaluation and contingency. Sample format for the budget is included in table 9.1.

Table 9.1: Sample format for the Budget

Item No.	Item	No.	Unit	Rs/unit	Total Rs	Total US\$
Compensation for Lands			Perch			
Compensation for Structures			m ²			
Loss of Income	:		DHH			
			DH			
Trees:			Trees			
Allowances			DH			
			DH			
			DH			
Income Restoration			Months			
External Monitoring			Months			
Sub Total						
Administration Cost						
Contingency						
Grand Total						

10. IMPLEMENTATION SCHEDULE

81. The land acquisition for the project is already started and land acquisition and resettlement activities for the Meerigama – Kurunegala section including Ambepussa link will continue till November 2016. The civil works contract of the project will only be awarded after all compensation and relocation has been satisfactorily completed for at least a section and rehabilitation measures are in place. The construction is scheduled for end of 2016, by the time land acquisition activities are completing.

11. INSTITUTIONAL ARRANGEMENTS

82. Involuntary resettlement planning, implementation and monitoring involve various ministries and agencies. Overall implementing responsibility of the project lies with the GOSL and MOHE&H which is the line ministry for the matters pertaining to the road development. RDA being the execution agency for national road network has administrative responsibility for implementation of the project under the general supervision of the MOHE&H.

A. Organization within RDA

Land Division

83. The Land Division (LD) of RDA headed by a director is the prime division that deals with land acquisition and payment of compensation as per LAA. However, under certain conditions Project Management Units (PMUs) responsible for specific projects are established by MOHE&H. These PMUs are entrusted to carry out land acquisition related to their projects in consultation with LD, to expedite the land acquisition process. PMU will work under the general supervision of RDA, but have direct linkages and access to MOHE&E to expedite their work. PMU has to accomplish a time-bound programme through a planned set of interventions agreed upon by concerned authorities. Thus, PMU is the focal institution responsible for RP's implementation at operational level. PMU has been strengthened with certain degree of financial autonomy and administrative flexibility subject to the guidance and supervision of the MOHE&E and directives of the General Treasury.

PMU/RDA

84. The responsibility of implementing the RP will rest with the RDA, and its direct responsibility lie with the PMU established for implementation of the Project. The PMU operates as a time-bound project office headed by a project director and staff personals in engineering, resettlement, land acquisition, environment and other supporting grades.

85. Considering the distribution of the project to different areas, the project is divided in to three sections. The section from Meerigama to Kurunagala and Ambepussa link road falls within section II of the project. The project has already hired eleven land acquisition and resettlement consultants and each section of the project is staffed with following officers.

Environmental and Social Safeguard Officer – 01

Resettlement Officer – 01

Resettlement Assistants – 08

Development Officers- 02

Regarding resettlement planning and implementation, the PMU attends to following;

(1) Preparation of RP

- Assist resettlement consultant/team to develop RP for the project through facilitating to trace the ROW, identification of DPs, assist to conduct social and environmental assessments in the area through surveys and other primary and secondary information, assist and participate in awareness creation meetings at Divisional Secretaries level, support stake holder meetings and FGDs and review processes of draft RP.

(2) Land Acquisition

- Preparation of land acquisition application submit to MOHE&H who will submit it to MLLD with RP as an attachment.
- After accepting the Land Acquisition application by MLLD, with the appointment of DS as the Acquiring Officer, support implementation of land acquisition. This includes preparation of necessary papers for each stage of land acquisition, translation of them in to all three languages, maintain a close support up to the end of the land acquisition process ending with the taking over of the possession of land in to RDA ownership
- Support DPs to receive compensation for land, structures and crops as per LAA by assisting them to prepare for land ownership inquiries with necessary documents and proofs, if needed transport facilities especially for vulnerable people to attend to inquiries.
- Make sure that money is adequately available with PMU/DS/RDA to pay compensation without delays as applicable.

(3) Resettlement benefits

- Initiate information disclosure on formal approval of RP
- Pay cash resettlement benefits as per Entitlement Matrix
- Maintain highest transparency in cash payments
- Ensure availability of funds with PMU/RDA for issuing resettlement benefits. Resettlement benefits are not paid through DSs
- Replace community and religious properties damaged by the project soon.
- Implement agreed income restoration projects for selected DPs
- Support self-relocated DPs when they need support
- Initiate resettlement sites with the approval of the RP. This involves acquisition/purchase of suitable lands, beneficiary participation, host community concurrence, infrastructure development...etc.
- Implementation of internal and external monitoring on RP implementation

Field Office of the PMU

86. Establishing of field offices is necessary to carry out the land acquisition and resettlement activities. The field offices will be located within the project area. Resettlement Assistants will be stationed at this office with supportive staff to attend to the problems of DPs and take necessary actions to solve them under the guidance of Project Director. It will help DPs to have better solutions by way of coordinating DPs and relevant authorities that are functioning in the areas where DPs need attention.

87. For CEP, there are two field offices which are already established at Nittambuwa and Kurunegala. These officers are already staffed with land acquisition and Resettlement consultants and other resettlement staff as mentioned above. More field offices will be opened in the project area to facilitate DPs with the progress of the resettlement activities.

Environmental and Social Development Division (ESDD)

88. The ESDD was established within RDA under the ADB TA4736 in 2006. ESDD is responsible for environment and social safeguards in RDA projects. ESDD assist consultants for RP preparation and reviews RPs after submission to RDA. ESDD also monitors environment and social safeguards in projects. In the absence of skills and expertise in most PMUs, the ESDD may provide the necessary expertise to the respective division or PMU.

Construction Supervision Consultants (CSC)

89. The Social and Resettlement Specialist of the Construction Supervision Consultant is responsible to monitor, supervise and guide land acquisition, resettlement planning and implementation. The tasks are as mentioned below.

- Assist land acquisition and resettlement activities
- Assist in resettlement Plan updation as necessary
- Assist in implementing Income restoration programs
- Provide guidance in resolving grievances
- Provide training and guidance to contractors and PMU as necessary
- Preparation of semi annual monitoring reports and submission to the donor

Institutional arrangement to attend to gender concerns

90. PMU has already recruited resettlement staff including female officers to address gender concerns, in addition to the eleven land acquisition and resettlement consultants, employed by the PMU. In each section, there are twelve officers including female officers to attend to land acquisition, resettlement and gender concerns.

B. External Agencies

Divisional Secretaries (DS)

91. DSs and their staff have important roles in the implementation of the project. In the first instance, their involvement is related to preparation RP and the land acquisition.

92. The PMU/RDA has the responsibility to make DSs aware about the project, and subsequently have formal awareness meetings with relevant DS officers including Grama Niladaries, poverty alleviation officers, women development offices, land officers and staff of relevant government agencies operating in the division, NGOs, religious leaders, community leaders, members of local councils etc. In this awareness meeting, resources persons drawn from subject specific agencies make presentations on introduction of the project, resettlement planning, land acquisition procedures and property valuation etc. It has plenary sessions to discuss matters important to audience. In line with this approach meetings were held in all DS divisions prior to the commencement of the Census survey of the DP households.

93. After approving proposed land acquisition by MLLD, DS is appointed as the acquisition officer for the DS division, and he/she initiates land acquisition process as per LAA until possession of land is taken. This include initial notification and formal surveys by Dept. of Surveys, title inquiries by acquisition officers, valuations by Dept. of Valuations, appeals by prescribed review boards etc.

94. Land Acquisition is a routine function of DS offices and they are geared to undertake land acquisition with laws, procedures, systems and resources, including manpower. However, at certain times, there may be resource gaps with regard to preparation of statutory documents in three stipulated languages and staff mobility due to limited financial resources. In these occasions, as mentioned earlier, PMU/RDA supports DS office to increase its capacity where it has shortfalls, because this is an important event for PMU/RDA as they have a time bound project before them.

95. DS is the custodian of government land not allocated to specific institutions. Thus, the support of the DS staff is essential in finding lands for resettlement sites, coordinating with DPs and host communities...etc. The PMU/RDA needs to have a close link with DS in carrying out these activities.

Responsibilities of other agencies/officers

Agency / Unit	Roles and Responsibilities
Ministry of Land and Land Development	Implementing LAA. Approval for the publications of relevant orders under LAA.
Grama Niladhari under the DS	Delivery of notices under LAA to the DPs, consultation, facilitate acquisition of alternate lands, preparation of advance tracing and final

Agency / Unit	Roles and Responsibilities
	plan by assisting the surveyors to identify the claimants.
Department of Survey	Preparation of required survey maps on the request of DS
Valuation Department	Preparation of condition reports of the properties to be acquired, preparation of valuation reports,
Government Printer	Publication of gazette notifications relevant to land acquisition
Local Authority	Approval of resettlement sites, housing plans

12. MONITORING AND REPORTING

96. Resettlement Monitoring means the collection, analysis, reporting and use of information on the progress of resettlement, based on the RP. For a national project of this magnitude it is suggested to have an internal monitoring system executed under RDA (within the PMU) and an external monitoring system (through a hired consultant or NGO). Monitoring should focus on physical and financial targets and the delivery of entitlements to persons displaced.

A. Internal Monitoring

97. Internal monitoring will be done by the PMU established by RDA. PMU could obtain assistance from ESDD on matters arising from internal monitoring. Internal monitoring should be carried out against the land acquisition and resettlement activities, entitlements, time frame and budget set out in the RP.

98. It is suggested to have a file system kept in the monitoring office recording the entitlements due and received by each displaced household. A copy of the important documents can be given to each entitled household or person to improve the transparency of the activities.

99. In addition to recording the progress in compensation payment and other resettlement activity, the PMU will prepare monitoring report to ensure that implementation of RP has produced the desired outcome. Information gathered from the monitoring exercise will be subjected to review at the Project Coordinating Committee (PCC) at ministry level and other relevant stake holders in view of taking remedial measures to mitigate or solve the problems that need institutional interventions.

Reporting Requirements

100. Field office/s of the PMU will submit monthly progress reports on the following activities to the PMU. As indicated the PMU will submit a consolidate progress report to the PCC or Project Steering Committee on a quarterly basis. Formats are attached in Annexure 12.1.

- Number of displaced persons category wise
- Land acquisition with details of the stage of the process for e.g. number of Sec 2 notices issued.
- Number of DP (lots) prepared number of Sec 38 (a) issued etc.
- Number of DPs (lots) paid with statutory compensation
- Number of buildings taken over by PMU
- Number of DPs resettled at resettlement sites
- Facilities provided in resettlement sites
- Number of self-relocated households
- Number of vulnerable people assisted by the PMU
- Number of gender issues reported by the DPs
- Number of gender issues resolved
- Number of DPs need income and livelihood restoration assistance
- Number of DPs assisted under IRP
- Number of GRC meetings held
- Number of complaints received by the GRC
- Number of grievances solved by the GRC

B. External Monitoring

101. External monitoring will be done by an external agency (EA) experienced in monitoring resettlement programmes. The PMU will select a suitable agency for this purpose.

102. The specific tasks and methodology for external monitoring shall include

- Review of pre project (before displacement) baseline data on DPs ,
- Verify the progress of implementation of RP based on the records available at field offices, PMU and each household.
- Advise on safeguard compliance issues of significant involuntary resettlement issues, prepare a corrective action plan to address such issues
- Identify an appropriate set of indicators to gather and analyze information on resettlement impacts
- Use of various formal and informal surveys for impact analysis
- Assessment of resettlement efficiency, effectiveness, impact and sustainability
- Provide guidelines for future resettlement policy making and planning from the lessons learned.

103. External monitoring will commence after the commencement of the resettlement programme. External monitors will prepare semi-annual monitoring reports that describe the progress of implementation of resettlement activities and any compliance issues and corrective actions. The semi-annual reports will be submitted to PMU, ESDD and Director General's office RDA.

Table 12.1 Monitoring and Evaluation Indicators

Type	Indicator	Examples of Variables
Process Indicator	Staffing	No .of RDA staff employed functional wise No. of surveyors & valuation officers available for Training programmes held for the project staff No of unit offices established
	Consultation	No of awareness meetings held with the stake holders
	Participation	No of training programmes held for the, officers No of informative bulletins distributed
	Grievance Resolution	No of GRC established No of complaints received and resolved
Output	Acquisition of Land	Type and extent of private land acquired Type and extent of state land acquired
	Structures	No .type and area of private structures acquired No .type and area of state structures acquired No. type and area of community structures acquired
	Trees & Crops	No and type of trees owned by private people acquired No and type of trees owned by state agencies Acquired
	Compensation & Rehabilitation	No of households Displaced according to type of losses Ag .paid for a perch of land Ag. paid for a sq. ft. of buildings Type, number and total of allowances paid

		No. of resettlement sites developed No of houses constructed by DPs at resettlement sites No of DPs constructed houses by themselves
Impact indicator	Household Earning Capacity	No. of DPs loss employment No of DPs suffered loss of income from (a) agriculture (b) Business (c) No obtained loans from bank and other sources (d) No. assisted by IRP (e) No. employed by the project
	Changes to Status of Women	Participation in Community Based activities Loss of employment Aggravation /facilitation of gender issues Participation in project activities
	Changes to status of Children	Changes in school attendance by gender wise Employment in road project No attending new schools, gender wise
	Settlement & Population	Generation of new businesses ,Influx of population Outsiders buying land in the near vicinity of the road project, increase in encroachers /squatters in state lands

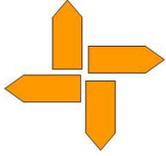
Computerized Management Information System (MIS)

104. All information regarding loss of assets (inventory of losses) of individual DPs, and socio economic information will be stored in a data base maintained by the PMU. Soft copies of such data will be given to ESDD for them to maintain a centralized data base. A Database Manager will be recruited to store and maintain the database.

MIS will include the following data:

- Information of all losses suffered by individual DPs, the data will include the extent of land acquired, area of structures lost, number and type of trees lost, compensation paid according to category of losses, other entitlements.

- MIS should be capable of generating monthly, quarterly and annual reports required for the management



**ROAD DEVELOPMENT AUTHORITY
MINISTRY OF HIGHER EDUCATION AND HIGHWAYS
DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**



INVOLUNTARY RESETTLEMENT IMPACT CATEGORIZATION CHECKLIST

FOR

**CENTRAL EXPRESSWAY
FROM MEERIGAMA (37+090KM) TO KURUNEGALA (76+810KM)
AND AMBEPUSSA LINK (00.00 TO 9.30+00KM)**

SUBMITTED TO

ASIAN DEVELOPMENT BANK

**CENTRAL EXPRESSWAY
FROM MEERIGAMA (37+090KM) TO KURUNEGALA (76+810KM)
AND AMBEPUSSA LINK (00.00 TO 9.30+00KM)**

Location:

Affected Provinces	Western, North Western and Sabaragamuwa
Affected Districts	Gampaha, Kurunrgala, Kegalle
Affected DSDs	Meerigama, Alawwa, Narammala, Weerambugedara, Polgahawela, and Kurunegala Warakapola DSDs.

INVOLUNTARY RESETTLEMENT IMPACT CATEGORIZATION CHECKLIST

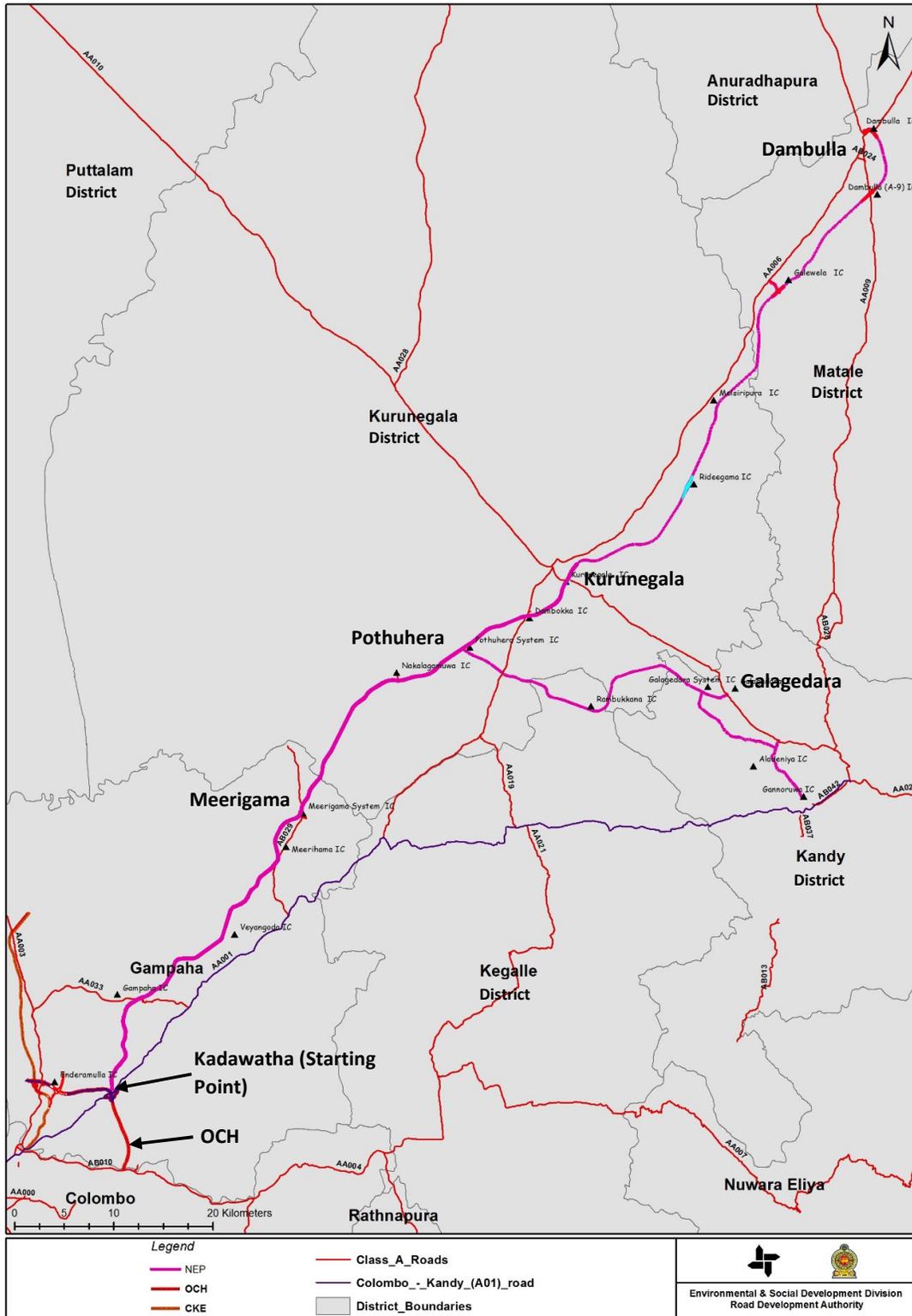
Probable Involuntary Resettlement Effects	Yes	No	Not Known	Remarks
Involuntary Acquisition of Land				
1. Will there be land acquisition?	√			This is an expressway constructed along new trace. The total length of the 39.7km section from Meerigama to Kurunegala is and its 9.3km for Ambepussa Link. The expressway will be 4 lanes, however, land acquisition will be carried out for 6 lanes. Thus, the approximate width of the ROW is 65-75m. There will be 4 interchanges (a map is attached).
2. Is the site for land acquisition known?	√			The Meerigama to Kurunegala section of the expressway will fall along six DSDs; Meerigama, Alawwa, Narammala, Weerambagedara, Polgahawela, and Kurunegala. The Ambepussa link will fall along Meerigama and Warakapola DSDs (a map is attached).

3. Is the ownership status and current usage of land to be acquired known?	√			The land acquisition for the project is ongoing. Land Acquisition and Resettlement Survey have been conducted for the identified trace, private and government land have been identified. The specific ownership details of private land will be known through the land acquisition process.
4. Will easement be utilized within an existing Right of Way (ROW)?	√			
5. Will there be loss of shelter and residential land due to land acquisition?	√			Number of residential land plots to be affected = 1002
6. Will there be loss of agricultural and other productive assets due to land acquisition?	√			Number of Agricultural plots to be affected = 1540 Paddy , Coconut, Rubber, Banana, Cinnamon, Mango, Lemon etc.
7. Will there be losses of crops, trees, and fixed assets due to land acquisition?	√			The expressway trace falls along home gardens and agricultural lands. Therefore, the trees and crops in these lands will be affected.
8. Will there be loss of businesses or enterprises due to land acquisition?	√			Number of business places to be affected= 98
9. Will there be loss of income sources and means of livelihoods due to land acquisition?	√			Number of agricultural and business plots to be affected = 1602. This will lead to loss of livelihood.

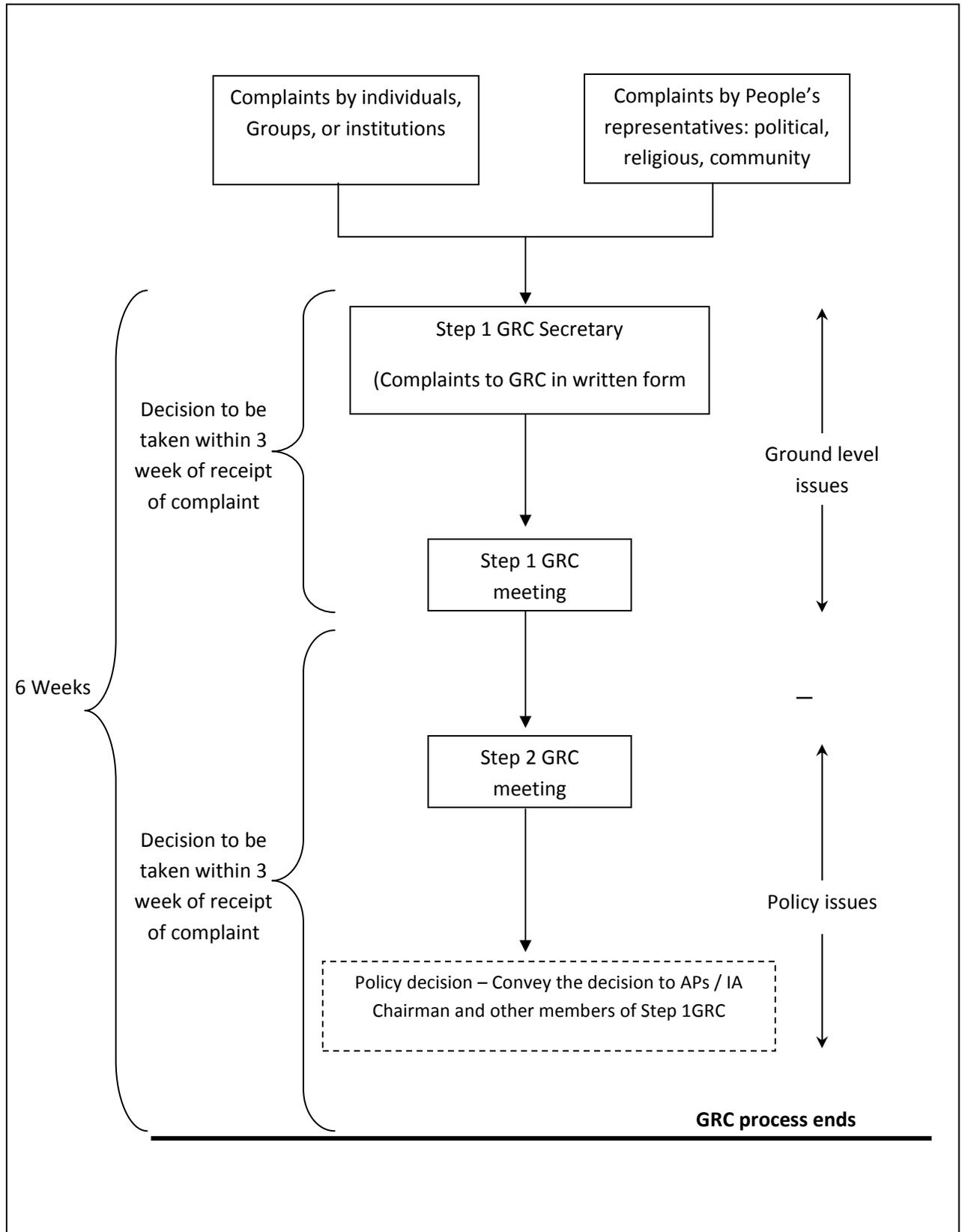
Involuntary restrictions on land use or on access to legally designated parks and protected areas				
10. Will people lose access to natural resources, communal facilities and services?	√			Number of common properties / resources to be affected =225
11. If land use is changed, will it have an adverse impact on social and economic activities?	√			
12. Will access to land and resources owned communally or by the state be restricted?	√			This is an controlled access expressway and it will restrict access to land and recourses.
Information on Displaced Persons:				
Any estimate of the likely number of persons that will be displaced by the Project? [] No [√] Yes If yes, approximately how many? 4420 families				
Are any of them poor, female-heads of households, or vulnerable to poverty risks? [] No [√] Yes Number of Vulnerable people 723				
Are any displaced persons from indigenous or ethnic minority groups? [√] No [] Yes				

Note: The project team may attach additional information on the project, as necessary.

Location Map of Central Expressway



STRUCTURE OF GRIEVANCE REDRESS COMMITTEE



Progress at Resettlement Sites

District	DS Division	Resettlement Site	A	B	C	D	E
Total							

Key: A = No. Of Housing Lots;

B = No. of Housing Lots Issued ;

C = No. of Housing Lots Occupied;

D = No. of Title Deeds Issues;

E = Facilities Provided: W = Well, PG = Play Ground, CH = Community hall. All sites are provided with electricity supply, internal roads, drains, tap water.

Progress of Land Acquisition

DS Division	Progress of Acquisition Process													
	Application Received	No. of Lots	Total Extent (Perches)	Sec.2 prepared and sent	Advanced Paid	Taken over 38	Sec.5 gazettes	Sec.7 gazettes delivered	Title determined	Deliver determined	Issuing of Sec.17	Payment Compensation	LARC Payment	Referred to S. LARC
Total														