



# RESETTLEMENT ACTION PLAN (RAP)



## Rehabilitation of St. Sebastian South Canal



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## ABBREVIATIONS

BP	-	Bank Procedures
CDO	-	Community Development Officer
CMC	-	Colombo Municipal Council
EAC	-	Entitlement Assessment Committee
EIA	-	Environmental Impact Assessment
GIS	-	Geographic Information System
GRM	-	Grievance Redress Mechanism
IFMS	-	Integrated Flood Management System
LAA	-	Land Acquisition Act
LARC	-	Land Acquisition and Resettlement Committee
M&E	-	Monitoring & Evaluation
MCCDS	-	Metro Colombo City Development Strategy
MCUDP	-	Metro Colombo Urban Development Project
MoDUD	-	Ministry of Defence and Urban Development
MOL	-	Ministry of Lands
NIRP	-	National Involuntary Resettlement Policy
OP	-	Operational Policies
PAFs	-	Project Affected Families
PAPs	-	Project Affected Persons
PIA	-	Project Implementing Agency
PLA	-	Project Local Authority
PMU	-	Project Management Unit
RAP	-	Resettlement Action Plan
R&R	-	Resettlement and Rehabilitation
SIA	-	Social Impact Assessment
SLLRDC	-	Sri Lanka Land Reclamation and Development Corporation
SMF	-	Social Management Framework
SSSC	-	St. Sebastian South Canal
UDA	-	Urban Development Authority

## EXECUTIVE SUMMARY

**E1.** This Resettlement Action Plan (RAP) prepared for Rehabilitation of St. Sebastian South Canal of the Metro Colombo Urban Development Project (MCUDP). It includes an assessment of the involuntary resettlement impacts resulting from relocation of 91 households, a description of the socio-economic profile of the persons to be displaced and the project impact area, an entitlement matrix that provides for compensation and other needed assistance for displaced persons, a strategy for livelihood and income restoration, grievance redress processes, institutional arrangements for the implementation of the RAP, a timeframe for RAP implementation, a budget and a monitoring and reporting framework.

**E2. Project Description:** The Rehabilitation of St. Sebastian South Canal will be undertaken as a sub-project of the Metro Colombo Urban Development Project (MCUDP). The MCUDP is jointly financed by the International Bank for Reconstruction and Development (IBRD) of the World Bank group and the Government of Sri Lanka. It comprises three main components. The first component focuses on flood and drainage management and addresses the urgent issue of urban flooding, which regularly paralyzes the economy of the Metro Colombo Region with high socioeconomic costs. The second component focuses on urban development and infrastructure rehabilitation for Project Local Authorities (PLAs). The third component consists of implementation support. The Rehabilitation of St. Sebastian South Canal will be implemented by the Sri Lanka Land Reclamation and Development Corporation (SLLRDC), one of the key Project Implementing Agencies (PIAs) of the MCUDP. Overall monitoring and management will be carried out by the Project Management Unit (PMU) established in the Ministry of Defense and Urban Development (MoDUD).

**E3.** A Social Management Framework (SMF) has been prepared, based on a social assessment exercise, which provides a Resettlement Policy Framework as per the Bank's OP 4.12 with additional guidelines for dealing with vulnerable groups and for strengthening people's participation and social accountability. The SMF provides guidelines to undertake social screening, social impact survey, and prepare / implement Resettlement Action Plans (RAPs) for Project activities.

**E4.** The Rehabilitation of St. Sebastian South Canal aims to maximize canal conveyance capacity by strengthening and widening canal banks. The sub-project will be implemented under Sub-Component 1.1 of the MCUDP, namely the Enhancement of Drainage Capacity in the Colombo Water Basin. The total cost of the sub-project is approximately LKR 315 million and the implementation period 18 months.

**E5.** For the activities under this sub-project, Social Screening has been carried out to identify potential adverse social impacts and this RAP has been prepared accordingly to address those adverse impacts identified. The procedures followed and mitigation measures identified are in line with the SMF which complies with the Bank's OP 4.12 on Involuntary Resettlement.

Social Screening was carried out and data collected in a format provided in the SMF. The objective of Social Screening was to understand the sub-project activities, alternative analysis, justification, corridor of impacts, people and activities alongside the work sites, likely impacts including any land acquisition and resettlement requirements and impacts thereof on people's lives; and ascertain extent and magnitude of negative impacts in order to prepare mitigation measures. The Social Screening Methodology included: desk review of the project documents and design drawings, study alignment maps, field observations and walk-through, interactions with the technical team at site, consultation with the people living in the corridor of impact and a census of all project affected persons (PAPs).

**E6. Key Social Impacts and Mitigation Measures:** The sub-project will benefit the community in terms of reduced flooding, improved water quality, healthy environment, and better housing for squatters living in hazardous, flood-prone canal banks. A total of 91 squatter households will lose their residential structures. Of the 91 households, commercial structures of 06 households will also be affected.

**E7.** All losses will be compensated as per the Entitlement Matrix of the SMF. Households losing their residential structure will each be offered a flat at 66 Watte, Colombo 8 (located at 2.5 Km away from the current location), along with rehabilitation assistance. Households losing their commercial structure will be offered an alternative shop at the resettlement site or any other shopping scheme on a long-term lease basis along with compensation for loss of livelihood and structure.

**E8.** A temple and mosque located along the canal bank may sustain minor damages during civil works. These structures will be reconstructed to original/better condition by the Contractor, under the supervision of the SLLRDC. One of the two abandoned sacred Bo-trees (*Ficus religiosa*) which are located within 6.5 meters reservation area will be removed under the civil work. Initial consultation with the temple head priest and mosque management committee was completed and consent has been already obtained. Temporary impacts during construction such as hindrances, noise and dust issues are expected and will be mitigated in line with the Bank's EHS guidelines provided in the Environment Management Framework (EMF).

**E9. Entitlement Matrix:** The Entitlement Matrix explains the category and type of loss and the eligible category for entitlements. As the Land Acquisition Act (LAA) does not address all types of losses, the involuntary resettlement policies (National Involuntary Resettlement Policy and World Bank safeguards) have been applied to address such issues. All losses as a result of the implementation of the MCUDP will be compensated. The following categories of impact in the Entitlement Matrix will be triggered under the Rehabilitation of St. Sebastian South Canal: Loss of Residential Structure (Item 2.4), Loss of Commercial Structure (Item 3.4), Temporary Adverse Impacts of Civil Works (Item 5.0), Loss of Cultural Properties (Item 6.1), and Loss of Livelihood (Item 4.1).

**E10. Cut-off Date:** The Cut-off date for eligibility for entitlement for titleholders is the date of notification under the LAA and for non-titleholders is the date of social impact survey, i.e. July 5, 2013. Persons who encroach on the area *after* the cut-off-date are *not* entitled to claim compensation or any resettlement assistance.

**E11. Linked activities:** As per the OP 4.12, the SMF applies to activities resulting in involuntary resettlement which are (a) directly and significantly related to the Bank-assisted project; (b) necessary to achieve its objectives as set forth in the Project documents; and (c) carried out, or planned to be carried out, contemporaneously with the project. The Social Screening reports confirm that this sub-project does not have any linked activities being undertaken as per the above criteria.

**E12. Implementation arrangement:** The executing agency of the MCUDP is the MoDUD and it has the overall responsibility for managing this sub-project whereas the implementing agency for this work will be the SLLRDC. The institutional arrangements for implementing this RAP comprise a Social Management Cell at the PMU with a Social Specialist, a Social Officer, and 03 Community Development Officers in charge of coordinating all required RAP activities. The overall monitoring and coordination of RAP implementation activities will be vested with the PMU. The institutional framework provides for the transparency of sub-project activities through a National Project Steering Committee which was established in 2012.

**E13. Grievance Redress:** There shall be a fair and transparent grievance redress mechanisms to redress the grievances of PAPs. For this work the relevant PIA, the SLLRDC, will be the nodal point for entertaining and addressing grievances relating to the implementation of the RAP, while the PMU will operate at the second level of the grievance redress mechanism. The PMU and the SLLRDC will be together responsible for redressing people's grievances. The Social Specialist of the PMU will monitor and document the GRM process. At the top there shall be an Independent Grievance Redress Panel comprising representatives from the Ministry of Land, Department of Valuation, Ministry of Women's Affairs, an eminent non-government organization, a lawyer, and a retired civil servant of the rank of a Secretary to GoSL.

**E14. Consultation and Disclosure:** Consultations were carried out and documented while preparing and designing the sub-projects to discuss alternatives, during Screening / SIA to discuss risks and impacts, and while preparing this RAP. All 91 squatter households that are to be affected by the sub-project, religious leaders, and the Grama Niladhari have been consulted continuously. This includes a Community Consultation for all PAPs chaired by Project Director held on 16<sup>th</sup> and 17<sup>th</sup> January 2014. Further consultations will be held prior to and during civil works. A site office has been established at the Mosque on 2<sup>nd</sup> June 2014, to provide information and preparation of PAPs for resettlement process. This RAP will be disclosed on the MoDUD website and available at the SLLRDC and the PMU for public reference. Additionally, the Executive Summary of the RAP along with Entitlement Matrix will be available in Sinhala and Tamil Languages.

**E15. Monitoring, Evaluation and Reporting:** Monitoring and Evaluation (M & E) and reporting will be carried out at two levels, at the PMU level and the SLLRDC level. The PMU has recruited a Social Specialist to undertake the M&E and reporting of social safeguards management, including the implementation of this RAP, to ensure that safeguards issues are sufficiently mitigated as per the SMF. The Social Officer at the SLLRDC and 02 Community Development Officers will monitor and report on safeguard implementation at the field level. This includes paying close attention to the delivery of entitlements to PAPs as per this RAP and the Contractor's social safeguard obligations. The PMU will submit quarterly social safeguard progress and quality monitoring reports with yearly safeguard reviews, which will be carried out by independent consultants. These will form the basis for any improvements to be brought about in the safeguard policy framework and implementation arrangements.

**E16. Budget:** Temporary impacts will be mitigated as part of construction management and will be incorporated in the Contractor's document. A budget has been prepared estimating costs for provision of transport, livelihood allowances and structural compensation to PAPs and conduct of consultations (including external monitoring), information dissemination, reporting, salaries of 05 social safeguards officers for a period of 24 months and implementation of post-resettlement action plan. The total cost is approximately LKR **13,133,100.**



## CHAPTER 1 - PROJECT DESCRIPTION

### 1.1 Overview of Metro Colombo Urban Development Project

**1.1.1** Flooding in and around the Colombo City has been occurring for many years and causes considerable economic disruption and social hardship to a large segment of the population. The urban poor, who mostly live in low-lying areas prone to flooding, are severely affected by the problems caused by flooding. The Metro Colombo Urban Development Project (MCUDP) aims to improve the flood control and drainage infrastructure and management system of the Colombo water basin and enhance the competence of central and local governmental authorities to deliver and manage infrastructure and services in the Colombo Metropolitan area. There are three main components to the MCUDP.

**1.1.2 Component 1:** Flood and Drainage Management. This component would address the urgent issue of urban flooding, which regularly paralyzes the economy of the Colombo Metropolitan Area (CMA) with high socio-economic costs. This component includes the following sub components:

**Sub-Component 1.1:** Enhancement of Drainage Capacity in the Colombo Water Basin. This includes enhancement of runoff from the southeastern upper section of the basin, creation of lakes/retention areas in the central section of the basin, removal of bottlenecks in the downstream reaches of the canals, improvement of the outflow capacity and improvement/construction of canal bank protection.

**Sub-Component 1.2:** Micro Drainage System within the Colombo Municipal Council (CMC) (localized floods). This focuses on priority flood-prone areas where localized flooding regularly takes place.

**Sub-Component 1.3:** Capacity Enhancement for Flood and Drainage Management. This aims to improve the capacity of the Sri Lanka Land Reclamation and Development Corporation (SLLRDC) and other selected agencies to ensure the sustainability of project investments over time. It includes the purchase of maintenance machinery, the development of an Integrated Flood Management System (IFMS) for the Colombo Water Basin, and selected investments to improve public usability of canals and lakes.

**Sub-Component 1.4:** Beira Lake Linear Park and Beddagana Park. This includes improving embankments and developing a promenade, and establishing a natural park around degraded wetlands.

**1.1.3 Component 2:** Urban Development, Infrastructure Rehabilitation, and Capacity Building for Metro Colombo Local and Central Authorities. This component will aim to

strengthen institutional capacity at metropolitan and local level, and support project implementation. The following sub-components will be funded under this component:

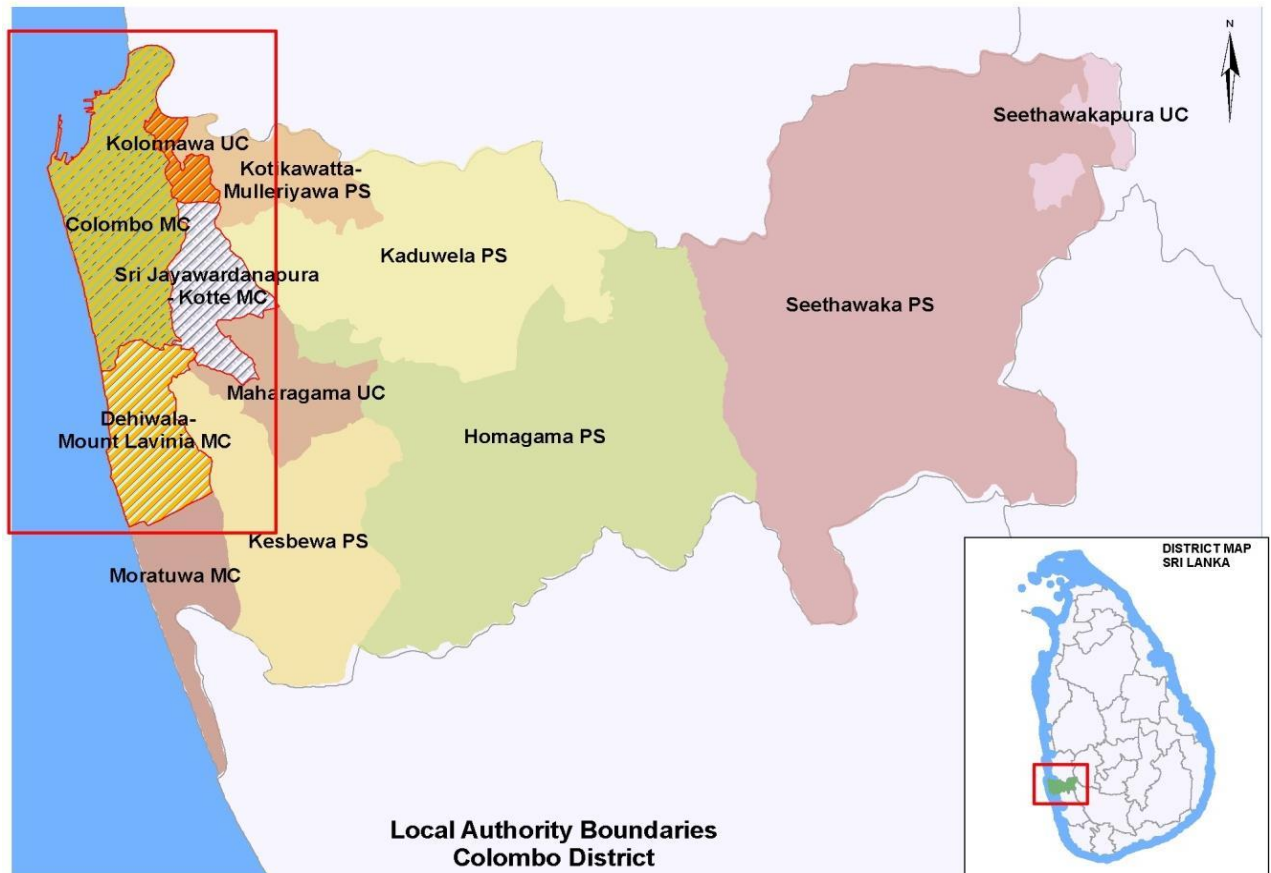
**Sub-Component 2.1:** Investment Support to Local Authorities. This sub-component will build local capacity through implementing selected high-priority infrastructure improvements in four local authorities in the CMA to rehabilitate and improve drainage and roads, upgrade local public facilities, and purchase needed equipment to improve local public services.

**Sub-Component 2.2:** Institutional Strengthening and Capacity Building for Local Authorities will comprise technical assistance to the Project Local Authorities (PLAs) including geographic information system (GIS), asset management for urban roads and related drainage, setting up technical standards, preparation of street and drainage rehabilitation and maintenance works (including quality control), and improvements in solid waste collection. It will also support metropolitan development strategies and planning and feasibility; studies for selected sectors, including a Metropolitan Colombo City Development Strategy (MCCDS), an integrated master plan (including a transportation plan) for the Colombo Metropolitan and surrounding area as defined by the MCCDS; a Solid Waste Management feasibility study and action plan for the CMA and surrounding area; and another detailed study for selected priority metropolitan services as identified by the MCCDS.

**1.1.4 Component 3: Implementation Support:** Implementation support will be provided in the areas of (i) project management, monitoring & evaluation, procurement, financial management and environmental and social safeguards; (ii) public awareness and communications support regarding project interventions, management of public expectations, behavior changes and resettlement; (iii) support to the SLLRDC, UDA and PLAs in construction, supervision and compliance with environmental and social safeguards; (iv) purchase of vehicles, office furniture and IT equipment for the Project Management Unit (PMU); and (v) operating costs of the PMU.

**1.1.5 Project Location and Activities:** As shown in Figure 1, the Project is implemented in the Metro Colombo Urban region including Colombo Municipal Council (CMC), Dehiwala-Mt Lavinia Municipal Council, Sri Jayawardenapura-Kotte Municipal Council, the Urban Council of Kolonnawa and other local authorities overlapping with the Colombo Basin. Each of the Project Implementing Agencies (PIA) have identified and proposed a list of priority investments to be financed under the project, providing different degrees of preparation and details.

Figure 1: Project Location



**1.1.6 Project Implementation:** The MCUDP is planned to be implemented in two main stages, i.e. Stage-1 and Stage-2. In Stage-1 priority sub-projects involving minimum adverse social and environmental impacts and requiring limited preparatory work will be taken up— these have been identified by the PIAs in discussion with the PMU. In Stage-2, the rest of the sub-projects requiring additional preparatory work and more complex safeguard due diligence will be taken up.

**1.1.7 Implementing Institutions:** The Ministry of Defense and Urban Development (MoDUD) has set up a PMU to operate under the oversight of a Steering committee and to coordinate and administer as necessary activities to be implemented under the Project. Implementation responsibilities rest with the SLLRDC, UDA, CMC and PLAs.

**1.1.8 Social Safeguard Management:** Projects and programs financed with International Development Association resources of the World Bank need to comply with World Bank Operational Policies (OP), in addition to conformity with the Land Acquisition Act and Sri Lanka's National Policy on Involuntary Resettlement of 2001. Adhering to these policies, the MCUDP has adopted a sound Social Management Framework (SMF). It provides procedures for legal framework, entitlement matrix, procedures for social screening, assessing impacts,

and planning and implementing resettlement action plans for proposed activities, including grievance redress mechanism, monitoring and evaluation, linking social management and civil works activities, implementation arrangements, and budget.

## **1.2 Rehabilitation of St. Sebastian South Canal**

**1.2.1** Floods in Colombo are caused by heavy rainfall and a macro-drainage system with insufficient storage, conveyance and outflow capacity. In the last decade the storage capacity in the basin has reduced by about 30 percent, due to uncontrolled landfill and flood plain encroachments by illegal settlements. The conveyance capacities are limited by solid waste, floating debris, and bottlenecks in the canals. The outflow capacity of the system is too small, particularly in the Colombo North area via Mutwal Tunnel and the North Lock and South Lock in the St. Sebastian canal.

**1.2.2** As shown in Figure 2, the St. Sebastian South Canal in the Colombo North area drains out the storm water from a highly urbanized area of 2.4 km. It starts from South Lock Gate at Maradana Technical College and runs in the North East direction crossing Sri Sangaraja Mawatha at Maligawatta and Dr. Britto Babapulle Place at Grand Pass. The Canal terminates at the confluence of Dematagoda Canal where St. Sebastian North Canal takes off. The length of St. Sebastian South Canal is about 2.0 km and an average width of 15 m.

**1.2.3** The low elevation areas around St. Sebastian South Canal, particularly in Maligawatta and Grand Pass, get flooded during rainy seasons. Additionally, the water in this Canal is highly polluted due to raw sewer discharged into the canal from low income communities living along both banks. Rehabilitation of the St. Sebastian South Canal is vital to mitigate the floods in low elevation areas of its catchment as well as in the Colombo North area.

**1.2.4** The Rehabilitation of St. Sebastian South Canal sub-project will be implemented under Sub-Component 1.1 of the MCUDP, namely the Enhancement of Drainage Capacity in the Colombo Water Basin. Implementation responsibilities rest with the SLLRDC. The total cost of the sub-project is approximately LKR 315 million.

**1.2.5** The subproject aims to maximize canal conveyance capacity by strengthening and widening canal banks. The proposed interventions at St. Sebastian South canal will help to control floods in the area, minimize erosion and improve the environmental quality of these banks. According to the planned improvements under this project, St. Sebastian South canal needs to be widened to a maximum possible width while conserving its banks. To protect the canal banks, it is proposed to have a minimum 6.5 meter reservation area which is considered as a critical need for flood mitigation. Although the land within this reservation belongs to the SLLRDC there are 91 squatter households encroaching in the area. They would need to be relocated in order to implement the above flood mitigation measure.

**1.2.6** The Parliament of the Democratic Socialist Republic of Sri Lanka has empowered the SLLRDC to maintain and retain 6.5 meters of land as canal reservation area. These regulatory

powers of the SLLRDC have been published in the Government gazette of NO.1662/17 issued on 14/07/2010 (see Annex 1 for copy of the relevant Gazette). In terms of this regulatory framework of the SLLRDC, any occupants living within this declared zone need to be evacuated to enable the SLLRDC to carry out its rehabilitation and development activities of the canals.

**1.2.7** As such, it is a regulatory requirement that these 91 households are relocated so that SLLRDC can carry out the necessary rehabilitation work at St. Sebastian South Canal.

**1.2.8** The proposed rehabilitation work of the St. Sebastian South Canal includes the following.

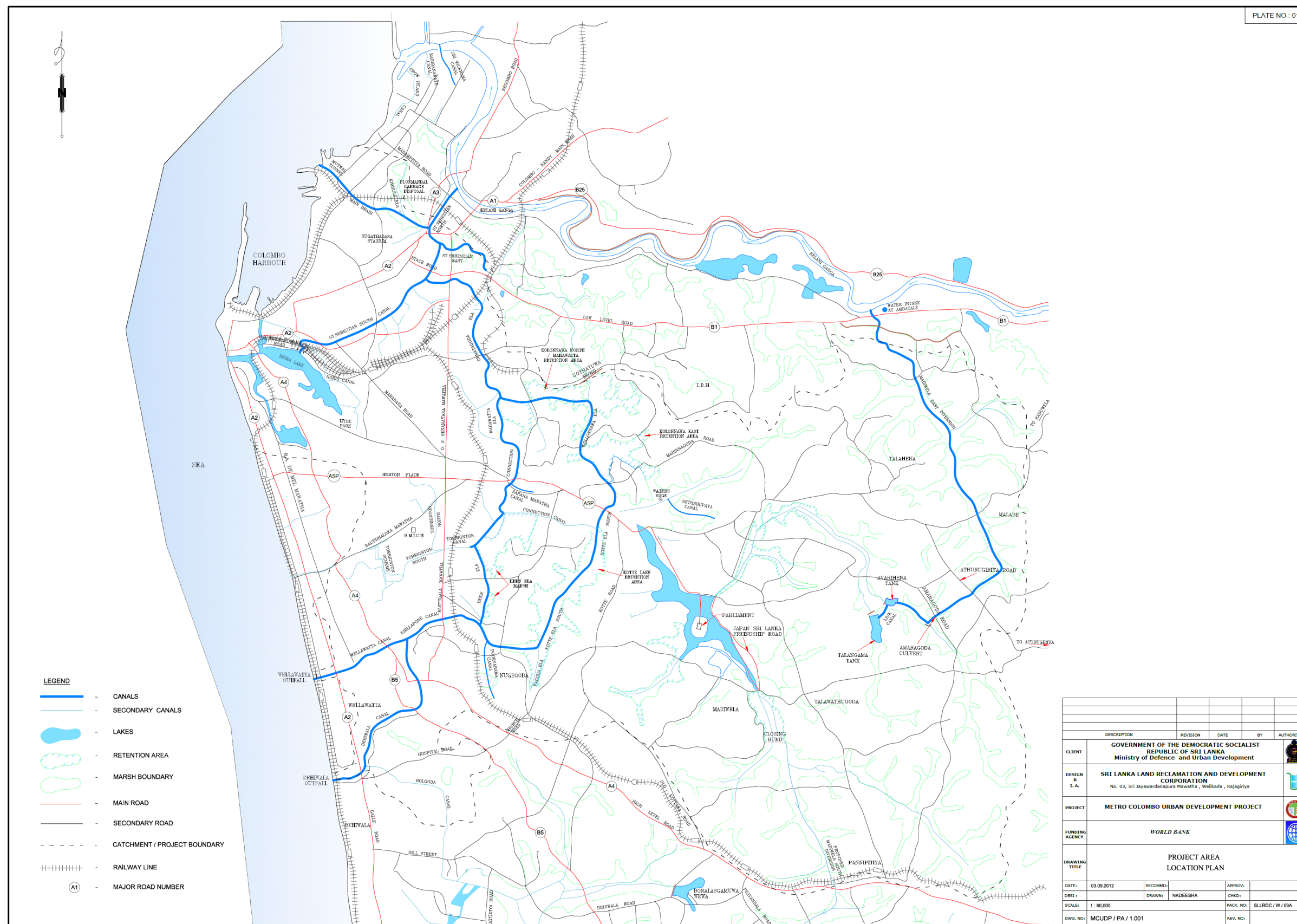
- Protect existing earthen stretches of the canal by erecting a gabion wall to prevent erosion and reduce resistance to the storm water flow

New Gabion Walls	-	1958 m
New Sheet Pile Wall	-	10 m
(Total length of St. Sebastian South Canal	-	2000 m)

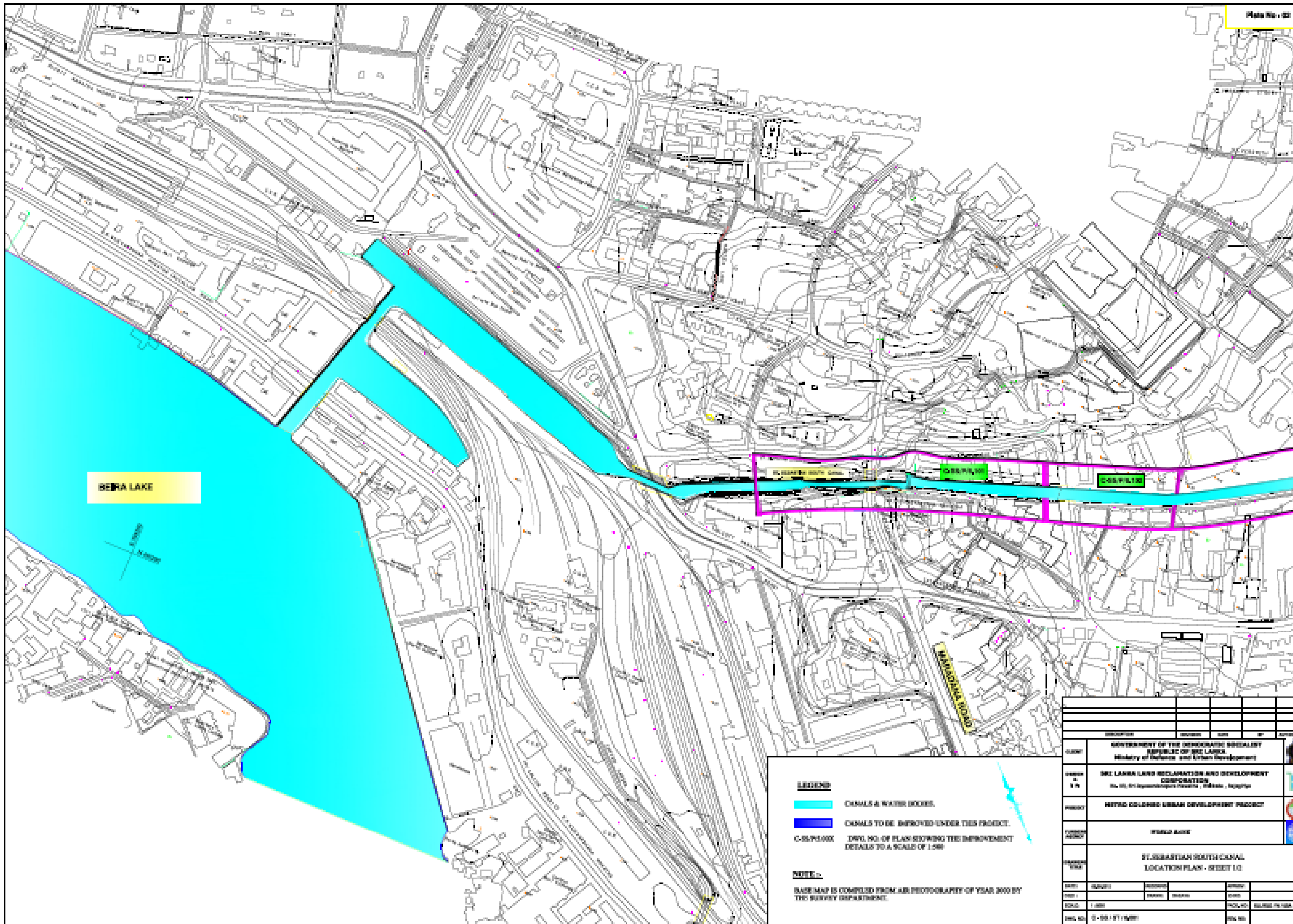
This intervention involves the reinstatement of storm water drainage connections (Hume pipe) to St. Sebastian South Canal through gabion walls and introducing catch-pits wherever required.

- Strengthen existing Operation and Maintenance roads through bank protection and repairs to surfaces
- Streamline storm water drain outlets into the canal

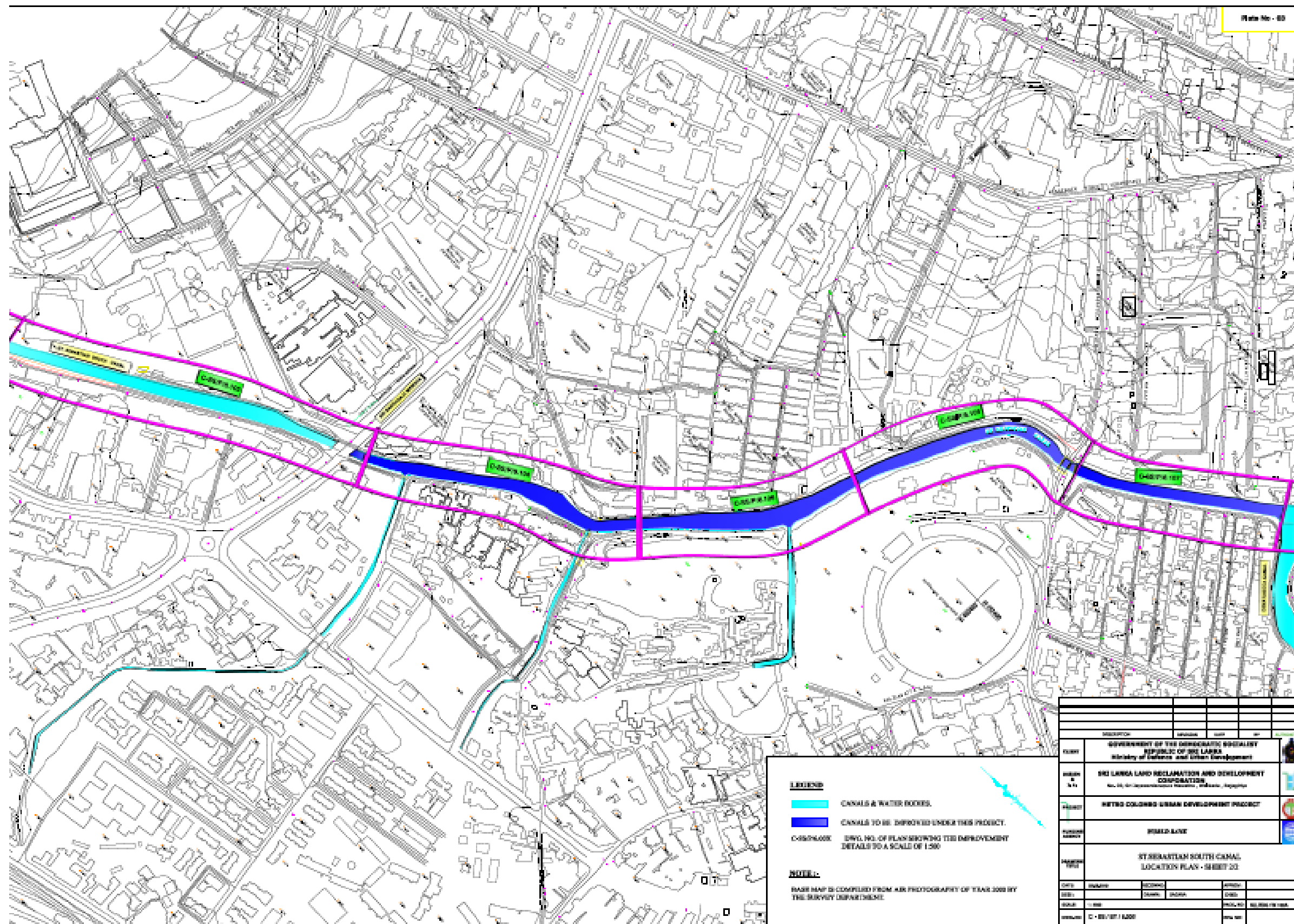
Figure 2: Location of St. Sebastian South Canal



Rehabilitation of St. Sebastian South Canal



Rehabilitation of St. Sebastian South Canal



Rehabilitation of St. Sebastian South Canal



### 1.3 Potential Impacts of the Subproject

**1.3.1** As mentioned previously, a SMF has been prepared, based on a Social Assessment exercise, which provides a Resettlement Policy Framework as per the Bank's OP 4.12 with additional guidelines for dealing with project affected persons, securing their rights and livelihoods and for strengthening people's participation and social accountability. The SMF provides guidelines to undertake social screening, and Social Impact Assessment (SIA), if the screening indicates resettlement impacts, and prepare / implement Resettlement Action Plans (RAPs) for sub-project activities.

**1.3.2** Social Screening in the particular area was carried out and data collected in a format provided in the SMF. The objective of Social Screening was to understand sub-project activities, alternative analysis, justification for the sub-project, corridor of impacts, people and their livelihoods alongside the proposed work sites, potential impacts arising from any land acquisition and resettlement requirements on people's lives; ascertain nature, and estimate extent and magnitude of negative impacts in order to identify necessary mitigation measures. The Social Screening Methodology included a desk review of the project documents and design drawings, study of alignment maps, a census of project affected persons, field observations, walk through, consultations with the technical team at site, as well as with people living in the corridor of impact.

**1.3.3** Under this sub project, MCUDP will rehabilitate and improve canal banks of St. Sebastian South. For the improvement of canal banks, a canal reservation zone of 6.5 meters will be declared. Civil works of the rehabilitation of SSSC will be confined to the land already belonging to the State (SLLRDC). This area has been encroached by squatter HHs during last two decades. MCUDP will relocate these squatter HHs in a new condominium as per the agreed SMF. Thus the sub-project does not involve any acquisition of private land. Given below are the identified key social risks as well as negative and positive impacts of the sub-project.

### 1.4 Adverse Social Impacts and Risks

**1.4.1 Displacement and Resettlement:** The sub-project will lead to displacement of 91 squatter households. The social assessments and consultations conducted with these 91 households pointed to a number of direct and indirect as well as permanent and temporary impacts on the lives of these project affected households. They include disruptions to their livelihood activities, loss of premises which they have been using to operate their economic activities, loss of their consumer networks, loosening of their familial kinship and neighborhood ties and bondages etc.

**1.4.2 Loss of Commercial Units:** A total of 06 commercial non-titled squatters are expected to experience loss of structure and their business activities due to the implementation of this sub-project. The 06 commercial units include 01 eatery, 01 unit that collects waste metal, papers and bottles to sell, and 04 retail grocery stores. These grocery

stores are permanent structures. The ground areas of these commercial units are shown in Annex 5.

**1.4.3 Partial Damage to Cultural Property:** The Isipathanaramaya Buddhist temple and the Al-Masjidul Khiruliya Jumma mosque located along the canal bank may sustain minor damages during civil works.

**1.4.4** A summary of the aforementioned impacts is provided in Table 1 below.

**Table 1: Summary of Impacts**

Impact	Households / Structure
Requiring Resettlement	91
- Fully Damaged House	85
- Fully Damaged House with Commercial Unit	06
Partial Damage to Religious Structure	02
Loss of Commercial Structure	06
Loss of Livelihood (includes above 06 who will lose their commercial structure)*	11

\*Note: Although livelihood impacts have been identified for these specific households, the livelihood restoration and development programme under this sub-project will target all 91 households. This programme will be carried out at the new resettlement scheme and focus on reducing unemployment levels, raising incomes and reducing poverty among all PAPs. For more information refer Table 13 (pp. 67-8).

**1.4.5 Loss of Public Toilet:** A public toilet located within the 6.5 meter reservation area is used by some PAPs as well as some other households living outside the subproject area for many years. This public toilet will be demolished along with the start of the canal rehabilitation civil works depriving the access to a toilet by non-affected households living outside the subproject area.

**1.4.6 Pipe Borne Water Supply Lines:** The civil works will also cause damages to the existing water supply pipe lines located within 6.5 meters reservation area. The pipe lines provide water to the project affected households as well as households located outside the reservation area. Damages to water supply lines may deprive the water facilities to the latter.

**1.4.7 Electricity Power Supply Posts:** There will be temporary interruption of power supply to several households with the re-installation of 12 Electricity Power Supply posts (now located within the 6.5 meters reservation area) outside the subproject area

**1.4.8 Demolition of Structures:** The planned canal rehabilitation work involves the demolition of the 91 houses currently located within the 6.5 meter reservation area.

Demolition of houses using heavy machinery may cause damages to the adjoining houses which are sometimes separated by a single wall or a narrow space.

**1.4.9 Impact on Accessibility, Mobility, and Safety:** There may be some obstructions to vehicle access on minor roads during construction works i.e. 100-200m stretch between Babapulle Bridge and the Dematagoda Canal). The community may also face minor temporary difficulties such as dust and noise. These will be mitigated in line with the SMF. The civil works may pose safety and accident hazards to people living along the worksites.

## 1.5 Positive Impacts

**1.5.1 Improved Water Quality:** Undertaking this sub-project will help prevent unauthorized waste or sewerage outlets to the St. Sebastian South Canal and thereby improve its water quality.

**1.5.2 Reduced Flooding:** The St. Sebastian South Canal is a very important canal for draining out the storm water of its own catchment under gravity flow, when the water level of the Kelani River is lower than that of the canal system. The rehabilitation of the Canal will help reduce flooding in the CMR and minimize disruption to daily livelihoods of the surrounding community.

**1.5.3 Healthy and Safe Environment:** The sub-project will have a long term positive impact on the community by way of a clean and healthy environment and by reducing local flood risk during rainy periods. The 91 households have expressed willingness to relocate. This is due to the fact that they reside in low-lying, flood-prone areas of St. Sebastian South Canal where regular flooding causes financial burden, disease, and disruption to children's schooling.

**1.5.4 Better Housing for Relocated Community:** Households located inside the 6.5 m reservation area of St. Sebastian South Canal reside in low-lying, flood-prone areas where regular flooding causes financial burden, disease, and disruption to children's schooling. They will be moved to permanent flats of 400<sup>2</sup> ft and worth LKR 7 million each, in a newly built condominium (66 Watte, Colombo 8). The condominium has 12 stories and 432 units, each equipped with living/dining room, kitchen, 2 bedrooms, and a toilet. The building provides for shop spaces on rent and other common amenities such as elevators, garbage collection facility, postal delivery facility, and gathering halls. Thus they will ultimately benefit in terms of improved housing and living conditions with minimal disruption to livelihoods and education as relocation will be within a 2.5 km radius of their previous location (which is within the range stipulated in the SMF, clause 3.26). The resettlement site also has 5 schools located within a 1 km radius and 1 mosque within a 1 km radius.

**1.5.5 Improved social environment in relocated housing scheme:** The households expressed that their relocation would not only provide them with better housing conditions but

also a good social environment. Several people, particularly the women observed that the slum neighborhood in which they are currently living is also infected with a variety of anti-social activities which are detrimental to the lives of children and youth. They believed that their new environments in the housing scheme would provide a better environment for socialization of children and the pursuit of their education.

## **1.6 Alternate Analysis**

**1.6.1** The design alternatives for this sub-project were decided after a thorough alternative analysis to ensure that negative social impacts were avoided and minimized to the maximum extent possible. As shown in Figure 3, canal banks of the St. Sebastian South Canal are densely populated. Some have structures that function as both household and business units. This suggests restrictions to working space for rehabilitating canal banks as well as complexities in terms of social impacts. Design alternatives were therefore discussed and finalized by interacting with the community. The proposed interventions are limited to the rehabilitation of the existing canal banks with the least possible resettlement impact to nearby households and businesses.

## **1.7 Linked Activities**

As per the OP 4.12, the SMF applies to activities resulting in involuntary resettlement which are (a) directly and significantly related to Bank-assisted projects; (b) necessary to achieve its objectives as set forth in the Project documents; and (c) carried out, or planned to be carried out, contemporaneously with the Project. This sub-project will involve the resettlement of 91 households. The Social Screening reports confirm that this sub-project does not have any linked activities being undertaken as per the above criteria.

## CHAPTER 2 - SOCIO-ECONOMIC PROFILE OF THE PROJECT AFFECTED HOUSEHOLDS

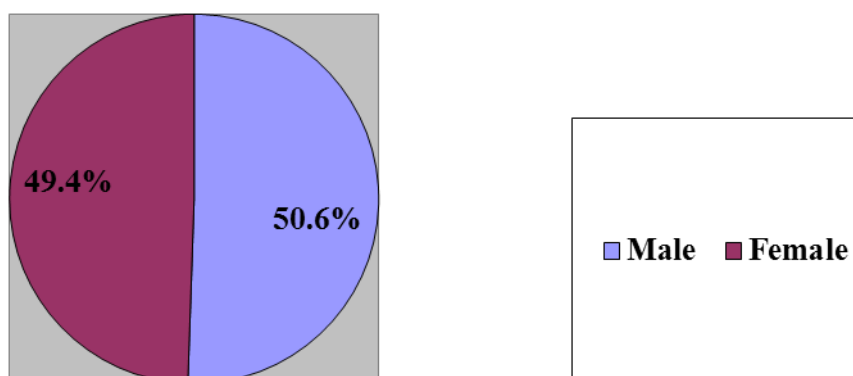
### 2.1 Introduction

The second chapter of the RAP provides a socio-economic profile of the 91 households to be affected by the implementation of the subproject. The latter section of this chapter also presents an analysis of the livelihoods of the 91 PAFs and the perceived impacts of displacement and resettlement on these livelihood sources. Details of 91 households to be displaced and relocated are appended in Annex 2.

### 2.2 Socio-Economic Profile of the Affected Households

**2.2.1** The 91 households belong to underserved or low-income settlements. The total population in the sub-project area is 547. This includes a more or less equal proportion of males and females, at 50.5% and 49.4%, respectively. Approximately 32% are below 14 years of age, around 66% are aged between the years of 15-60 while 6% are above the age of 60 years. Around 4% are pregnant or lactating mothers. School-going children represent 28.6% of the affected population among that 16.8% of boys and 13.7% are girls, with the average distance to schools being 1.15 km. 47% of these households have been living here for over 20 years.

**Figure 3: Percentage of Males and Females**



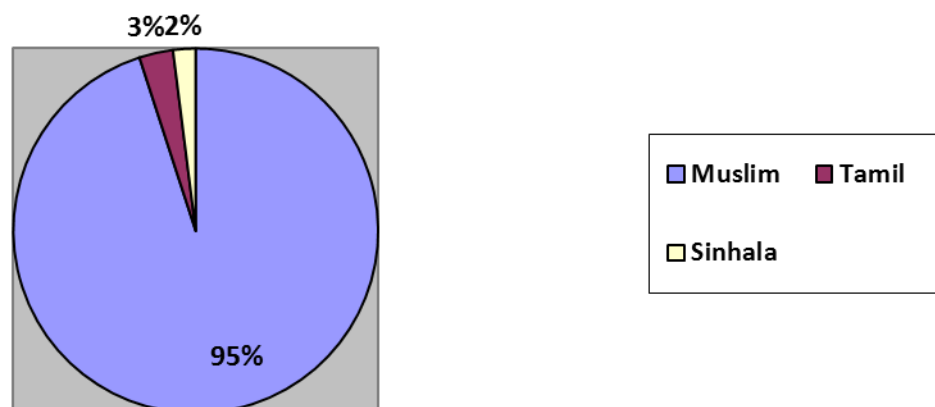
**2.2.2** Housing is very dense with families living in houses located on either side of the canal. Most houses are semi-permanent structures and temporary units while some are permanent houses. Floor areas of PAFs are shown in table 2.

**Table 2: Floor Area of Households**

Floor Area (sq.ft)	No. Households
Up to 400	62
401-500	7
501-600	4
601-700	8
701-800	6
801-900	2
901-1000	1
>1000	1

The floor area in most of these houses ranges from 200-1000 ft<sup>2</sup>. They are built along the canal bank and sometimes even over the water stream of the canal. They have asbestos roofs, cement floors, and walls made of brick / plaster. 88 numbers of houses have electricity supplied through the Ceylon Electricity Board and there are 3 numbers of families with no electricity facility. Out of the 91 households 84 houses have access to pipe borne water inside the house, three houses have water supply pipe into yard or plot and three houses have been using public water sources in the area. According to the Socio-Economic survey, all the households have access to a water sealed toilet. Some households also use the public toilet located within the project impact area. However, sewer is discharged directly to the canal through extended pipes. They use gas cooking stoves and a variety of household appliances. Three wheelers are the popular mode of transport.

**2.2.3** The sub project area of St. Sebastian South is a multi- ethnic community where Sinhalese, Tamil, Muslims and other ethnic groups have been living together for several decades. The ethnic composition is predominantly Muslim / Malay (95%) followed by Tamils (3%) and Sinhalese (2%) who constitute the minority. There is a mosque and temple located in the vicinity.

**Figure 4: Ethnic Composition**

**2.2.4** The average monthly household income for 70% of the households is estimated to be over and above LKR 20,000.00. However, incomes of the majority of households are unstable, fluctuating and casual earned on a daily basis. A total of 02 households were

identified as low earning (less than LKR 10,000 per month); one is a labourer in a cleaning service firm and the other collects and sells scrap iron. A total of 06 commercial units have been identified in the area. Of these units, 04 sell grocery items, one functions as a restaurant, and one sells scrap iron (mentioned above). Some women sell short eats and fruits from home on an ad hoc basis. The survey identified 11 members from different households who are working as housemaids and other labour works in the Middle-Eastern countries. For further socio-economic information on PAPs, please refer Annex 3.

## **2.3 Impact on Livelihoods**

**2.3.1** Among the 91 households, 43 households (47%) are dependent on a single source of income. Another 27 households (30%) have incomes derived from two different sources. The number of households that accessed incomes from three different sources is counted as 18 (20%) while the rest 3 households (3%) drew their household incomes from four different sources.

**2.3.2** The 91 households are engaged in a variety of livelihood related activities ranging from manual labour work to employment in foreign countries. Eleven out of 91 households had family members employed in foreign countries; 13 households ran hiring services with their own taxies (three-wheelers) while another 6 households had taxies taken on rent. Retail groceries were run by 7 households either in a part of their homes or elsewhere whereas 3 others operated small restaurants or tea kiosks; 23 households had members who were engaged in diverse forms of small-scale business activities such as dress-making, vegetable and fruit marketing, collecting and selling discarded iron and other metal items for re-cycling, selling mobile phones, paper bag making etc.; 9 households had skilled workers such as masons, carpenters, welders, electricians and painters; 19 households had family members employed in hotels, garment factories, sanitary services and banks; 39 households had members engaged in paid labour work; and 3 households had other livelihood sources such as renting out their houses. The market demand for the type of livelihood activities conducted by members of the PAP households remains stable and regular pointing to steady incomes to PAP households.

**2.3.4** The St. Sebastian South Canal Subproject will not only cause physical displacement to 91 households but also economic displacement to some households. Assessments have pointed to that around eighty out of 91 households (87.9%) will not experience any adverse impacts on their livelihood activities. These households would be able to continue with their current livelihood activities in the same places where they operate now. Among them are pavement vendors, casual laborers and persons employed in private sector agencies. Nevertheless, almost all the households would have to bear a slightly increased transport cost to travel from their new settlements to their present work stations. Finding alternate work places for casual laborers, market outlets for pavement vendors, parking stations for three wheeler drivers etc. which are closer to their new settlements would not be possible in the short-run due to tightened competition from their counterparts who operate in those areas.

However, the PIA will engage the PAPs in a continuous consultation process until December 2016, assess the difficulties associated with their livelihood practices, intervene to address any difficulties that they would encounter and explore with other relevant agencies like municipality councils, Urban Development Authority to provide alternate locations that are conducive and cost effective for PAPs to continue their livelihood related activities. To mitigate the issue of increased transport cost discussions have been held with the UDA. A new public transport service will be established by the UDA from the new housing scheme to Colombo Fort. This bus service will start around the first week of October 2014. A tentative timetable for this bus service is shown in Table 3.

**Table 3: Tentative Timetable for Proposed Bus Service**

Time	From	To
6.30 AM	“Methsiri Uyana” Housing Scheme. (66 Ward)	Pettah
1.30 PM	Pettah	“Methsiri Uyana” Housing Scheme. (66 Ward)
4.30 PM	Pettah	“Methsiri Uyana” Housing Scheme. (66 Ward)

**2.3.5** Six out of the 91 households (7%) would experience adverse impacts on their present livelihood activities (refer Annex 10). Economic displacement for these 06 households would characterize loss of their current business premises and/or their regular customer network. Households that operate retail groceries or small restaurants in a separate section of their present dwellings would lose their business premises as well as their regular customer base along with displacement and resettlement. Incomes generated by these small-scale commercial centers are reported to be ranging from Rs.500-5000 per day. There is a collector of discarded metal and iron items for recycling purposes. One such household would lose the front yard of his present dwelling along with a shed which he uses to store his collected items until such time they are sold to the potential buyers. Perceived impacts on the livelihoods of these 06 households are explained in Table 4 below.



**Table 4: Economic Displacement of Project Affected Persons**

No.	Name of Head of Household	Type of Livelihood	Impact on Livelihood
1.	Mrs. A.B.J. Ramziya	Retail grocery	Loss of business premises Loss of consumer network
2.	Mrs. M.N. Aneesha	Retail grocery	Loss of business premises Loss of consumer network
3.	Mr. M.Nazeer	Restaurant	Loss of business premises Loss of consumer network
4.	Mr. M.N.M. Fawzul Hak	Retail grocery	Loss of business premises Loss of consumer network
5.	Mr. T.J. Kaseem	Retail grocery	Loss of business premises Loss of consumer network
6.	Mrs. Siththi Jesima	Collector of discarded metal and scrap iron items for recycling	Loss of business premises to store their collected items Increased transport cost

## 2.4 Livelihood Restoration Strategies

**2.4.1** The PIA will adopt the following measures to pay compensation for the loss of livelihood activities of the PAPs and to support their restoration.

- The Urban Development Authority (UDA) conducted a comprehensive valuation of all livelihood related losses of the 06 PAPs in terms of the accepted principles of valuation and the regulatory framework for valuation stipulated in the Urban Development Act as well as the policies and principles prescribed in the National Involuntary Resettlement Policy (NIRP).
- The Entitlement Assessment Committee (EAC) established under the MCUDP has reviewed the valuation report submitted by the valuation officer of the UDA and determined the amounts of compensation entitled to by the individual PAPs, which is reflected in the Resettlement Budget. The EAC will ensure that livelihood losses of the 06 PAPs are compensated at ‘replacement cost’ as provided in the NIRP. Details of valuation report were summarized in table 09
- The implementing agency has arranged to provide a shifting allowance to all PAPs to cover their transport costs.

- Furthermore, the implementing agency together with the UDA have agreed provide alternative business premises in the vicinity of the new settlements.
- Due to increasing of distance to work places, the UDA has been arranged new bus service on first week of October 2014 to minimize the transportation cost of PAPs.

**2.4.2** The post-resettlement strategy would also include implementing a community development plan in the new resettlement schemes where a major emphasis would be placed on livelihood restoration and development. This livelihood development programme would focus on reducing unemployment levels, raising incomes and reducing poverty among the PAPs. The programme would include developing vocational and technical skills of the unemployed youth, particularly the women and girls and providing them with access to micro-credit facilities provided under various government development programmes, development NGOs and banks. The implementing agency in collaboration with the Ministry of Youth Affairs and Skills Development would conduct vocational and technical skills development programmes for the unemployed youth selected from among the resettled families. The Social Team of MCUDP will implement community development activities such as conduct awareness programs, organize training programs, and form community based organizations. They will also conduct follow up programs with direct interaction for affected communities during the post resettlement period.

## CHAPTER 3 - LEGAL FRAMEWORK

### 3.1 Introduction

The policy, legal framework, resettlement principles and entitlements in the RAP is based on GoSL's Land Acquisition Act (LAA), No.9 of 1950, National Involuntary Resettlement Policy (NIRP), 2001; the World Bank's Safeguards Policy OP 4.12 and the Social Management Framework (SMF) prepared for the MCUDP. The Land Acquisition Act (LAA) provides for compensation for land, structures and crops affected by acquisition, and does not address resettlement related issues, including impacts on non- titleholders. The National Involuntary Resettlement Policy (NIRP) of 2001 provides for addressing resettlement and rehabilitation issues including payment of compensation at replacement cost. The GoSL has previous experience in managing projects involving LA and resettlement and rehabilitation (R&R) applying policies acceptable to external donors such as ADB, JICA, and IDA/IBRD.

### 3.2 Land Acquisition Act 1950 (LAA)

Sri Lanka has several laws and regulations relating to land, such as land acquisition, recovery of state lands, claiming rights of acquisitive prescription, declaration of reservations, compensation for property losses and compensation for improvements mentioned below.

Land Acquisition Act No 9 of 1950

National Environmental Act No 47 of 1980

Road Development Authority Act No 73 of 1981

State Lands Act No 13 of 1949

State Lands (Recovery of Possession) Act No 7 of 1979

Urban Development Authority Law No 41 of 1978

Municipal Councils Ordinance No 29 of 1947

Urban Development Projects (Special Provisions) Act No 2 of 1980

Sri Lanka Land Reclamation and Development Corporation Act No 15 of 1968

Land Development Ordinance No 19 of 1935

Prescription Ordinance No 22 of 1971

Law of Compensation for Improvements

**3.2.1** The law governing acquisition of land for public purposes is the Land Acquisition Act (LAA) No.9, enacted in 1950 and which has been the subject of several amendments and revisions. LAA provides the legal basis to acquire land, if required for any development project. The LAA provides compensation for land, structures, and crops. The LAA was amended several times thereafter, the latest being the Amendment Act No 13 of 1986. But, there are no any land acquisition needs to this sub project (St. Sebastian South Canal).

**3.2.2** The acquisition of private land with titles will be handled by the Ministry of Land (MoL). The Ministry of Lands (MOL) has the overall institutional responsibility for implementing the NIRP, and has established a Resettlement Division to coordinate implementation. A number of technical guidelines have been provided under the NIRP to assist the MOL to acquire private

lands. The land acquisition act is the main legal document to be used for acquisition of private land with titles. The summary version of the process to be followed in acquisition of private land for sub-project activities is presented below.

- A notice is issued specifying that land is potentially required for a public purpose, and this permits authorized personnel to undertake investigations (surveys, boreholes, and setting out of boundaries etc.) to determine suitability. If the land is deemed suitable for the public purpose a written declaration to that effect is made, and notices are issued describing the land, the intention to acquire the land, and requiring that persons with an interest in the land notify (in writing) the acquiring officer of their claim (including the expected amount of compensation).
- The acquiring officer then holds an inquiry into the market value of the land, the claims for compensation, and the respective interests of the claimants, as well as any other related matters. At the conclusion of the inquiry the acquiring officer either makes a decision on the claims or refers the claims to the District Court or Primary Court.
- Following the decision (either by the acquiring officer or the courts), the acquiring officer makes an award determining the persons who are entitled to compensation, the total amount of compensation deemed to be allowed for the acquisition, and the apportionment of the compensation between the persons with interest in the land. In the event of a dispute over the determination, it may be appealed to either the compensation Review Board or Court of Appeal (on questions of law following a decision by the Compensation Review Board), provided that the appeal is lodged within 21 days of receipt of notification of the award.
- Provided that there are no appeals, the compensation is paid (the LAA allows for an initial payment and the remainder to be paid in installments). If the person with an interest in the land has agreed to a land exchange in lieu of cash, the transfer is put into effect at this time. After the awards are made the Minister publishes or gazettes a “vesting order” for the possession of the land, after which time occupants of any buildings located on the land to be vested are given notice to vacate.

**3.2.3** The action process to be followed in line with the above mentioned legal requirements is given in Table 5.

**Table 5: Process for Acquisition of Land**

Step	Action-process	Responsibility
1	Need for acquisition of the identified plot of land is revalidated by the sub-project design engineers	SLLRDC, PMU
2	The details of the land and the owner are submitted to the MoL for initiation of acquisition process	PMU
3	Consultation with the land owner	MoL, PMU
4	Proper assessment of the extent of land to be acquired and the value of the land	MoL with the involvement of Valuation Department
5	Negotiation with the land owner on compensation	PMU, SLLRDC
6	Preparation of legal documents according to the agreed conditions	MoL, PMU, EAC
7	Payment of compensation	PMU, MoL

### 3.3 Sri Lanka Land Reclamation and Development Corporation Act No 15 of 1968

The Parliament of the Democratic Socialist Republic of Sri Lanka has empowered the SLLRDC to retain adequate land as canal reservation area which varies with the surface width of the canal. These regulatory powers of the SLLRDC have been published in the Government gazette of NO.1662/17 issued on 14/07/2010 (see Annex 2 for copy of the relevant Gazette). In terms of this regulatory framework of the SLLRDC, any occupants living within this declared zone need to be evacuated to enable the SLLRDC to carry out its rehabilitation and development activities of the canal.

### 3.4 Country and Bank Safeguards Requirements

#### 3.4.1 World Bank Social Safeguard Policies Applicable to the Project

The SMF seeks to sustain a due diligence process, to avoid exacerbating social tensions and to guarantee unflinching treatment of social issues across all development interventions. All projects funded by World Bank must comply with the Bank's social safeguards. OP 4.12 Involuntary Resettlement is one of the most important safeguards guiding land acquisition and related resettlement /compensation issues during project implementation. It assists the PIAs in screening the sub-projects for social impacts in conformity with applicable laws and regulations and the Bank's safeguard policies.

**OP 4.12: Involuntary Resettlement:** Involuntary resettlement covers situations where a project must compensate people for loss of land, other assets, livelihood, or standard of living. The MCUDP may not require any major acquisition of private lands. However, it involves the recovery of possession of state lands which form canal embankments and reservations. Most MCUDP sub-projects may adversely affect the assets of people occupying these strips of land. In these situations, the involuntary resettlement safeguard policy could be triggered.

Bank policy states that a Resettlement Policy Framework should be prepared for projects of this nature where the sub-projects that have not been fully prepared could potentially have a negative effect on people's assets and livelihoods. This SMF (which provides the RPF for this project) sets

out principles for safeguards management, procedures to screen and survey social impacts and prepare resettlement action plans (RAP) to mitigate the same, lays down entitlements with eligibility criteria for providing compensation and resettlement benefits, implementation arrangements necessary to implement the action plans to mitigate impacts in the course of implementing sub-projects. This SMF provides templates for preparing such action Plans in the Appendix V and VI.

The WB's operational policies seek to avoid where feasible or minimize involuntary resettlement, exploring all viable alternative project designs. Resettlement planning has the objectives of providing displaced persons with a standard of living equal to, if not better than, their pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. The required measures to address the impacts resulting from involuntary taking of land a resettlement policy framework is required to ensure that the displaced persons are informed about their options and rights pertaining to resettlement; consulted on and provided with technically and economically feasible resettlement alternatives and provided compensation at full replacement cost. Where the impacts include physical relocation the resettlement policy framework includes measures to ensure that the displaced persons are provided moving allowances and provided with residential housing.

The World Bank involuntary resettlement policy states that project planning must avoid and minimize involuntary resettlement, and that if people lose their homes or livelihoods as a result of Bank-financed projects, they should have their standard of living improved, or at least restored. The policy was designed to address the plight of millions of people around the world whose homes are destroyed or whose livelihoods are adversely affected as a result of Bank-financed projects. Where impacts on the entire displaced population are minor, or fewer than 200 people are displaced, an abbreviated resettlement plan may be agreed with the borrower. Impacts are considered "minor" if the affected people are not physically displaced and less than 10 per cent of their productive assets are lost.

**OP 4.11: Physical Cultural Resources:** According to the Bank, the term "Physical Cultural Resources" includes sites having archeological (prehistoric), paleontological, historical, religious, and unique natural values. The World Bank's general policy regarding cultural properties is to assist in their preservation, and to seek to avoid their elimination. Specifically, the Bank normally declines to finance projects that will significantly damage non-replicable cultural property, and will assist only those projects that are sited or designed so as to prevent such damage. The development interventions along lake and canal banks may pose a minimal risk of damaging cultural property such as religious buildings located fully or partly on the reservations. The MCUDP will avoid any demolition of such property by alternate designs.

### 3.4.2 Gaps Between Country and Bank Safeguards Requirements

Sri Lanka has a highly developed legal system to manage land acquisition and regulate land use. It has an advanced system for valuation of properties, both in specialized and non-specialized categories involving different methods. Nevertheless, the existing legal provisions do not fully meet the World Bank's safeguard requirements when it comes to land acquisition and resettlement. The GoSL's NIRP seeks to address these gaps bringing the process closer to the Bank's

safeguards polices. The NIRP is a statement of policy intention without specific rules and prescriptions to guide safeguards implementation. The SMF provides that, notwithstanding the above laws and provisions relating to reservations on state lands and recovery of state lands, no person affected by the MCUDP shall be ejected from his/her residence or business irrespective of possession status without, if eligible, being provided with appropriate resettlement and rehabilitation assistance as spelt out in the Entitlement Matrix. In case of any conflict between these laws and the SMF, the latter will prevail. In this context, this RAP prepared in line with the SMF provides an Entitlement Matrix and specific guidelines to address involuntary resettlement and risks associated to physical cultural resources in compliance with the Bank OP 4.11 and 4.12. Whereas LAA will remain the main legal procedure for acquiring any private land required for the Project, the affected persons and households will receive eligible compensation and resettlement benefits as per the Entitlement Matrix given in the SMF irrespective of their title or occupancy status prior to losing shelter, business, assets, and incomes due to this Project.

### **3.5 Linked-Activities**

As per the World Bank OP 4.12, the SMF applies to activities resulting in involuntary resettlement which are (a) directly and significantly related to the Bank- assisted project; (b) necessary to achieve its objectives as set forth in the project documents; and (c) carried out, or planned to be carried out, contemporaneously with the project. The Social Screening reports confirm that this sub-projects does not have any linked activities being undertaken as per the above criteria.

## CHAPTER 4 – ENTITLEMENTS

### 4.1 Entitlement Matrix

Provided in the SMF outlines various types of losses resulting from sub-project impacts and provisions for compensation and R&R benefits for various categories of affected persons. The Matrix applies to all sub-projects entailing involuntary impacts irrespective of the size of the sub-project and the extent of impact. If in any stage of a sub-project, additional resettlement impacts are identified, the RAP will be updated by the concerned PIA making provisions for mitigating such impacts with compensation and R&R benefits in line with the Entitlement Matrix. This Matrix has been prepared considering various categories of losses and impacts identified during the social assessment, which is summarized in Table 6 below. This Matrix is based on applicable Sri Lankan laws, the NIRP and is in compliance with the World Bank's safeguard policies. The Entitlement Matrix offers compensation for land and structures at replacement cost, alternative housing for squatter families in multistorey condominiums, shops on long-term lease for displaced shopkeepers, assistance for temporary loss of incomes, additional benefits for vulnerable displaced households, re-establishment of community facilities, and mitigation measures for temporary impacts.

### 4.2 Unit of Entitlement

The Unit of entitlement can be an individual, household, family or a community. The concept of household has been accepted by most of the planning exercises for data collection and impact assessment. The Entitlement Matrix considers the unit of loss to determine the unit of entitlement. Even as household is the unit of entitlement, for R&R benefits, in case of providing compensation for the loss of land and structure, the titleholder-who may be an individual, a household, or a group of individuals becomes the unit of entitlement. If more than one person has legal or customary rights to a property or resource recognized under law the compensation has to be shared.

### 4.3 Eligibility Criteria

Any person or household, or community who suffers loss of land, shelter, business, incomes because of the Project impact is eligible for receiving compensation or, and R&R assistance to offset such loss enabling restoration of living conditions to a state better or equal to the pre-project situation. The eligibility is determined on the basis of census of the PAPs carried out while preparing the RAP and approved by the EAC<sup>1</sup>. The eligibility list provided in the RAP remains the basis for providing entitlements to the non-titleholder PAPs. In case of titleholders, eligibility is determined through scrutiny of title deeds or other ownership documents recognized under law. The categories recognized in SMF as eligible for receiving entitlements are listed below.

<sup>1</sup> EAC- Entitlement Assessment Committee is the entity established replacing the previous Land Acquisition and Resettlement Committee (LARC). EAC will be constituted comprising the Project Director, representative from the Ministry of Land, Valuation Department, concerned PPA (such as UDA, SLLRDC, CMC), and representatives from the civil society at the PMU level and shall be headed by the Project Director-MCUDP



**Tenant:** A person who is engaged in economic activities on a project-affected land owned by another person with registered papers verifying such tenancy; or occupies a structure on the same land with legal proof. A protected tenant is one who is occupying the land or structure or both with legal protection under the Tenancy Act.

**Business Owner:** A person who owns or conducts a business within the project-affected area, the operation of which will be disrupted by the construction of the project. S/he can be a legal owner, non-titled structure owner, or tenant and will receive different compensation and R&R packages as per the Entitlement Matrix.

**Project Affected People (PAP):** Includes any populace, households regardless of their ownership status as encroachers / squatters etc. whose living standards will be adversely affected; and/or lose their title, or beneficial right to land, house, habitat, water resources or any other asset possessed, due to the project implementation.

**Squatters:** People who have occupied land and have erected structures on it for the purpose of residence / income generating activities without legal title/rights and are not entitled to compensation for *lost land* under this policy. But, if displaced they are entitled to R&R assistance as per the Entitlement Matrix.

#### 4.4 Cut-Off Date

The cut-off date for eligibility for entitlement for titleholders is the date of notification under the LAA and in the case of non-titleholders is the date of the census of the project affected persons i.e. July 5, 2013. Persons who encroach on the area *after* the cut-off-date are *not* entitled to claim compensation or any other form of resettlement assistance. Fixed assets such as built structures or planted trees after this date will not be compensated. Prior notice has been given to the community in this regard. An official notice was distributed in Sinhala, Tamil, and English languages and can be referred to in the Annex 5. The notice includes details of the MCUDP, proposed rehabilitation work of St. Sebastian South Canal, benefits accruing to the community as a result, social impact survey, and cut-off date for entitlement eligibility.

#### 4.5 Compensation at Replacement Cost

The SMF provides details about valuation of private land and property affected by the Project. The NIRP prescribes payment of compensation for loss of affected property at replacement cost. Footnotes to the Entitlement Matrix given in this Chapter explain valuation methods. The valuation of properties involves use of approved methods including accounts and profit method, investment or income method, and comparable method. The comparable method is mostly used for valuing urban properties. The investment/ income method is adopted for non-specialized properties (residential or commercial) where the property is producing or has the potential to produce future cash flows through the letting of the property. The comparable method is used for non-specialized properties where there is good evidence of previous sales. Account and profit methods are used for specialized profits such as agricultural land where the market may not be rational. Sri Lanka has an advanced system for valuation of properties and has registered valuers to assist in fixing the replacement costs for land and assets.

## 4.6 Compensation for Structures

**4.6.1** If only a part of the structure is acquired, the floor area to be considered for payment will be calculated up to the structural support points. If after acquiring the affected portion, the remainder portion may become structurally unsustainable, compensation should be paid for the full structure. If the remainder portion of the structure collapses within 06 months after acquisition of the required part, the Project will bear all the losses caused due to such an event. In case of Rent controlled shops and houses, compensation is payable at replacement cost to tenant and owner as shown in Table 6.

**Table 6: Compensation Rates**

Period of Occupancy by Tenant	Percent of Compensation	
	Tenant	Owner
More than 20 years	75	25
10-20 years	50	50
05-10 years	25	75
Less than 5 years	10	90

**4.6.2 R&R Benefits for Non-Title Holders:** The SMF provides that the non-titled residential squatter households residing in the sub project areas of MCUDP prior to the cut-off date and verified to be in the displaced category during social impact survey will be re-housed in resettlement sites, subject to their willingness to bear the cost of management and maintenance costs. The SMF provides that commercial non-titled squatters on state lands will receive compensation for their affected structure and opportunity to obtain an alternative shop available at the resettlement site or any other shopping scheme on a long-term lease basis, subject to their willingness to bear the cost of lease premium and maintenance and management charges. Six out of the 91 households will be eligible to receive an alternative shop available at the resettlement site or any other shopping scheme on a long-term lease basis. However, these PAPs opted to choose the first option. The non-title holders shall not receive any compensation for land. Encroachers on private land which have not been contested in a Court of law by the land owner will be paid compensation for the improvement carried on the land, upon adequate proof that improvements have been made by such persons.

**4.6.3** Furthermore, 91 squatter households will also be eligible for rental and transport allowances for emergency temporary relocation. They are also eligible for a one-time livelihood allowance in lieu of income loss and compensation for loss of commercial structure.

**4.6.4** The Entitlement Matrix that describes the variety of compensation for project affected persons is provided in Table 7 below.

**Table 7: Entitlement Matrix**

S.N.	Type of loss/ disturbance	Definition of Affected Persons	Entitlement	Details
<b>1. Private Land Without Structure</b>				
1.1	Loss of land due to project related activities	Legal title holders/affected parties with land use rights recognized under the law	Compensation at replacement cost and Resettlement and Rehabilitation	1.1.1 Compensation <sup>1</sup> for affected land at replacement cost <sup>2</sup> as per LAA <sup>3</sup> 1.1.2 Three months advance notification for harvesting crops, or compensation for crop damage 1.1.3 Compensation for trees affected at market price. 1.1.4 Applicable interest on compensation amount for delay in payment of compensation calculated from the date of taking over land possession 1.1.5 Compensation for the economically non-viable remainder or residual land, if the land loser is willing to surrender such land, at replacement cost <sup>4</sup>
	Loss of tenancy/ profitable occupancy	Registered tenants and leaseholders, share-croppers	Compensation for standing crops, or income losses	1.2.1 No compensation for the land. 1.2.2 Three months' advance notice to salvage crops OR, compensation for the same valued at market rate 1.2.3 Cash payment for six months of rental income for the affected portion of land or LKR 18000 whichever is higher as income assistance.
<b>2. Residential Land and Structures</b>				
2.1	Permanent and full loss private residential structure <sup>5</sup>	Owner - occupants with title or other ownership documents recognized under the law	Compensation at replacement cost & Resettlement and Rehabilitation Assistance	2.1.1 Compensation for the whole plot valued as per LAA if the residual plot is not developable under law (refer to footnote <sup>4</sup> for explanation) 2.1.2. Compensation for affected structure at replacement cost without deduction of any depreciation or salvageable materials, 2.1.3. Opportunity to buy a residential flat available at any resettlement site in the

<sup>1</sup> Compensation must be paid fully prior to taking possession of any affected land or property or both for the Project, and not in installments as allowed by the section 29 of LAA in order to enable the land and property losers to re-establish their shelter/business.

<sup>2</sup> The Sri Lanka National Involuntary Resettlement Policy prescribes payment of compensation for loss of affected property at replacement value. As per the LAA of Sri Lanka, the Ministry of Land is responsible for undertaking land acquisition, and the Valuation Department is responsible for valuation. The valuation of properties involves use of approved methods including "accounts and profit method", "investment or income method", and "comparable method". The comparable method is mostly used for valuing urban properties. The investment/ income method is adopted for non-specialized properties (residential or commercial) where the property is producing or has the potential to produce future cash flows through the letting of the property. The 'comparable' method is used for non-specialized properties where there is good evidence of previous sales. Account and profit methods are used for specialized profits such as agricultural land where the market may not be rational.

<sup>3</sup> The compensation will include statutory compensation and ex-gratia as appropriate under the applicable provisions of the Land Acquisition Act.

<sup>4</sup> Where the remainder plot is not viable as per existing development regulations, i.e. less than average land holding in the locality and not profitable for cultivation in case of agricultural land, and not developable in case of urban land (for example in many areas of CMA this means the remaining plot is less than 6 perches of homestead land, or less than 2 perches of commercial land). In such cases, the Project Authorities will acquire the residual land for the project following the entitlements listed in the entitlement matrix; or pay the affected party 25% of the land hardship compensation for that portion of land without its purchase/acquisition, based on the land loser's choice.

<sup>5</sup> Any structure which is affected more than 50 % of its built up area; or where the remaining plot area not developable under law i.e. it is less than 6 perches of residential plot or 2 perches of commercial plot.

S.N.	Type of loss/disturbance	Definition of Affected Persons	Entitlement	Details
				<p>metro Colombo area, on payment of price determined by the government, contribution to the condominium management fund and monthly maintenance charges<sup>6</sup> (depending on availability?).</p> <p>2.1.4. Transportation allowance of LKR 5000.</p> <p>2.1.5. In case of emergency shifting, cash allowance for alternative rental accommodation of equivalent standard for six months as determined by UDA on case to case basis OR @ LKR 8000/month, whichever is higher,</p> <p>2.1.6. Right to salvage material from the 9 demolished structure, however, without permission to carry these to the new condominium in the resettlement site, unless approved</p>
2.2	-do-,	Non-resident Owner of land and structure with title	Compensation at replacement cost Income restoration Assistance	<p>2.2.1. Compensation for affected land at replacement cost as per the LAA</p> <p>2.2.2. Compensation for the structure at replacement cost without deduction of depreciation or salvageable materials<sup>7</sup></p> <p>2.2.3. Assistance for loss of rental income from the affected structure for six months calculated on the basis of average annual income from the affected structure in the previous 3 years as determined by UDA on a case to case basis, or @ LKR 8,000/month, whichever is higher.</p> <p>2.2.4. Right to salvage material from the demolished structure however, without permission to carry these to the new condominium in the resettlement site, unless approved.<sup>9</sup></p>
2.3	Loss of rental accommodation	Legal Tenants/ Lease Holders	Resettlement & Rehabilitation Assistance	<p>2.3.1. Three months advance notice for relocation,</p> <p>2.3.2. An apportionment of compensation for registered lessees for the unexpired period of lease as permissible under law.</p> <p>2.3.3. Allowance for alternative rental accommodation of equivalent standard as determined by UDA or LKR 8000/month (whichever is higher) for a maximum of six months for tenants/lessees, and for such period as required by law in case of protected tenants</p> <p>2.3.4. Transportation allowance of LKR 5000</p>
2.4	Loss of Residential Structure	Squatters	Resettlement and Rehabilitation Assistance	<p>2.4.1. Offer of a flat of 400 square feet in a multi-story condominium at with basic facilities subject to beneficiary contribution to the condominium management fund and payment of monthly maintenance charges<sup>8</sup></p> <p>2.4.2. Transportation allowance of LKR</p>

<sup>6</sup> The concerned legal residence loser should be permitted to buy the new flat by adjusting compensation payable to him/her towards the cost of the flat.

<sup>7</sup> Apportionment of compensation will be done for land and structure among the interested parties as per LAA

<sup>8</sup> Where the structure was used for both residential and commercial purposes, the occupier can opt for a residential flat. The allotted flat cannot be sold for ten years; however, can be transferred to legal heirs in case of death of the beneficiary.

<sup>9</sup> Use of old materials will not be permitted at new site where these will affect condominium living.

S.N.	Type of loss / disturbance	Definition of Affected Persons	Entitlement	Details
				<p>2.4.3. 5000 for vacating the old structure</p> <p>Rental allowance @ LKR 8000 per month in case of emergency shifting until the offer of permanent relocation to condominium buildings</p> <p>2.4.4. right to salvage building materials (use of old materials will not be permitted at new sites where these will affect condominium living)</p>
	Partial loss of residential land and structure	Owner-Occupants of residence with title or sale deed in their favor	Compensation Rehabilitation assistance	<p>2.5.1 Compensation for affected land and structure at replacement cost as per LAA according to the actual loss to repair or rebuild the structure to original or better condition when remaining land is sufficient to rebuild upon (see endnote 4);</p> <p>2.5.2 Rental allowance for alternative accommodation of equivalent standards OR LKR 8,000/month (whichever is higher) for six months for enabling owner rebuild the affected structure</p> <p>2.5.3 Transportation allowance of LKR 5000</p>
2.6	Same as above	Non-Resident Owners of Land and Structure with title	Compensation Rehabilitation Assistance	<p>2.6.1 Compensation for affected land and structure at replacement cost as per LAA without depreciation according to the actual loss to repair or rebuild the structure to original or better condition when remaining land is sufficient to rebuild upon (see endnote 4);</p> <p>2.6.2 Six months rental allowance as received for the previous month OR @ LKR 8000/month to compensate for loss of rental income from the property as income assistance.</p>
2.7	Loss of rental accommodate on due to partial impact on structure	Tenants/lessees/ Protected tenants	Rehabilitation assistance	<p>2.7.1 Tenants/Lessees will have the option to continue to stay in the building in agreement with the owner; OR</p> <p>2.7.2 Vacate the house on receipt of rental allowance for six months @ LKR 8000 in case of emergency relocation with three months advance notice;</p> <p>2.7.3 Protected tenants will get rental allowance for accommodation of equivalent standard OR LKR 8000/month for such period as required by the Rent Act to allow restoration of the building for the tenant to return</p> <p>2.7.4 Transportation allowance of LKR 5000 in case the tenant/lessee is required to relocate.</p>
2.8	Partial loss of residential structure	Squatters living in structures without title	Resettlement and Rehabilitation	<p>2.8.1 Compensation for only for the affected structure at replacement value according to the actual loss to repair or rebuild the structure to original or better condition when remaining part is sufficient for rebuilding.</p> <p>2.8.2 Transportation allowance of LKR</p>

S.N.	Type of loss / disturbance	Definition of Affected Persons	Entitlement	Details
				5000. 2.8.3 Rental allowance @ LKR 8000/month for six months to allow the affected family to relocate elsewhere and rebuild the affected structure 2.8.4 Provision of alternative flat in lieu of 2.8.1 at par with fully affected squatters (2.5.1) if the remaining structure is not sufficient to accommodate the family.
<b>3. Commercial land and Structures</b>				
3.1	Permanent and full loss of commercial property	Owner-Operator of registered business with title or sale deed in his/her favor	Compensation at replacement value Resettlement and Rehabilitation assistance	3.1.1 Compensation for the affected land at replacement cost as per LAA (for whole plot if the residual plot is not developable under law, i.e. less than 2 perches (see endnote 4) 3.1.2 Compensation for affected structure at replacement cost without deduction of any depreciation or salvageable materials, 3.1.3 Opportunity to avail of a shop on long-term lease at any resettlement site or any other public shopping scheme in the metro Colombo area, on payment of lease premium, contribution to the condominium management fund and monthly maintenance charges ( 3.1.4 Transportation allowance of LKR 5000. 3.1.5 In case of emergency shifting, cash allowance for alternative rental accommodation of equivalent standard for six months as determined by UDA on case by case basis, or @LKR 10,000/month (whichever is higher). 3.1.6 Right to salvage material from the demolished structure, however, without permission to carry these to the new condominium unless approved. 3.1.7 Cash assistance to enable re-establishment of business calculated as net income for six months on the basis of average net annual incomes for preceding three years as recorded in income /sales tax returns filed, OR a lump sum livelihood assistance of LKR 18,000, whichever is higher.
3.2	Same as above	Non-resident property owners with title	Compensation at replacement value	SAME as described in clauses 2.2.1 to 2.2.4 above
3.3	Loss of rental accommodation on Same as above	Legal Tenants/ Lease Holders running business	Compensation Resettlement and Rehabilitation Assistance	3.3.1 Rental allowance of equivalent accommodation as determined by UDA, OR LKR 8,000/month for six months 3.3.2 Rental allowance as above for a period not exceeding six months in case of protected tenants, or as per the applicable law. 3.3.3 Apportionment of compensation for protected tenants and lessees if and as

S.N.	Type of loss / disturbance	Definition of Affected Persons	Entitlement	Details
				3.3.4 permitted under applicable laws. Cash assistance to enable re-establishment of business in case of relocation calculated as net income for six months on the basis of average net annual incomes for preceding three years as recorded in income tax returns filed, OR a lump sum livelihood assistance of LKR 18,000, whichever is higher.
3.4	Loss of commercial structure	Squatters/ operators of business without title	Resettlement and Rehabilitation	3.4.1 Compensation for affected structure at replacement cost without deduction of any depreciation or salvageable materials, 3.4.2 Opportunity to avail of a shop on long term lease at any resettlement site or any other public shopping scheme in the metro Colombo area, on payment of lease premium, contribution to the condominium management fund and monthly maintenance charges. 3.4.3 Transportation allowance of LKR 5000. 3.4.4 Rental allowance LKR 8,000/month for alternative accommodation in case of emergency shifting until the offer of leased shop at resettlement site. 3.4.5 Right to salvage material from the demolished structure, however, without permission to carry these to the new condominium unless approved 3.4.6 Assistance as per 3.1.7
3.5	Partial Loss of Commercial Property			SAME as benefits offered under 2.5.1 to 2.5.3 AND 3.1.7
3.6	Same as above	Non-resident owner of the property	Compensation	SAME as benefits offered under 2.6.1 to 2.6.2.
3.7	Loss of rental accommodation on	Registered Tenants/Lesseees	Resettlement and Rehabilitation Assistance	SAME as benefits offered under 2.7.1 to 2.7.4 AND 3.1.7
3.8	Partial loss of commercial structure	Squatters operating business in structure without title deeds	Resettlement and Rehabilitation Assistance	SAME as benefits offered under 2.8.1 to 2.8.3 AND 3.1.3 if doing business in the remaining portion is not commercially viable as before AND 3.1.7
3.9	Loss of Commercial Kiosks	Vendors operating kiosks with or without permission	Resettlement and Rehabilitation Assistance	3.9.1 Fixed kiosks/sheds will get structure compensation without depreciation and onetime income assistance of Rs 5000, or a mobile vending cart as replacement 3.9.2 Mobile/Movable vendors will get one month's prior notice to relocate nearby for continuing their business.
<b>4. Loss of Livelihood</b>				
4.1	Loss of Livelihood	Anyone losing livelihood with special emphasis on vulnerable and women headed	Rehabilitation Assistance <sup>9</sup>	4.1.1 Training, credit access and skill training support for maximum two youths

<sup>9</sup> Poverty and vulnerability levels will determine the order of priority in extending these livelihood support measures to the affected households, which will be as approved by the Land Acquisition and Resettlement Committee (LARC) specially constituted for the Project in the Ministry of Defence and Urban Development. The LARC will comprise the Additional Secretary and Project Director, MoDUD; Social Development

S.N.	Type of loss /disturbance	Definition of Affected Persons	Entitlement	Details
	due to relocation	families losing income due to relocation Poor self-employed persons		<p>(one male and one female) from the resettled families for livelihood strengthening with the help of NGOs</p> <p>4.1.2 Vulnerable families eligible for government welfare assistance, will be supported with Samrudhi poverty alleviation scheme or old age pension scheme</p> <p>4.1.3 Housekeeping assignments at the resettlement sites and employment in civil works for this Project</p> <p>4.1.4 Opportunity to avail of a shop at the resettlement site on long term lease on payment of premium and maintenance charges as applicable.</p> <p>4.1.5 Continuation of any welfare assistance given by State to the vulnerable families after relocation.</p> <p>4.1.6 Cash assistance to enable re-establishment of income calculated as net income for six months on the basis of average net annual incomes for preceding three years as recorded in income/ sales tax returns filed, OR a lump sum livelihood assistance of LKR 18,000, whichever is higher.</p>

## 5. Temporary Impacts



5.	Temporary Adverse Impacts of Civil Works (such as loss of access, damage to property or land, safety hazards, impact of mobility)	Households/ Businesses	Mitigation Measures	<p>5.1.1 Public notice at the site informing the people about: work schedule, likely temporary impacts, signage, safety advice and mitigation measures , contact details of officer in charge and grievance redress mechanism.</p> <p>5.1.2 Necessary traffic management measures for facilitating mobility</p> <p>5.1.3 Special measures to provide access for continuing trade/business</p> <p>5.1.4 In case of loss of access to business for over a week, financial assistance @ LKR 1000 per day until ease of access has been restored by the contractor and certified by the engineer with approval of the LARC.</p> <p>5.1.5 The contractor shall bear the compensation cost of any impact on structure or land due to negligent movement of machinery during construction or</p>
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Specialist of the PMU, Land Officer from Ministry of Land, representative from the Valuation Department/ or a registered valuer, and representatives from UDA, SLLRDC and CMC.

S.N.	Type of loss / disturbance	Definition of Affected Persons	Entitlement	Details
				<p>Environment Management Plans including measures for sound, dust pollution, minimize hazard risks through signage and safety barricades, first aid facilities at work sites/camps, etc.</p> <p>5.1.8 Steps to minimize and mitigate adverse impacts on human and vehicular mobility including through traffic diversions and management; phased construction strategy; avoiding work during</p>
<b>6. Loss of Community Infrastructure/Common Property Resources</b>				
6.1	Loss of cultural properties	Affected communities and groups	Reconstruction of community structure and common property resources	<p>6.1.1 Reconstruction of community structures and replacement of common property resources in consultation with the managing trustees and the host community as appropriate.</p> <p>6.1.2 Assistance of LKR 3000 – 20000 to cover cost of exhumation</p>
6.2	Loss of social and civic facilities	Affected communities; User groups	Rehabilitation of the affected facility	<p>6.2.1 Reconstruction of the civic, social service facility in consultation with the managing trustees and the host community as appropriate.</p> <p>6.2.2 Provision of</p>

## **CHAPTER 5- IMPACT MITIGATION MEASURES**

**5.1** As described in Chapter 2, the implementation of the St. Sebastian South Canal sub-project would lead to displacement of a total of 91 squatter households. This also includes the loss of commercial structures and their associated businesses for 06 households. Minor damages are expected for 02 religious structures. Other issues include temporary impacts during civil works.

**5.2** The SLLRDC, which is the PIA responsible for the design and implementation of this sub-project, has taken several measures to minimize impacts such as exploring alternative designs and choosing least impacting alternatives. Responsibilities for carrying out mitigation measures are vested with the SLLRDC, PMU, the Contractor to whom the works contract is awarded, and the UDA.

**5.3** The 91 squatter households losing their residential structure will each be offered a flat at 66 Watta, Colombo 8 (located at 2.5 km away from the current location) along with rehabilitation assistance. These households will each be offered a flat (average size of 400 sqf) in a Government built housing scheme together with rehabilitation assistance as per the Entitlement Matrix of the SMF. The Government of Sri Lanka (GoSL) is implementing a pro-poor housing program under which it has commissioned construction of new multi-storey buildings in several locations in the Colombo area to re-house people living in underserved settlements. The resettlement requirement of the MCUDP will be met by this housing program. The aforementioned 91 households will each be offered a flat along with rehabilitation assistance as per the Entitlement Matrix of the SMF.

**5.4** The GoSL will not charge any payment for this flat. But, PAPs need to contribute to the condominium management fund. Condominium fund is a collective held by the members of the condominium as operated through a bank account for the purpose of carrying out major fixing and repair works as necessary for sustainable maintenance of the building complex. Based on the income sources, average monthly income and no. of dependents in HHs, already, PMU has carried out an affordability assessment and designed a payment schedule on this. The beneficiary contribution to the condominium management fund maintained by UDA is fixed at LKR 100,000 which can be paid by the resettled households in several installments. The PMU has discussed the charge of LKR 100,000 with the EAC of the MCUDP and will apply this same UDA principle for the PAPs of St. Sebastian South Canal.

**5.5** The first installment of LKR 50,000 should be paid by the resettled households prior to their entry to the new flat while the balance LKR 50,000 can be paid in three installments within a period of three months since their settlement. Meanwhile, the monthly maintenance charges to be paid by the resettled households stand at LKR 2,650. The affordability assessment examines the affordability of the 91 PAPs in the St. Sebastian South Canal to contribute to the condominium management fund as well as to pay the monthly maintenance fee by analyzing their livelihood sources and monthly incomes. Meanwhile the PMU on

behalf of 02 households that have lower monthly incomes (below LKR 10,000 / US \$77) will negotiate with UDA in order to provide them with a longer grace period to settle their payments (i.e. through two installments; an upfront payment of LKR 25,000 prior to resettlement and the remaining LKR 25,000 to be paid within a month). Please refer Annex 8.

**5.4** The 06 squatter households experiencing loss of commercial units will additionally be offered the opportunity to obtain an alternative shop available at the resettlement site or any other shopping scheme on long-term lease basis subject to their willingness to bear the cost of lease premium and maintenance / management charges. They have been included in the 91 households that are to be resettled as mentioned at Item 1.17 of EM. They will also receive livelihood rehabilitation assistance and compensation for loss of livelihood and commercial structure as per the Entitlement Matrix in the SMF.

**Table 8: Valuation Summary of Structural Compensation**

Se.No.	Name	HH No.	Floor area (Sq.ft)	Rate per Sq.ft (LKR)	Replacement Cost (LKR)
01	Ms.A.B.J.Ramshiya	132/F/4/B	85	1,500	130,000
02	Mrs.S.Jesima	132/F/2	175	170	30,000
03	Mrs.M.N.S.Aneesha	118/84	100	1,750	175,000
04	Mr.M.Nazeer	118/56/A	240	2,100	500,000
05	Mr.M.N.M.Fauzulhak	118/56/A	215	2,100	450,000
06	Mr.T.J.Casim	480/S/60/89	100	2,200	220,000

**5.5** Any damages to religious structures will be reconstructed to original/better condition by the Contractor, under the supervision of the SLLRDC, and in consultation with the temple head priest and mosque management committee.

**5.6** In order to replace the public toilet located within the demarcated subproject area, the SLLRDC has allocated Rs. 1.5 million to construct a new public toilet outside the 6.5 meter reservation area.

**5.7** Consultations have been conducted by the project social team with the Project Implementing Agency (SLLRDC), National Water Supply and Drainage Board will relocate the pipe lines currently laid within the demarcated subproject area outside the reservation area to ensure uninterrupted supply of water before the construction work starts.

**5.8** The Ceylon Electricity Board will relocate the 12 electricity supply posts prior to the start of civil work in order to ensure uninterrupted supply of power to the remaining households.

**5.9** To avoid/minimize any possible damages to adjoining houses in the process of demolishing the structures within the demarcated subproject area, the MCUDP has provided relevant specifications for demolitions and provisions have been included in the contractors' agreements to reconstruct the houses that would be damaged during the demolition process.

**5.10** Temporary issues arising from subproject construction work will be mitigated through proper mitigation measures and in line with the Bank's EHS guidelines provided in the Environment Management Framework (EMF)

**5.11 Contractors Compliance on Social Safeguard Measures:** The Contractor will be accountable for his responsibility to act on the following specific mitigation measures. These are listed in the bidding document provided to the Contractor under the section 'Employer's Requirements'. The Social Officer (SLLRDC) and Community Development Officers (PMU) will closely monitor safeguards compliance by the Contractor.

- Contractor shall adhere to relevant labour laws of Sri Lanka, minimize need for labour camps by recruiting local labour, and maintain health/sanitation in labour camps.
- Contractor shall coordinate with Project Manager and arrange for temporary shifting and reinstating of utility services without causing undue inconveniences to the public.
- Contractor's workshops, material storage areas and other working areas shall be fenced off from the public.
- Contractor shall ensure that heavy machinery and material hauling vehicles do not unduly obstruct private access and private roads.
- When work is to be carried out in public areas, Contractor shall use barricade tape to prevent entry to such working areas and erect suitable warning signs.
- Contractor shall make arrangements to ensure that the public in surrounding areas is not inconvenienced by dust and noise due to construction work.
- Contractor shall arrange for work to be executed during daytime whenever possible and carry out any night time work under approval of the Project Manager.

**5.12** Among the 91 households to be displaced and resettled are 167 school-going children. Their schools are located within a radius of 1-1.5 km. from their present habitats. The majority of children will not have to change schools due to resettlement since the resettlement site is within 2.5 km of current residence. However, a few families have requested that their children be admitted to new schools. The MCUDP in coordination with the UDA and the Provincial Ministry of Education will take measures to assist such families to get their children admitted to new schools and to provide them with recommendation letters to the relevant educational authorities.

**5.13** The above mitigation measures are in line with the entitlements for PAPs detailed at Items 2.4 (Loss of Residential Structure), 3.4 (Loss of Commercial Structure), 5.0

(Temporary Adverse Impacts of Civil Works), and 6.1 (Loss of Cultural Properties) in the Entitlement Matrix. A summary of impacts and proposed mitigation measures is provided in Table 9.

**Table 9: Impacts and Mitigation Measures**

S N	Affected Persons	Impact	Entitlement / Mitigation Measure	Responsible Agency
1	Squatters (91 nos.)	Loss of Residential Structure	<ul style="list-style-type: none"> <li>• Offer of a flat of 400 square feet in a multi-storey condominium with basic facilities subject to beneficiary contribution to the condominium management fund and payment of monthly maintenance charges</li> <li>• Transportation allowance of LKR 5000 for vacating the old structure<sup>2</sup></li> <li>• Rental allowance @ LKR 8000 per month in case of emergency shifting until the offer of permanent relocation to condominium buildings<sup>3</sup></li> <li>• Right to salvage building materials (use of old materials will not be permitted at new sites where these will affect condominium living)</li> <li>• Provide hand hold support &amp; facilitation to solve the created issues after relocate</li> </ul>	<ul style="list-style-type: none"> <li>• UDA</li> <li>• PMU</li> </ul>

<sup>2</sup> With reference to loss of commercial structure in Serial No. 2 in the above Table, it should be noted that in addition to what is mentioned, the Entitlement Matrix (Item 3.4) offers ‘transport allowance’ and ‘emergency rental allowance’. However, these 06 squatters function as housing units as well. They will be offered a flat of 400 sq. ft. in a multi-storey condominium along with allowances for transport and rental accommodation. Thus, providing additional compensation for transport and rental accommodation will not be required.

<sup>3</sup> With reference to rental allowance in case of emergency shifting in Serial No. 1 in the above Table, it should be noted that following the Community Consultation for 91 households (182 persons in total including chief householder and spouse or other representative) chaired by Project Director (26-27 January 2014), the MCUDP has initiated (a) direct relocation of households to permanent housing, and (b) increased monthly rental allowance in case of transit housing from Rs. 8,000 to Rs. 10,000 with an advance payment of Rs. 120,000 for 12 months.

2	Squatters / Operators of business without title (06 nos.)	Loss of commercial structure	<ul style="list-style-type: none"> <li>• Compensation for affected structure at replacement cost without deduction of any depreciation or salvageable materials</li> <li>• Opportunity to avail of a shop on long term lease at any resettlement site or any other public shopping scheme in the metro Colombo area, on payment of lease premium, contribution to the condominium management fund and monthly maintenance charges</li> <li>• Right to salvage material from the demolished structure, however, without permission to carry these to the new condominium unless approved. Cash assistance to enable re- establishment of business calculated as net income for six months on the basis of average net annual incomes for preceding three years as recorded in income/sales tax returns filed, OR a lump sum livelihood assistance of LKR 18,000, whichever is higher</li> <li>• As an immediate step, the UDA has agreed to provide 06 units in ground floor and they can do their business in living place. Once the UDA has completed commercial unit they will receive permanent place for their commercial activities.</li> </ul>	<ul style="list-style-type: none"> <li>• UDA</li> <li>• PMU</li> </ul>
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3	Affected religious Structures (02 nos.)	Damage religious property to	<ul style="list-style-type: none"> <li>Reconstruction of structure to original / better condition by Contractor, in consultation with the Head Priest and community.</li> </ul>	<ul style="list-style-type: none"> <li>SLLRDC</li> <li>Contractor</li> </ul>
4	Community	Temporary adverse impacts of civil works (access, safety hazards, mobility, noise/dust)	<ul style="list-style-type: none"> <li>Public notice at the site informing the people about: work schedule, likely temporary impacts, signage, safety advice and mitigation measures , contact details of officer in charge and grievance redress mechanism</li> <li>The contractor shall bear the compensation cost of any impact on structure or land due to negligent movement of machinery during construction or establishment of construction plant, as per standard contract provision</li> <li>Necessary Health and Safety measures to be undertaken as a part of Environment Management Plans including measures for sound, dust pollution, minimize hazard risks through signage and safety barricades, first aid facilities at work sites/camps, etc.</li> </ul>	<ul style="list-style-type: none"> <li>SLLRDC</li> <li>Contractor</li> </ul>



## CHAPTER 6 – IMPLEMENTATION SCHEDULE

### 6.1 Introduction

**6.1.1** The RAP will be disclosed to the public in local languages as required by the safeguard policies set out in the NIRP as well as by the Bank. The executive summary of the RAP translated to Sinhala and Tamil languages will be disseminated on-line on the website of the MCUDP. Individual files prepared during resettlement survey with personal information as evidence to justify entitlements will be maintained at the PMU for use in the entire process of RAP implementation. All PAP files on squatters to be resettled will be submitted to UDA and maintained there in the long term. A copy of these files will be kept at PMU for the duration of MCUDP. Further information of PAPs including their names, NIC numbers, address and type of loss is included list below for the reference.

**Table 10: List of Project Affected Persons**

S.N	Name	National Identity Card No.	Address	Type of Loss
1	Mr. M.H.M. Badurdeen	642613081v	No.132/A/29 Demelwatta, Grandpass, Colombo 14.	Residential Structure
2	Mrs. S. Sulaya Sanoos	487543861v	No.132/A/30 Demelwatta, Grandpass, Colombo 14.	Residential Structure
3	Mr. M.H.M. Kaseem	503003074v	No.132/G/15/A Demelwatta, Grandpass, Colombo 14.	Residential Structure
4	Mr. H.M. Mohamed Fazal	780183306v	No.132/G/15/B Demelwatta, Grandpass, Colombo 14.	Residential Structure
5	Mrs. M.A. Seithun Marliya	687492811v	132/G/24/A Demelwatta, Grandpass, Colombo 14.	Residential Structure
6	Mr. M.B. Mohamed Rafeek	620381136v	No.132/G/10 Demelwatta, Grandpass, Colombo 14.	Residential Structure
7	Mrs. T.P. Nona Feroza	815453611v	No.132/175/D Demelwatta, Grandpass, Colombo 14.	Residential Structure
8	Mrs. M.N. Fathima Askiya	776591661v	No.132/G/14/A Demelwatta, Grandpass, Colombo 14.	Residential Structure
9	Mr. M.S.M. Razik	692350158v	No.132/G/25/A Demelwatta, Grandpass, Colombo 14.	Residential Structure
10	Mrs. K. Bibi Mohamed Niem	686311686v	No.132/G/11 Demelwatta, Grandpass, Colombo 14.	Residential Structure

11	Mr. N.A.M. Liyakath	533182755v	No.132/G/15 Demelwatta,Grandpass,Colombo 14.	Residential Structure
12	Mr. P.M. Nagemudeen	512312926v	No.132/G/16 Demelwatta,Grandpass,Colombo 14.	Residential Structure
13	Mr. H.H. Ameer	813570300v	No.132/F/36 Demelwatta,Grandpass,Colombo 14.	Residential Structure
14	Mr. S.M.S. Hussaindeen	562363173v	No.132/F/33 Demelwatta,Grandpass,Colombo 14.	Residential Structure
15	Mr. J.S.Mohamed Hashem	506223300v	No.132/F/23 Demelwatta,Grandpass,Colombo 14.	Residential Structure
16	Mr. S.M.F. Hanun	637210700v	No.132/F/22 Demelwatta,Grandpass,Colombo 14.	Residential Structure
17	Mrs. M.A.S. Arifa	738061870v	No.132/F/9/1 Demelwatta,Grandpass,Colombo 14.	Residential Structure
18	Mr. B.F. Jinna	535723150v	No.132/F/9 Demelwatta,Grandpass,Colombo 14.	Residential Structure
19	Mrs. Fathima Sharmila	766670784v	No.132/F/8 Demelwatta,Grandpass,Colombo 14.	Residential Structure
20	Mrs. M.S. Nona Jereena	677731222v	No.132/F/7 Demelwatta,Grandpass,Colombo 14.	Residential Structure
21	Mr. S.M. Nizaar	592000440x	No.132/F/6 Demelwatta,Grandpass,Colombo 14.	Residential Structure
22	Mr. M.M.M. Nizar	470122269v	No.132/F/5 Demelwatta,Grandpass,Colombo 14.	Residential Structure
23	Mrs. A.B.J. Ramziya	705271291v	No.132/F/4/B Demelwatta,Grandpass,Colombo 14.	Residential Structure, Loss of business premises
24	Mrs. U.S. Racida Bibi	44820235v	No.132/F/4 Demelwatta,Grandpass,Colombo 14.	Residential Structure

25	Mrs. M.F. Sairabanu	715191636v	No.132/F/3 Demelwatta,Grandpass,Colombo 14.	Residential Structure
26	Mrs. Siththi Jesima	596836003v	No.132/F/2 Demelwatta,Grandpass,Colombo 14.	Residential Structure, Loss of business premises
27	Mr. R.H.M.N.P. Kumara	80169238v	No. 132/F/1/A Demelwatta,Grandpass,Colombo 14.	Residential Structure
28	Mr. R.H.M. Dayananda	582261652v	No.132/F/1 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
29	Mrs. M.S.F. Ishara	737032965v	No.118/94/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
30	Mrs. T.J.B.A. Nona Saffeena	655722459v	No.118/T/10 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
31	Mrs. M.R.S. Basriya	627522274v	No.118/T/09 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
32	Mr. A.R.A. Rahuman	921173466v	No.118/94 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
33	Mrs. M.M.F. Giyani	782704796v	No.118/85 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
34	Mrs. M.N. Aneesha	917482772v	No.118/84 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure, Loss of business premises, Loss of market
35	Mr. G.D. Foumi	750110398v	No.118/83 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
36	Mr. M.N.M. Nilam	520743510v	No.118/81 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
37	Mrs. F. Rizmiya		No.118/79/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure

38	Mrs. M.A.F. Farsana		No.118/78/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
39	Mr. A.K. Isadeen	652651941v	No.118/60/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
40	Mr. M.P.M. Jefere	702944015v	No.118/61 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
41	Mr. M.F Mahil	731111243v	No.118/62/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
42	Mrs. S.A.F. Hidayat	726521158v	No.118/60 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
43	Mrs. S.F.M. Nizar	603033035v	No.118/61/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
44	Mr. K.M.M. Bawa	552894251v	No.118/59 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
45	Mrs. A. Susila	715672316v	No.118/58 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
46	Mrs. S.J.N. Ramsiya	697172912v	No.118/58/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
47	Mrs. F. Muneera	927630605v	No.118/57 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
48	Mr. M.Nazeer	552971175v	No.118/57/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure, Loss of business premises, Loss of market
49	M.N.M. Fawzuhak	730873999v	No.118/56/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure, Loss of business premises, Loss of market
50	Mrs. H.A. Nandaseeli	515434089v	No.118/60/94 Maithree Bodhiraja Mw,Colombo	Residential Structure

			12.	
51	Mrs. K. Sumathi	817865410v	No.118/95/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
52	Mr. T.Z. Kichil Munna	613391762v	No.118/95 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
53	Mrs. Fathima Mishna	892430241v	No.118/96 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
54	Mrs. K.N. Bathul	625523010v	No.118/97 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
55	Mrs. S.S. Johara Umma	676191054v	No.118/43/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
56	Mrs.Bulathsihalage Pathmalatha	637631659v	No.118/42/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
57	Mrs. N.F. Fathima Farsana	786460018v	No.118/98 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
58	Mrs. Fathima Rosana	740750658v	No.118/99 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
59	Mrs. W.P.C.S. Malkanthi	768220166v	No.118/100 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
60	Mr. V.P. Somadasda	443003177v	No.118/101 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
61	Mrs. S.H.S. Foumiya	688101883x	No.118/102 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
62	Mr. N.B.S.H. Mohideen	320415683v	No.118/103 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
63	Mr. M.S.M. Farook	532544009v	No.118/104 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure

64	Mr. M.S.M. Salahudeen	647911439v	No.118/105 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
65	Mrs. S.F.M. Abdulla	508542410v	No.118/106 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
66	Mrs. H.N. Misiriya	697381520v	No.118/107 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
67	Mrs. M.M.F. Rinosa	827411493v	No.118/108 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
68	Mr. A.H. Samsudeen	633200645v	No.118/109 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
69	Mrs. R.A. Chandralatha	658491369v	No.118/110 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
70	Mrs. S.J. Saruk	596432867v	No.118/112 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
71	Mrs.A.K. Sabritumma	488412850v	No.118/113 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
72	Mr. M.M.A. Rahuman	852224738v	No.118/114 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
73	Mrs. A.K. Nona Farida	576101112v	No.118/115 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
74	Mrs. M.S.F. Risana	766321070v	No.118/115/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
75	Mrs. Y.L.P. Johara	377701534v	No.118/116 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
76	Mr. N.M.S. Hameed	543281930v	No.118/119 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
77	Mr. A.R.M.Faizal	702310970v	No.118/117 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure

78	Mrs. M.F.F. Rismiya	927750430v	No.118/118 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
79	Mrs. M.S.H. Hareera	705332975v	No.118/120 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
80	Mrs. A.K. Siththi Nazeema	922971587v	No.118/121 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
81	Mrs. Naslun Sidhara	876114046v	No.118/122 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
82	Mrs. S.N. Siddek	547021886v	No.118/135 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
83	Mr. T.H. Thurna	693531713v	No.118/136 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
84	Mrs. S.N. Fareena	587212064v	No.118/137 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
85	Mr. M.M.M.A. Rahim	660272470x	No.118/138 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
86	Mrs. N.S.H. Fathima	807804375v	No.118/139 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
87	Mrs. H.A.K.S. Umma	425773380v	No.118/128/A Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
88	Mrs. J.Fareeda	597593520v	No.118/140 Maithree Bodhiraja Mw,Colombo 12.	Residential Structure
89	Mr. T.J. Kaseem	722632354v	No.480/S/60/89 Sri Sangaraja Mw,Colombo 10.	Residential Structure, Loss of business premises, Loss of market
90	Mr. A. Shanmugadass	740042564v	No.480/S/60/88 Sri Sangaraja Mw,Colombo 10.	Residential Structure
91	Mrs. M.M.F. Inaya	667580781v	No.480/S/60/90 Sri Sangaraja Mw,Colombo 10.	Residential Structure



**6.1.2** It should be noted that apart from the 91 households mentioned above 02 religious structures will sustain minor damages due to construction work. One is a temple, ‘Isipathanaramaya’ at No. 180/34M, Vincent Perera Mawatha, Colombo 14 and the other a mosque, ‘Al Masjidul Khiruliya Jumma Mosque’ at Al Masjidul Khiruliya Jumma Mosque, No. 118/123, Maithree Bodhiraja Mw, Colombo 12. The Social Safeguard Team has been closely consulting the religious heads at these sites, Priest. Madampegama Assaji Thero and Abdul Azeez Mohamed Iqbal (Rafaideen Hajjia). Damages to their structures will be rebuilt to original or better condition by the contractor in consultation with these representatives.

## **6.2 Activities for Resettlement Planning & Implementation**

**6.2.1** The PMU has the overall responsibility of implementing the RAP in the sub-project. The SLLRDC as the sub-project implementing agency will carry out the actions suggested. The social safeguard management cell of PMU will closely interact with SLLRDC and provide strategic and other logistical assistance.

**6.2.2** Sequential actions (procedures) proposed for RAP implementation: The actions to resettle the above PAPs will be carefully and methodically implemented. These actions are summarized in Table 11.

**Table 11: Chronological Order of Activities for Resettlement Planning & Implementation**

No.	Action	Responsibility	Timing
1	Review and verification of entitlements	SLLRDC, PMU, Hired Consultant (for double verification)	Oct 2013-Mar 2014
2	Review and approval of PAP list by Entitlement Assessment Committee (EAC)	EAC	7 <sup>th</sup> Nov 2013
3	Community awareness program chaired by Project Director	SLLRDC & PMU	16 <sup>th</sup> -17 <sup>th</sup> Jan 2014
4	Distribution of entitlement cards	SLLRDC & PMU	16 <sup>th</sup> -17 <sup>th</sup> Jan 2014
5	Continuous consultation with PAPs to discuss and mitigate any inconvenience	SLLRDC & PMU	2013-2017
6	Valuation of replacement cost for commercial structures	PMU & UDA	13 <sup>th</sup> Sep 2013
7	Help set up bank accounts for PAPs and collect their account details	SLLRDC & PMU	Jan-Feb 2014
8	Hand over information on PAPs, their cash entitlements, and bank account details to Accounts Division, PMU	PMU	Jan-Feb 2014
9	Handover original PAP files to UDA and maintain copy of all files at PMU	PMU	20 <sup>th</sup> Jan 2014
10	Joint visit to site by Social Safeguard Team and UDA	UDA & PMU	May 2014
11	Conduct social mapping to identify relocation preferences (e.g. disabled / sick members who require a ground floor unit) and communicate this information to UDA	PMU	May 2014

12	Issue of notice informing households of site office opening in sub-project area	PMU	May 2014
13	Establishment of site office in sub-project area as information and grievance redress point for households	PMU	Jun 2014
14	Payment of compensation to PAPs (transport, livelihood, etc.)	PMU	29 Sep. 2014
15	Collecting first payment for Condominium Fund (Rs.50,000)	UDA	Sep. 2014
16	Physical relocation of households to permanent housing	UDA	29 Sep-3 Oct 2014
17	Collecting second Rs 50,000 for Condominium Fund (within three months )	UDA	Oct. – Dec. 2014
18	Fence off cleared area	SLLRDC	Oct 2014
19	Public notice of civil works at site	SLLRDC	Oct 2014
20	Proper signage and safety barricades at site	Contractor & SLLRDC	Oct-Nov 2014
21	Reconstruct any damages to religious/cultural/community structures	Contractor & SLLRDC	Oct 2014-Jan 2015
22	Provision of alternative access to community wherever possible	Contractor & SLLRDC	Throughout Civil Works Contract
23	Watering to prevent dust	Contractor & SLLRDC	Throughout Civil Works Contract
24	Monitoring of the immediate status of resettled PAPs	PMU	Sep. 2014
25	Monitoring the livelihood and wellbeing of resettled PAPs	PMU, UDA	Sep. 2014-2016

26	Implementing capacity building programs for PAPs (livelihood training, handholding support, etc.)	PMU, UDA	Jan. 2015 - 2016
27	Implementing and monitoring grievance redress throughout RAP implementation	PMU, SLLRDC, GRM	2013-2017
28	Monitoring the implementation of the RAP through independent monitoring process	PMU, Hired Consulting Firm	Aug 2014 (Start of 1 <sup>st</sup> Monitoring under MCUDP)

## 6.3 Public Consultation

**6.3.1** A series of consultations were conducted with project affected persons as well as with members of the adjacent communities and their leaders (Annex 07). (The consultations also included an awareness raising program conducted by the PMU for 91 squatter households which was held on 16<sup>th</sup> & 17<sup>th</sup> January 2014. During these consultations, participants were made aware of the MCUDP, St Sebastian South Canal Rehabilitation intervention, the overall UDA resettlement program, and entitlements offered as per the SMF. The awareness raising program of PMU was chaired by the Project Director. Each and every household was also taken through a presentation which explained through images and key points the impact expected to their house and the entitlement they will be receiving. The program was conducted in Sinhala language with Tamil translations where needed.

Around 180 people participated in this program including owner of the house and spouse. Transport, food and drinks were provided by the MCUDP to the participants. Staff of the PMU, SLLRDC, CMC, and UDA also attended the meeting.

**Table 12: Summary of Issues Raised at Community Awareness Meeting and Solutions Given**

Major Issues Discussed	Solutions Given
Monthly rental allowance has not been enough	Increased monthly rental allowance in case of transit housing from LKR 8,000 to LKR 10,000
Advance payment has not been enough (at least 6 months)	advance payment has been increased up to 12-month (LKR 120,000)
PAPs did not like to settle in temporary houses	Direct relocation to permanent housing
Confusion on payment method of allowances	Has been arranged to deposit allowances directly to joint bank account
Doubt on availability of religious places in condominium	Shared information on nearest religious places through the brochures
Confusion on condominium management fee & maintenance fee / difficulties on payment	* Conducted initial awareness program for PAPs *Shared information on condominium management fee & maintenance fee through the Posters *Provided a chance to pay by installments
They have concern to relocate together as in present	Allocated 9 – 11 floors of condominium for 91 PAPs
Some families had concern to relocate in ground floor due to illness and other difficulties	Based on the nature of sickness UDA has allocated units in ground floor
Loss of commercial structure	*Arranged to pay compensation for structures and livelihood assistance (LKR18,000) *Allocated 06 units in ground floor of

	condominium *Planned to provide separate commercial units in condominium
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Other issues raised by PAPs have related to houses that have an area of over 400 ft<sup>2</sup> and about other livelihood issues. These will be further discussed after the resettlement activity in order to provide feasible solutions.

Consultations have been conducted with the religious and community leaders in the surrounding area such as the chief incumbent of the Buddhist Temple and the Management Committee of the Mosque. Both the religious and civil society leaders are optimistic of the positive impact that the proposed subproject can bring about to uplift the health and environmental standards in the area. Consultations were held with the primary stakeholders, i.e. the community and people likely to be affected by the sub-project, to understand their issues and concerns. A separate site office has been already established in a common place (Mosque) to provide information and assist the PAPs in the relocation process. The community has expressed their interest for this project and willingness to bear up the temporary difficulties during the construction period. The households to be relocated have agreed to resettlement and rehabilitation assistance offered as per the SMF. Further consultations will be held prior to and during the course of sub-project implementation. This RAP will be disclosed on the MoDUD website and also made available at the PMU and the SLLRDC for public reference.

**6.3.2 UDA coordination and consultation:** Under the guidance of Social Specialist the Social Safeguard Team and UDA staff (Assistant Director Planning and Planning Officer) conducted joint visits to St. Sebastian South Canal area and verified the households to be relocated. The following information has been discussed and submitted to the UDA:

- Household information of the 91 households who have to be resettled in the new condominium
- A request to allocate shop space on long term lease at the resettlement site for six households who will lose their existing commercial structures
- A request to allocate housing units on the ground floor for households who have disabled or sick family members
- A request to allocate housing units in close proximity to each other for 35 households who desired to sustain their family ties intact.

**6.3.3 Establishment of site office at St. Sebastian South Canal:** A site office has been established with an information desk where households can obtain details of the sub-project as well as the proposed resettlement process. The site office will also function as a grievance redress mechanism where it would receive and register any complaints and grievances brought up by the project affected persons. The office would also provide advice, guidance and other possible support to address any issues and difficulties that the PAPs would encounter in the course of their resettlement. This site office located within the premises of

the community mosque is managed by 02 officers from the Social Safeguard Team and operates for three days a week from 9.30 a.m. to 1.30 p.m. When the exact date of resettlement is confirmed the office will function for 5 days a week. Households were made aware of the existence of this site office through an information leaflet printed in Sinhala and Tamil languages and distributed to all the households.

**6.3.4 Communication Strategy:** A communication strategy for this RAP will be developed in coordination with the Bank. The focus of this strategy will be the implementation of the RAP and issues around it.

## 6.4 Procedure and Mechanism of Relocation

**6.4.1** There will be no organized moving of PAPs to the condominium. PAPs will be handed over the keys and entitlement packages and they will organize themselves for the actual moving. Practical difficulties and challenges during the course of the moving will be addressed through the GRM on case-by-case basis.

## 6.5 Post-Resettlement Strategy

**6.5.1 Condominium management by UDA:** There is a need to establish mechanisms to ensure sustainable self-management of the resettlement sites. The UDA and Social Safeguard team of MCUDP will be responsible for (a) establishing condominium management committees and build their capacities in the management of finances, physical assets and services for the resettled households, (b) providing capacity building and hand holding support to such management committees and to resettled households, and (c) if needed hire an NGO or consulting firm to help implement this post-resettlement support strategy. The PMU will closely consult with the UDA on issues and requirements:

**6.5.2 Condominium living:** The vertically developed houses which are condominium properties have an entirely different way of living compared to the ground level living in underserved settlements. Thus sustained post resettlement support will be essential. The resettled households will be provided with social and psychological guidance required for their adaptation to the new environments, building and sustaining new relationships and securing their personal, family and community protection.

**6.5.3 Community mobilization:** The resettlement condominium consists of households resettled from various underserved settlements that may be alien to each other and have ethnic, religious, cultural, political and social differences. Social cohesion and harmony among these households have to be established through a well-designed strategy that would particularly focus on raising awareness among PAPs on the following aspects.

- Collective living in condominium
- Respect for the communal, religious, cultural and social values of others

- Usage of facilities and management of condominium
- Living with host communities
- “DOs” and “DONTs”

**6.5.4** The Community Development Officers (CDOs) of the PMU will hold the responsibility for monitoring the post-resettlement process and outcomes. Immediately following resettlement, daily visits to the condominium will be undertaken to appraise the status of households and report issues to relevant authorities. Once the resettled community has consolidated their positions, this monitoring process will continue on a weekly / two-weekly basis until the end of MCUDP in 2017.

**6.5.5** Special attention will be given to women-headed households with targeted livelihood assistance and encouraging their participation in management committees. The objective is to ensure equity in the resettlement process enabling the economically and socially vulnerable women and their families to sustainably re-establish their shelter and livelihoods and effectively participate in condominium management activities.

**6.5.6** Support for income restoration and improvements to livelihoods are important for the resettled households to recover from stress and economic difficulties and to re-establish their lives. As part of the income restoration program, suitable candidates from among the resettled households would be selected to participate in vocational and technical skills training programs such as trainings in business start-up, dress-making, cookery, financial management and adult education.



Table 13: Post Resettlement Action Plan

Se.No.	Activity	Covered Areas	No. of Participants (HHs)	No. of Programs	Total Budget (SLKR)	Responsibility	Time Frame												
							2014	2015				2016							
							Q.4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4				
<b>1</b>	<b>Community Awareness</b>																		
	1.1) Awareness on Health and Safety, Environment, DOs and DONTs in the condominium	Importance of health care / Collective living in condominium / Respect for Each other's communal, religious, cultural and social values / Usage of Facilities and adaptation and management of condominium / Building relationship with host Community	450	9	163,800	Social Team MCUDP & UDA													
	1.2) Awareness on Health and Safety, Environment, DOs and DONTs in the condominium (repeat program with updated information)			4	72,800														
<b>2</b>	<b>Supporting Services</b>																		
	2.1) Guidance and support to address post resettlement related issues	Linking with Schools, Linking with other government institutions, sharing information....etc.	91	-	-	Social Team MCUDP													
	2.2) Introducing new livelihood opportunities by linking with supporting organizations (e.g. Ministry of Economic Development, Ministry of Traditional	Potential livelihood opportunities	91	5	500,000	Social Team MCUDP													

	Industries and Small Enterprise Development, Chamber of Commerce, Ministry of Youth Affairs and Skills Development)																	
	2.3) Facilitating links with micro credit institutions to help PAPs to obtain credit facilities for their income generating activities	Divineguma Bank, Samurdhi Bank, Government Banks ... etc.	91	1	10,000	Social Team MCUDP												
<b>3</b>	<b>Formation of Condominium Management Committee</b>																	
	3.1) Held Cluster meetings & selecting representatives for a CMC	Basic understanding on CMC, roles & responsibilities of CMC ..etc.	450	9	22,500	Social Team MCUDP & UDA												
	3.2) Form Condominium Management Committee & Constitution with Participation of 50 leaders in Condominium Management Society.	Selecting of Office Bearers, institutional arrangement (including CMC Office, registration & opening of bank accounts)	50	1	-	Social Team MCUDP & UDA												
<b>4</b>	<b>Capacity Building Activities</b>																	
	4.1) General Capacity Building Activities																	
	a) Leadership and Communication skills SMC members	Build capacity and skills on leadership and communication	50	1	450,000	Social Team MCUDP												

	b) Training of CMC Executive committee members on Financial Management and Book Keeping	Fund management, Book keeping	15	1	20,000	Social Team MCUDP											
	c) Family Counseling	Understanding family life and responsibilities	90	3	30,000	Social Team MCUDP											
	d) Special social mobilization program	Identifying of potential capabilities, initiating proper relationship with others, Importance of Child education, Youth unemployment, identifying Women issues, moving to save money, etc.	91			Social Team MCUDP											
	4.2) Livelihood related Capacity Building Activities																
	a) Training on small scale entrepreneurship skills development	Developing business motivation, enterprise planning and management, scaling-up enterprises, etc.	45	1	536,000	Social Team MCUDP											
<b>5</b>	<b>Monitoring &amp; Progress Review</b>																
	5.1) Quarterly progress review meeting	Progress of CMC - action plan	15	9	45,000	Social Team MCUDP											
					<b>1,850,100</b>												

**6.4.7 Post-resettlement grievance redress:** Grievances are inevitable when complex resettlement plans are implemented. Relocated PAPs will have access to the multi-stage Grievance Redress Mechanism (GRM) established in the MCUDP to submit their grievances and obtain redress. The institutional framework for this GRM is further explained in Chapter 7.

All PAP grievances will be handled on a case-by-case basis. They will be resolved by giving due consideration to the needs and aspirations of the aggrieved PAP, the guidelines provided in the SMF, and the existing policies and regulations of the UDA and other relevant agencies. A record of these complaints will be maintained in a database at the PMU for monitoring and review purposes.

## CHAPTER 7 - INSTITUTIONAL FRAMEWORK

**7.1** The country has different agencies for coordinating and implementing land acquisition and urban housing activities. The Ministry of Land is responsible for policy and implementation of land acquisition; the Urban Settlement Development Authority (USDA) is responsible for formulation and enforcement of policies and schemes relating to housing estate management; National Housing Development Authority (NHDA) is responsible for planning and undertaking housing schemes across the country; and the Urban Development Authority (UDA) is responsible for land acquisition for urban development schemes, including the resettlement of households living in informal under-served settlements.

**7.2** Key institutional arrangements for implementing this RAP at the Project level will include (a) the Social Management Cell at the PMU and the SLLRDC, and (b) the Steering Committee which has been established comprising relevant government departments, to review progress and ensure implementation coordination at the highest level.

**7.3** The Social Management Cell at the PMU comprises a full-time Social Specialist who reinforces the social management capacity in the PMU, 03 Community Development Officers, Social Development Officer (CMC) and a Social Officer (SLLRDC). The Social Specialist, CDOs and Social Officer (SLLRDC) will monitor the implementation of social safeguards in SLLRDC sub-projects as well the RAP implementation. A Land Officer and a Land Acquiring Officer have been appointed at the SLLRDC to coordinate the land acquisition process.

**7.4 Linking Social Management Actions to Civil Works:** Based on the SIA and RAPs, consultations will be held with the PAPs and the eligibility lists will be disclosed at the community and implementing agency levels before finalizing the same. The R&R benefits will be provided before handing over the site for civil work. The Project Manager of the SLLRDC will certify that the necessary actions have been completed as per this RAP before handing over encumbrance-free land for civil work.

**7.5 Public disclosure:** The RAP will be disclosed on the MoDUD website. Key information such as commencement of civil works, awareness of construction activities, and road closure updates will be disclosed through media depending on the requirement. The cut-off date for entitlements has already been disclosed at the field level. All PAPs have been informed of their entitlements, sub-project implementation schedule, and timings of resettlement in due course. An Entitlement Card which specifies details of the relevant household and their eligible entitlements have also been officially handed over to the PAPs. Relevant MCUDP and specific sub-project documents will be made available for public reference at the Public Information Centre at the PMU. The Executive Summary of the RAP along with the Entitlement Matrix will be available in Sinhala and Tamil Languages.

**7.6 Grievance Redress Mechanism (GRM) Disclosure:** Population displacement and the resettlement process can raise several grievances and complaints on the part of the PAPs.

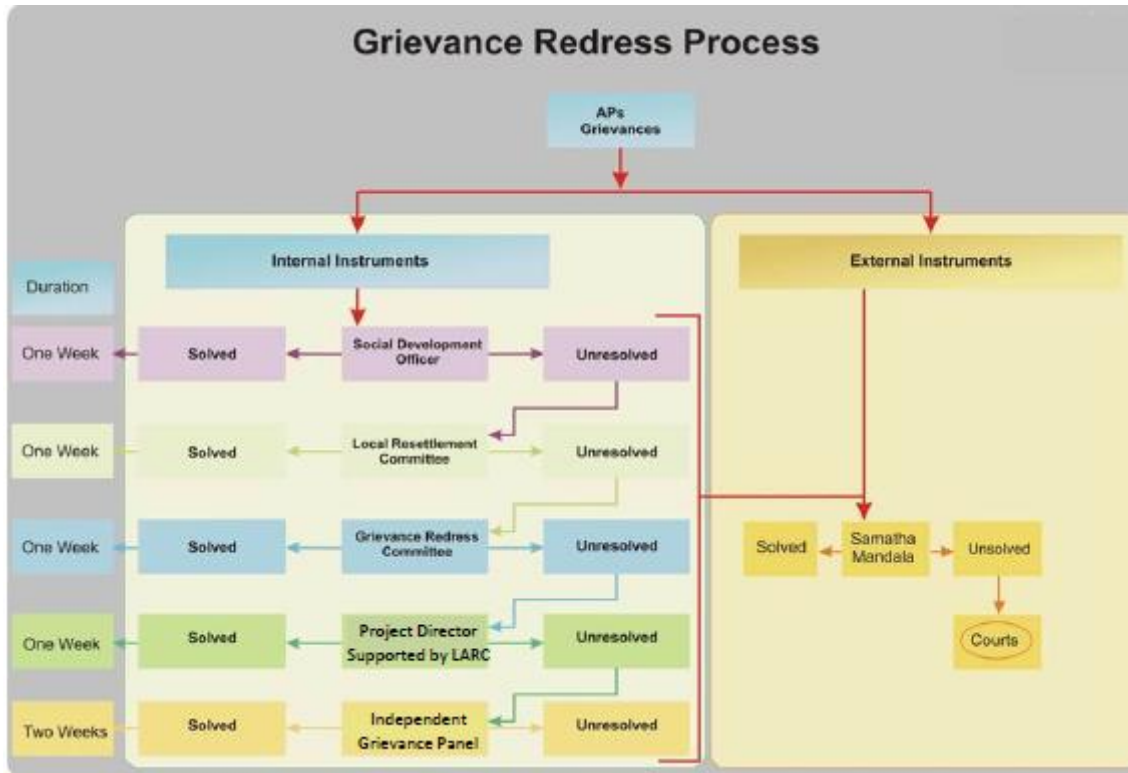
They include grievances related to land acquisitions, entitlements and compensation, disruptions to livelihoods, services and facilities, issues with host communities, etc. Complaints can also arise from sub-project construction work, which cause disturbances to public life and hindrances to private and public property. The latter can come from the PAPs as well as from the general public. The SMF provides for a multi-stage GRM with five levels of decision making to address such grievances. They include the following:

- At the lowest level, the Community Development Officers (CDOs) will receive and register any grievances brought to their notice and intervene to resolve them within their capacities.
- If grievances cannot be resolved satisfactorily by the CDOs, the aggrieved parties will be advised to approach the local resettlement committee (LRC) established at local level (sub-project site) comprising the representatives of PAPs, Grama Niladhari and key community leaders.
- If grievances are not resolved at the LRC level, the aggrieved parties can approach the GRC established at the Implementing Agency level. The SLLRDC was requested to establish a GRC common to all sub-projects. The proposed GRC comprises the Senior Project Manager (SLLRDC), Social Officer, Chairman of the LRC, Grama Niladhari, and 02 beneficiaries.
- The fourth level of GRM is the Project Director and the Additional Secretary, MoDUD.
- The fifth level of the GRM is the Independent Grievance Panel (IGP) to hear and resolve complaints unresolved by GRCs operating at the lower/project levels. The Independent Grievance Panel (IGP) has been established with representatives from Ministry of Land and Land Development, Ministry of Child Development & Women's Affairs, Department of Valuation, and a Lawyer. A representative of Civil Society and a retired Civil Servant of the rank of a Secretary of the GoSL will be included in this Panel in due course.
- Apart from these GRMs, external statutory institutions, such as *Samatha Mandala* (Reconciliation Boards) and Courts can be approached by the PAPs to obtain redress for their grievances, if he/she is not satisfied with the response received from the Project level grievance redress mechanisms.

**7.7** The Entitlement Assessment Committee (EAC) (previously Land Acquisition and Resettlement Committee) has also been established comprising the Project Director (MCUDP), a representative from the Ministry of Land and Land Development, a Valuer nominated from the Valuation Department, and the Social Specialist (PMU). The Project Manager (SLLRDC) will join this EAC. The GRM is shown in Figure 5.

7.8 All committees under the GRM will be notified and made functional before the sub-project is implemented.

Figure 5: Grievance Redress Mechanism



## CHAPTER 8 - MONITORING AND EVALUATION

**8.1** The Project will have a participative implementation monitoring system established at the lowest level, which will enable the LRC to participate in the implementation process in planning and monitoring roles.

**8.2** Monitoring and Evaluation (M&E) will be carried out at two levels, at the PMU level and the SLLRDC level. The PMU has recruited a Social Specialist to undertake the M&E of social safeguards management, including the implementation of the RAP, to ensure that safeguards issues are sufficiently mitigated as per the SMF. The PMU will submit quarterly social safeguard progress and quality monitoring reports with yearly safeguard reviews which will be carried out by independent consultants. These will form the basis for any improvements to be brought about in the safeguard policy framework and implementation arrangements.

**8.3** The Social Officer of the SLLRDC will monitor safeguard implementation at the field level with the support of Community Development Officers. This includes monitoring the Contractor's social safeguard obligations and delivery of entitlements to PAPs as per the RAP.

**8.4** Possible indicators for monitoring the RAP implementation process are shown in Tables 14 and 15. This is only a draft monitoring format which will be updated during the course of RAP implementation.

**Table 14: Indicators for Measuring RAP Implementation**

Level	Objective	Indicators
<b>Inputs &amp; processes</b>	Planned resettlement and rehabilitation (R&R) support for 91 displaced PAPs provided	91 PAPs displaced from the SSSC are resettled in individual flats in the condominium at 66 Watte by September 2014
		Each of the 91 PAPs in the SSSC receive a transport allowance of LKR 5,000 to transport their household goods prior to their resettlement
		Six PAPs receive a sum of LKR 1,505,000 as compensation for their lost commercial structures prior to their resettlement by 25 Sep 2014
		Six PAPs who lost their commercial structures are assigned flats on the ground floor of the condominium to enable them to re-start their business activities temporarily until they are provided with permanent structures



		A direct public transport service operates for 3 times a day from the 66 Watte to Colombo Fort from October 2014 for the benefit of PAP household members to travel to their previous working places and schools
		The 91 PAPs pay their initial contribution of LKR50,000 to the condominium management fund prior to their resettlement
		Grievance Redress Committees are established at four different levels by August 2014 to enable PAPs to report their grievances
		A sum of LKR 2,025,100 is made available from the resettlement budget for implementing a post resettlement action plan by September 2014
		One social specialist, 01 social officer and 3 community development officers are recruited to the social unit of the PMU by August 2014 to implement the RAP, provide necessary support services to the resettled 91 households and to carry out monitoring activities.
		80% of the 91 PAPs participate in 2 awareness raising and orientation programmes on condominium living conducted in October 2014
		80% of the members from 91 resettled households participate in 02 social mobilization and leadership development programmes conducted from October 2014 to August 2015
		02 livelihood related vocational and technical training programmes are conducted for 30 men and 30 women selected from among the 91 resettled households by December 2015.
<b>Outputs</b>	The 91 resettled households in the condominium at 66 Watte re-establish their economic and social lives.	Six PAPs who lost their commercial structures re-establish their businesses by October 2014
		All the economically active members of the 91 households continue with their livelihood related activities without any hindrances by October 2014
		90% of the grievances received by grievance redress committees are resolved to the satisfaction of the aggrieved parties
		A condominium management committee is established with representatives from 91 PAP

		households by January 2015 to manage issues arising from condominium living
		30 youth receive awareness in small scale entrepreneurship development by April 2015
		40 resettled households are linked to micro credit institutions to help them obtain credit for their income generating activities by October 2015
		30 women develop their livelihood related vocational and technical skills by December 2015
	Livelihood related activities of the resettled households diversified and expanded	Six owners of the commercial business units diversify their products and establish new market linkages for their household products
		80% of unemployed youth in the PAP households find employment or engage in other income generating activities by end of 2016
		30 women who received vocational and technical trainings initiate new income generating activities by December 2016
	Social integration and participation of the resettled households strengthened	Rate of disputes between resettled households and their host communities reduced by 70% in December 2016
		Women constitute 50% of the membership of the condominium management committee.
	Socio-economic wellbeing of the resettled households enhanced	91 PAPs receive legal titles to their flats by 2024
		Monthly incomes of 27 resettled households who earned less than LKR 20,000 a month increased by Rs 40,000 end 2016
		Vulnerability of resettled household members to epidemic diseases reduced by 2017 (figures to be determined)
		Prevalence of drugs and alcohol abuse among resettled households reduced by 2016 (figures to be determined)
		School drop-out rate of children in resettled households reduced by 2016 (figures to be determined)
		No. of children who qualify GCE OL examination increased by 2016 (figures to be determined)

<b>Grievance Redress</b>		Number of grievances received and number of grievances solved at PIA and other levels
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**Table 15: Monitoring Plan**

<b>Monitoring Purpose</b>	<b>Time Frame</b>	<b>Responsibility</b>
Input / Process monitoring	Up to end of project	CDOs and SDOs
Output monitoring	Up to end of project	Social Specialist - MCUDP
Outcome monitoring	Up to end of project	Project Director / Donor Agency
Impact monitoring	at the end of project	External Consultants

**8.5 Reporting:** The key output of monitoring will consist of various types of written and verbal reporting. They include:

Periodic Reports (Monthly Progress Reports submitted by the PIA and Quarterly Progress Reports submitted by the PMU);  
Other Reports compiled, especially at the request of the management; and  
Internal notes or verbal presentations for informal management review sessions.

**8.6** The reports will be in a standardized format so that information received could be easily compared with previous reports. They would be precise, concise and timely and highlight exceptions and deviations from plans and schedules. Chapter 10 of the SMF explains the M&E structure and procedures in more detail.

**8.7** The PMU will organize Progress Review Meetings chaired by the Secretary, MoDUD, or Project Director, MCUDP, that involve the Contractor, SLLRDC, and the World Bank. The implementation status and progress of the sub-project will be reported by relevant parties at such meetings.

**8.8 Independent External Monitoring:** As per the SMF, the PMU will hire external consultants/NGO for providing needs-based implementation support to the PIAs and for carrying out independent monitoring and quality assurance. The first Independent Review of Social Safeguards of the MCUDP is expected to be carried out in July 2014. The intention is to determine whether intended goals are being achieved, and if not, what corrective actions are needed. The following will be reviewed:

- Adequacy and process followed in preparing Resettlement Action Plans (RAPs) including social surveys and community consultations, and implementation of RAPs as per the timeline
- Process followed in determining entitlements in line with the provisions, dissemination and administration of entitlements and valuation done for payment of compensation as per the SMF
- Timely payment of compensation to affected persons
- Effectiveness in implementing safety and mitigation measures for construction induced social impacts by contactors
- Effectiveness of internal monitoring and reporting process
- Functioning and effectiveness of grievance redress mechanism established at various levels
- Timely preparation of documents and data storage and management at PMU
- Functioning and effectiveness of Entitlement Assessment Committee, Public Information Centre, and other institutions established for management of safeguards aspects of the Project
- Implementation of staff capacity building plans including training and orientations for Project staff
- Performance and effectiveness of consultants in SMF implementation
- Overall effectiveness of social safeguard measures in mitigating impacts as per the SMF

## CHAPTER 9 - RESETTLEMENT BUDGET

**9.1** Table 16 provides a summary of associated costs for implementation of RAP under this sub-project. The MCUDP will bear the costs associated with provision of transport, emergency rental, and livelihood allowances.

**9.2** Expenses related to reconstructing damaged structures and temporary impact mitigation measures will be borne by the Contractor. The bidding documents clearly state these facts.

**9.3** The relocation of 91 squatter households will be undertaken by the UDA under its Relocation of Underserved Settlements Project. The MCUDP will therefore not bear the cost of providing a new house to these PAPs.

**9.4** The structural compensations were estimated for the 06 commercial buildings by the Valuation / Land Officer, UDA. These estimates were made considering the present value in the market per sq.ft, design of structure, age of structure and construction materials. Further details of the estimate prepared can be referred to in the Annex 5.

**9.5** Other expenses include salaries of social safeguard officers involved for the duration of the sub-project and costs related to conducting consultations, disseminating information, and reporting.

**Table 16: Cost Estimate for Implementing RAP**

Activity	Unit Rate (LKR)	Nos.	Period	Total Cost (LKR)
Transport allowance for PAPs	5,000.00	91	One-off	455,000.00
Livelihood assistance for PAPs	18,000.00	6	One-off	108,000.00
Structural compensation for commercial units*	130,000.00	1	One-off	130,000.00
	30,000.00	1	One-off	30,000.00
	175,000.00	1	One-off	175,000.00
	500,000.00	1	One-off	500,000.00
	450,000.00	1	One-off	450,000.00
	220,000.00	1	One-off	220,000.00
Monitoring and supervision cost (staff salaries): Social Specialist, Social Officer, Community Development Officers (03 nos.)	325,000.00	-	24 months**	7,800,000.00
Consultation, information dissemination, and reporting costs	-	-	24 months**	240,000.00
Budget Allocation for Capacity building & awareness program	-	-	24 months	2,025,100.00
External monitoring cost	-	-	24 months	1,000,000.00
Add 5% administration cost	-	-	-	-
Add 5% Contingency total	-	-	-	-
<b>TOTAL</b>	-	-	-	<b>13,133,100.00</b>

**Notes:**

\*Structure compensation for commercial units is as per the valuation estimates prepared by the Valuation / Land Officer, UDA (For details, please see Annex 5).

## ANNEXES

**Annex 1: The Gazette Democratic Socialist Republic of Sri Lanka,  
No. 1662/17- July 14, 2010**

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**The Gazette of the Democratic Socialist Republic of Sri Lanka**

**EXTRAORDINARY**

අංක 1662/17 - 2010 ජූලි 14 වැනි බදාදා - 2010.07.14  
No. 1662/17 - WEDNESDAY JULY 14, 2010

(Published by Authority)

**PART I : SECTION (I) — GENERAL**

**Government Notifications**

**SRI LANKA LAND RECLAMATION AND DEVELOPMENT CORPORATION ACT, No. 15 OF 1968  
AS AMENDED BY ACT, No. 27 OF 1976, No. 52 OF 1982 AND SRI LANKA LAND RECLAMATION AND  
DEVELOPMENT CORPORATION (AMENDED) ACT, No. 35 OF 2006**

**Order under Section 4(a)1**

BY virtue of the powers vested in me under the Section 4(a)1 of the Sri Lanka Land Reclamation and Development Corporation Act, No. 15 of 1968 as amended by Act, No. 27 of 1976, Act, No. 52 of 1982 and Sri Lanka Land Reclamation and Development Corporation (Amended) Act, No. 35 of 2006, I, Mahinda Rajapaksa, Minister of Defence with the consultation with all the respective Local Government Institutions do by this order reservations are declared, for all canal, sub canal and feeder canals where water flows, or led to flow or constructed with the objective of causing water flow, or as created naturally for the purpose, situated within the boundaries described below from the bank of the canal up to the limits indicated in meters in the chart below. Any or temporary or/and other sort of buildings or structures should not be constructed in this canal reservation area and a permission should be obtained subject to the Terms and Conditions stipulated by the Sri Lanka Land Reclamation and Development Corporation in doing any sort of such activity.

MAHINDA RAJAPAKSA,  
Minister of Defence.

**SCHEDULE**

Corresponding to the surface width of all main canals, all sub canals and all feeder canals where water flows or caused to flow water or canals constructed for the purpose of flowing water or those being created naturally for the purpose situated within the Western Province of the Democratic Socialist Republic of Sri Lanka and bounded at

<i>North by</i>	:	Maha Oya ;
<i>East by</i>	:	Areas in the Administrative District of Kegalle and area in the Administrative District of Ratnapura ;
<i>South by</i>	:	Bentota Ganga and areas located in Galle District ;
<i>West by</i>	:	Sea.

and lengths from the bank depicted in the chart below of either canal banks shall be canal reservations.

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2A I කොටස : (I) ඡේදය - ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අති විශේෂ ගැසට් පත්‍රය - 2010.07.14  
PART I : SEC. (I) - GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA - 14.07.2010

<i>Surface width of the canal (meters)</i>	<i>Reservation from the canal bank</i>	
	<i>for open canals (meters)</i>	<i>For surface covered canal (meters)</i>
1.0 — 1.2	1.0	0.3
1.3 — 3.0	2.0	1.0
3.1 — 4.5	2.75	1.0
4.6 — 6.0	3.5	1.5
6.1 — 9.0	4.5	1.5
More than 9.0	6.5	2.0

In case where lengths declared by the Urban Development Authority, Irrigation Department, Central Environment Authority, Agrarian Services Department and Local Government Institutions regarding the reservations mentioned above exceed the lengths given in this statement, the lengths declared by the said institutions shall be accepted.

#### TERMS AND CONDITIONS.

- Construction of any sort of building or structure and (or) filling of land shall not be done within the area declared as a canal reservation without having a written approval of the chief Executive officer Sri Lanka Land Reclamation and Development Corporation.
- As described in the Schedule the minimum extent of reservation shall physically be available.
- Linking storm water drains, disposition of sewerage lines, industrial waste or throwing /disposition of any sort of object which cause corruption shall not be done or shall not take any attempt to do such as action.
- Canal reserve could be used as an access road only in an instance where an alternative is not available, but that way shall not be covered by tar, after paving stones or concreting or any other application.
- Any individual, Society Institution, or Local Authority, shall not lease the canal reservation for commercial activities or any other activity.
- Lands in the canal reservation shall not used for parking vehicles, garages and cultivations.
- The prior written approval of the Sri Lanka Land Reclamation and Development Corporation shall be obtained for any activity done within the declared canal reservations.
- Any individual authority by the Chief Executive Officer of the Sri Lanka Land Reclamation and Development Corporation for the Activities stipulated in the Act, shall have the power to access the declared area and anyone who disturb such access could be a convicted guilty under the provisions of the Act.
- Every individual who do not adhere to these terms and conditions is guilty under the Corporation Act.
- The terms and conditions and also the terms and conditions impose in this connection in the future shall be adhered to.

07-864



**Annex 2: Demographic Details of Project Affected Persons**

SN	Name	Ethnicity/Religion	No. of Household Members
1	Mr. M.H.M. Badurdeen	Muslim/Islam	9
2	Mrs. S. Sulaya Sanoos	Muslim/Islam	5
3	Mr. M.H.M. Kaseem	Muslim/Islam	5
4	Mr. H.M. Mohamed Fazal	Muslim/Islam	6
5	Mrs. M.A. Seithun Marliya	Muslim/Islam	6
6	Mr. M.B. Mohamed Rafeek	Muslim/Islam	7
7	Mrs. T.P. Nona Feroza	Muslim/Islam	5
8	Mrs. M.N. Fathima Askiya	Muslim/Islam	6
9	Mr. M.S.M. Razik	Muslim/Islam	6
10	Mrs. K. Bibi Mohamed Niem	Muslim/Islam	5
11	Mr. N.A.M. Liyakath	Muslim/Islam	6
12	Mr. P.M. Nagemudeen	Muslim/Islam	7
13	Mr. H.H. Ameer	Muslim/Islam	4
14	Mr. S.M.S. Hussaindeen	Muslim/Islam	4
15	Mr. J.S.Mohamed Hashem	Muslim/Islam	7
16	Mr. S.M.F. Hanun	Muslim/Islam	12
17	Mrs. M.A.S. Arifa	Muslim/Islam	7
18	Mr. B.F. Jinna	Muslim/Islam	7
19	Mrs. Fathima Sharmila	Muslim/Islam	13
20	Mrs. M.S. Nona Jereena	Muslim/Islam	8
21	Mr. S.M. Nizaar	Muslim/Islam	3
22	Mr. M.M.M. Nizar	Muslim/Islam	8
23	Mrs. A.B.J. Ramziya	Muslim/Islam	4
24	Mrs. U.S. Racida Bibi	Muslim/Islam	12
25	Mrs. M.F. Sairabanu	Muslim/Islam	6
26	Mrs. Siththi Jesima	Muslim/Islam	9
27	Mr. R.H.M.N.P. Kumara	Muslim/Islam	9

28	Mr. R.H.M. Dayananda	Muslim/Islam	9
29	Mrs. M.S.F. Ishara	Muslim/Islam	9
30	Mrs. T.J.B.A. Nona Saffeena	Muslim/Islam	4
31	Mrs. M.R.S. Basriya	Muslim/Islam	7
32	Mr. A.R.A. Rahuman	Muslim/Islam	8
33	Mr. M.L.M. Ithpiyas	Muslim/Islam	6
34	Mrs. M.N. Aneesha	Muslim/Islam	5
35	Mr. G.D. Foumi	Muslim/Islam	6
36	Mrs. F. Rizmiya	Muslim/Islam	5
37	Mrs. M.A.F. Farsana	Muslim/Islam	3
38	Mrs. S.F.M. Nizar	Muslim/Islam	4
39	Mr. M.P.M. Jefere	Muslim/Islam	5
40	Mr. M.F Mahil	Muslim/Islam	3
41	Mr. A.K. Isadeen	Muslim/Islam	8
42	Mrs. S.J.N. Ramsiya	Muslim/Islam	2
43	Mr. M.Nazeer	Muslim/Islam	2
44	Mr. M.N.M. Fawzul hak	Muslim/Islam	8
45	Mrs. H.A. Nandaseeli	Muslim/Islam	6
46	Mrs. K. Sumathi	Tamil/Hindu	2
47	Mr. T.Z. Kichil Munna		4
48	Mrs. Fathima Mishna	Muslim/Islam	4
49	Mrs. K.N. Bathul	Muslim/Islam	9
50	Mr. M.N.M. Nilam	Muslim/Islam	1
51	Mrs. Bulathsinhalage Pathmalatha	Sinhala/Buddhist	4
52	Mrs. S.S. Johara Umma	Muslim/Islam	4
53	Mrs. S.N. Fareena	Muslim/Islam	2
54	Mrs. J.Fareeda	Muslim/Islam	7
55	Mrs. H.A.K.S. Umma	Muslim/Islam	3
56	Mrs. N.S.H. Fathima	Muslim/Islam	6
57	Mr. M.M.M.A. Rahim	Muslim/Islam	5

58	Mr. T.H. Thurna		6
59	Mrs. S.N. Siddek	Muslim/Islam	8
60	Mrs. F. Muneera	Muslim/Islam	2
61	Mrs. A. Susila	Muslim/Islam	4
62	Mrs. A.K. Nona Farida	Muslim/Islam	8
63	Mr. M.M.A. Rahuman	Muslim/Islam	7
64	Mr.A.K. Sabritumma	Muslim/Islam	14
65	Mrs. S.J. Saruk	Muslim/Islam	7
66	Mrs. R.A. Chandralatha	Sinhala/Buddhist	7
67	Mr. A.H. Samsudeen	Muslim/Islam	6
68	Mrs. M.M.F. Rinos	Muslim/Islam	5
69	Mrs. H.N. Misiriya	Muslim/Islam	4
70	Mrs. S.F.M. Abdulla	Muslim/Islam	7
71	Mr. M.S.M. Salahudeen	Muslim/Islam	10
72	Mr. M.S.M. Farook	Muslim/Islam	8
73	Mr. N.B.S.H. Mohideen	Muslim/Islam	6
74	Mrs. S.H.S. Foumiya	Muslim/Islam	6
75	Mr. V.P. Somadasa	Sinhala/Buddhist	4
76	Mrs. W.P.C.S. Malkanthi	Sinhala/Buddhist	5
77	Mrs. Fathima Rosana	Muslim/Islam	4
78	Mrs. N.F. Fathima Farsana	Muslim/Islam	5
79	Mr. K.M.M. Bawa	Muslim/Islam	6
80	Mrs. S.A.F. Hiday	Muslim/Islam	6
81	Mrs. Naslun Sidhara	Muslim/Islam	4
82	Mr. N.M.S. Hameed	Muslim/Islam	3
83	Mrs.A.K. Sithti Nazeema	Muslim/Islam	9
84	Mrs. M.S.H. Hareera	Muslim/Islam	12
85	Mrs. M.F.F. Rismiya	Muslim/Islam	5
86	Mr. A.R.M.Faizal	Muslim/Islam	5
87	Mrs. Y.L.P. Johara	Muslim/Islam	9
88	Mrs. M.S.F. Risana	Muslim/Islam	6

89	Mr. A. Shanmugadass	Tamil/Hindu	5
90	Mrs. M.M.F. Inaya	Muslim/Islam	3
91	Mr. T.J. Kaseem	Muslim/Islam	5
92	Priest. Madampegama Assaji Thero	Sinhala / Buddhist	
93	Abdul Azeez Mohamed Iqbal (Rafaideen Hajjia)	Muslim/Islam	

**Annex 3: Socio-Economic Profile of Project Affected Persons**

Criteria	Households / Individuals	Category						
<b>Religion &amp; Ethnicity</b>								
Religion	Households	<b>Buddhist</b>	<b>Hindu</b>	<b>Islam</b>	<b>Christian</b>			
		3	2	84	2			
Ethnicity	Households	<b>Sinhala</b>	<b>Tamil</b>	<b>Muslim / Malay</b>				
		4	4	83				
<b>P o p u l a t i o n</b>								
General	Individuals	<b>Male</b>	<b>Female</b>					
		275	272					
		<b>Sinhala</b>	<b>Tamil</b>	<b>Muslim</b>				
		11	14	522				
		<b>Pregnant Mothers</b>	<b>Lactating Mothers</b>					
		11	14					
		<b>&lt; 1 Year</b>	<b>1 - 14 Years</b>	<b>15 - 60 Years</b>	<b>&gt; 60 Years</b>			
7	169	336	35					
School-Going Children	Individuals	<b>Boys</b>	<b>Girls</b>	<b>Distance</b>				
		92	75	1.15 km				
Period of Residency	Households	<b>&lt; 5 Years</b>	<b>6 - 10 Years</b>	<b>10 - 20 Years</b>	<b>&gt; 20 Years</b>			
		14	10	25	47			
<b>H o u s e</b>								
Floor Area	Households	<b>&lt; 250<sup>2</sup> ft</b>	<b>250 - 500<sup>2</sup> ft</b>	<b>500 - 1000<sup>2</sup> ft</b>	<b>&gt; 1000<sup>2</sup> ft</b>			
		12	60	19				
Wall Type	Households	<b>Clay / Wattle &amp; Daub</b>	<b>Timber Planks</b>	<b>Bricks / Cement Blocks (Not Plastered)</b>	<b>Bricks / Cement Blocks (Plastered)</b>			
			3	8	80			
Roof Type	Households	<b>Cadjan Roof</b>	<b>Tin sheet Roof</b>	<b>Asbestos Roof</b>	<b>Tile Roof</b>	<b>Other</b>		

			8	83				
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## Annex 5: Valuation Estimate for Commercial Structure Compensation

### Replacement Cost Estimation

1. **Instruction** : This report is furnished at the request of the Project Director of Metro Colombo Urban Development Project.
2. **Purpose of Valuation** : Determination of replacement cost of six small scale commercial units to be relocated under the MCUDP at Maithree Bodhiraja Mawatha, Col. 12 and Sri Sangaraja Mawatha Col.10.
3. **Date of Inspection** : 13<sup>th</sup> September 2013
4. **Details of the Commercial Units** :

S. No.	Owner	Unit No.	Floor Area Sq.ft	Construction details
1	Maithree Bodhiraja Mw., Col. 12		85	Timber slashes roof, Cement block walls with plastering and colour washing. Cement floor, Iron mesh door and timber window.
2	Maithree Bodhiraja Mw., Col. 12.		175	Amana sheets roof on GI pipe supports. Cement block wall only for the front side.
3	Maithree Bodhiraja Mw., Col. 12		100	Asbestos roof with PVC gutters. Cement block walls with plastering and colour washing. Cement floor. Amana sheet and timber doors and timber slashes window
4	Maithree Bodhiraja Mw., Col. 12		240	Concrete slab roof, Cement block walls with plastering and colour washing. Cement floor. Timber door and folding iron door.



5	Maithree Bodhiraja Mw., Col. 12		215	Concrete slab roof, brick walls with plastering and colour washing. Cement floor. Timber doors and windows.
6	Sri Sangaraja Mw, Col. 10.		100	Concrete slab roof, brick/cement walls with plastering and colour washing. Cement floor. Timber doors and windows.

### 5. Replacement Cost

Having due consideration on the construction materials and the condition of each unit, replacement cost is determined as follows.

S. No.	Owner	Unit No.	Floor Area Sq.ft	Rate per Sq.ft (Rs.)	Replacement Cost (Rs)
1			85	1,500/-	130,000/-
2			175	170/-	30,000/-
3			100	1,750/-	175,000/-
4			240	2,100/-	500,000/-
5			215	2,100/-	450,000/-
6			100	2,200/-	220,000/-

The rate per sq.ft has also been determined based on the prices of construction materials and the condition of each buildings.

**Land Officer**  
**Urban Development Authority**

## Annex 6: List of Participants Attending Consultations

### Group Consultations

SN	Subject	Venue	No. of Participants			Remarks	Date	No. of programs
			Total	Male	Female			
1.	Aware PAPs on what are the entitlements, size of new housing units , available facilities in new condominium and surrounding area, beneficiary contribution to condominium management fund and monthly maintenance fund.	At Auditorium , Urban Development Authority.	173	52	121	PAPs households' husband and wife participated consultation.	16/01/2014 17/01/2014	2
2.	Consulted PAPs further information about entitlements	Sub project area.	91 households	21	70	Distributed leaflets emphasized about entitlements.	21/01/2014	3
3.	Consulted PAPs to open new accounts in recognized financial institution for money transaction from MCUDP	Sub project area.	91 households	18	73	Distributed leaflets aware to message in three language (Sinhala, Tamil and English)	05/01/2014	3
4.	Consulted PAPs about open MCUDP sub office at St. Sebastian South Canal area at Mosque premises and available service provide by Social Team	Sub project area.	91 households	13	78	Aware PAPs located place of sub office, available dates and services provide by Social Team.	21/05/2014	4

5.	Consulted aware PAPs about new condominium place, distance of new place, available facilities, education facilities, market facilities etc.	Sub project area.	91 households	10	81	Distributed leaflet about new condominium place, distance of new place, available facilities, education facilities, market facilities etc.	14/07/2014	1
6.	Consulted aware PAPs about new condominium living patterns & allocated housing units for PAPs on lottery system.	Auditorium at Urban Development Authority.	91 households	24	67	PAPs have selected their housing unit in new condominium. To this special event participated Project Director and staff MCUDP, relevant staff of Urban Development Authority.	14/08/2014	1

**Individual Consultations**

SN	Name	NIC Number	Female/Male	Address	Date of Consultation
1.	Abdul Azeez Mohomed		Male	Al Masjidul Khiruliya Jumma Mosque, Mithree Bodhiraja Mawtha, Colombo, Colombo 12	23/04/2014
2.	Priest. Madampegama Assaji Thero		Male	No. 180/34m, Vincent Perera Mawtha, Colombo 14	23/04/2014
3.	M.A. Seithun Marliya	687492811v	Female	132-G-24-A, Grendpass, Demelwatha, Colombo 14	25/04/2014
4.	M.H.M. Caseem	503003074v	Male	132-G-15A, Demelwatta, Grendpass, Colombo 14	30/04/2014
5.	S. Sulayasnosh	487543861v	Female	132-A-30, Demelwatha, Grendpass. Colombo 14	08/05/2014
6.	M.H.M. Barudeen	642613081v	Male	132-A-29, Dimelwatha, Grendpass, Colombo 14	08/05/2014
7.	Mohamed Ali Samsu Arifa	738061870v	Male	132-F-9-1, Demelwatha, Grendpass, Colombo 14	27/05/2014
8.	M.S. Nona Jereena	6777312222v	Female	132-F-7, Demelwatha, Grendpass, Colombo 14	27/05/2014
9.	R.H.M.N. Pradeep Kumara	801690238v	Male	132-F-01-A, Demelwatha, Grendpass, Colombo 14	03/06/2014
10.	R.H.M. Dayananda	582261652v	Male	132-F-01, Demelwatha, Grendpass, Colombo 14	27/06/2014
11.	B.F. Jinna	535723150v	Male	132-F-09, Demalwatha, Grandpass, Colombo 14	27/06/2014
12.	M.S. Fathima Ishara	737032965v	Female	132-F-01, Maaitthree	27/06/2014

				Bodhiraja Mawatha, Colombo 14	
13.	T.J.B.A.Nona Safeena	655722459v	Female	118-T-10, Maithree Bodhiraja Mawatha, Colombo 14	30/06/2014
14.	P.M.M.Nina	630363152v	Male	118-84, Mithree Bodhiraja Mawatha, Colombo 12	30/06/2014
15.	B.Padmalatha	637631659v	Female	118-42-A, Mithree Bodhiraja Mawatha, Colombo 12	02/07/2014
16.	W.P.C.Shiroma Malkanthi	768220166v	Female	118/100, Mithree Bodhiraja Mawatha, Colombo 12	02/07/2014
17.	H.N.Misiriya	697381520v	Female	118-107, Maithree Bodhiraja Mawatha, Colombo 12	04/07/2014
18.	G.D.Faume	7501103398v	Male	118/83, Maithree Bodhiraja Mawatha, Colombo 12	04/07/2014
19.	Mohamed Rafaideen	660364480v	Male	118/120, Maithree Bodhiraja Mawatha, Colombo 12	10/07/2014
20.	N.M.I.Umma	767694156	Female	118/60, Maithree Bodhiraja Mawatha, Colombo 12	12/07/2014
21.	S.Najiba	585610763v	Female	118/57, Maithree Bodhiraja Mawatha, Colombo 12	12/07/2014
22.	S.N.Nona Farina	571212064v	Female	118/137, Maithree Bodhiraja Mawatha,	12/07/2014

				Colobo 12	
23	M.M.M.A.Rahim	660272470X	Male	118/138, Bodhiraja Colombo 12	Maithree Mawatha, 12/07/2014
24.	N.S.H.Fathima	807804375V	Female	118/139, Bodhiraja Colombo 12	Maithree Mawatha, 12/07/2014
25.	Arumugam Shanmugadasan	740042564V	Male	480/S/60/92, Bodhiraja Colombo 12	Maithree Mawatha, 12/07/2014

### Annex 7: Site Photographs



Densely populated banks, St. Sebastian South Canal



Conducting Social Impact Surveys at the Site



Commercial Unit Cum House



## Annex 8: Assessment of Affordability of PAPs to Contribute to Condominium Management Fund and Monthly Maintenance Charges

### Introduction

The Social Management Framework (SMF) of the Metro Colombo Urban Development Project (MCUDP) stipulates that squatter households to be displaced from the project are provided with ‘a permanent flat of 400 square feet in a newly built multi-story condominium subject to beneficiary contribution to the condominium management fund and payment of monthly maintenance charges’. Accordingly, the ninety-one squatter households who would be physically displaced by the rehabilitation of St. Sebastian South Canal subproject of the MCUDP will be offered a flat of 400 square feet in a condominium built at 66 Watte, Colombo 8 which is approximately 2.5 Km away from their present habitat. The condominium has 12 stories and 432 units. Each flat contains two bed rooms, a living/dining room, a kitchen and a toilet inclusive of electricity and water facilities. Furthermore, the condominium is equipped with diesel operated generators which can provide electricity during power failures, an electric elevator that can move the residents up and down without having them to climb the steps and common spaces which can be used by the residents for their social and recreational activities. The current market value of a single flat is estimated at Sri Lankan Rupees seven million (US \$53,846)<sup>4</sup>. The Urban Development Authority (UDA) is responsible for the construction, allocation and management of the entire condominium. The legal ownership of the flat will be transferred to the beneficiary families after 10 years. The beneficiary contribution to the condominium management fund maintained by UDA is fixed at LKR 100,000 (US \$770) which can be paid by the resettled households in several installments. The first installment of LKR 50,000 (US \$385) should be paid by the resettled households prior to their entry to the new flat while the balance LKR 50,000 can be paid in three installments within a period of three months since their settlement. Meanwhile, the monthly maintenance charges to be paid by the resettled households stand at LKR 2,650 (US \$20). This short paper examines the affordability of the 91 project affected persons (PAPs) in the St. Sebastian South Canal to contribute to the condominium management fund as well as to pay the monthly maintenance fee by analyzing their livelihood sources and monthly incomes<sup>5</sup>.

### Household economy of the PAPs

**Single Vs multiple incomes:** Of the 91 households, 43 households (47.3%) derived their monthly incomes from a single source while the balance 48 households (52.7%) claimed to have more than a single source of income. Among the latter were 56.2 percent having two income sources; 37.5 percent with three income sources and 6.3 percent with four or more income sources. The households that generated incomes from multiple sources had more than one working member who together contributed to the household budget. Not a single household was found to be without a source of income or depended exclusively on government subsidy schemes or public assistance programmes. As such, financial and

<sup>4</sup> The SMF compiled in January 2012 indicates the market value of the flat as that exceeds LKR 2.5 million p.38, para 3.23

<sup>5</sup> Data presented in this paper is derived from the social impact survey conducted with 91 PAP households in July 2013.

economic stability of the PAP households is ensured while supplementary incomes reduce their vulnerability to poverty and deprivation.

**Stable livelihoods:** The PAP households are engaged in a variety of livelihood related activities ranging from manual labour work to employment in foreign countries. Eleven out of 91 households had family members employed in foreign countries; 13 households ran hiring services with their own taxies (three-wheelers) while another 6 households had taxies taken on rent. Retail groceries were run by 7 households either in a part of their homes or elsewhere whereas 3 others operated small restaurants or tea kiosks; 23 households had members who were engaged in diverse forms of small-scale business activities such as dress-making, vegetable and fruit marketing, collecting and selling discarded iron and other metal items for re-cycling, selling mobile phones, paper bag making etc.; 9 households had skilled workers such as masons, carpenters, welders, electricians and painters; 19 households had family members employed in hotels, garment factories, sanitary services and banks; 39 households had members engaged in paid labour work; and 3 households had other livelihood sources such as renting out their houses. The market demand for the type of livelihood activities conducted by members of the PAP households remains stable and regular pointing to steady incomes to PAP households.

**Relatively high incomes and low poverty:** Incomes generated through a variety of economic activities engaged in by the PAP households were relatively high and the majority of the households were above the national poverty line. Around 28 percent of the households claimed to have an average monthly income ranging from LKR 40,000-60,000 (US \$308-462) which is in par with or above the mean national monthly household income of LKR 46,207 (US \$355)<sup>6</sup>. Monthly incomes of another 12 percent of the households fell between LKR 30,000-40,000 (US \$230-307) whereas a similar proportion of households derived monthly incomes ranging from LKR 20,000-30,000 (US \$154-230). Another 28 percent generated incomes in the range of LKR10,000 -20,000 (US \$77-154). It was only 2 percent of the households that had a lower income of around LKR10,000 (US \$77) a month.

Among the 43 PAP households that were dependent on a singular source of income, monthly incomes of 37 percent varied from LKR 20,000-30,000 (US \$154-230). Incomes of another 56 percent ranged between LKR 10,000-20,000 (US \$77-154). It was only 5 percent of the single source income households that received a monthly income less than LKR10,000 (US \$77). Meanwhile, 2 percent of the households generated incomes over and above Rs.60,000 (US \$462) a month. In general, it can be concluded that incomes generated by PAP households including the households that are dependent on a singular source of income are relatively high which obviously enable them to maintain a reasonable standard of living. This is further supported by the fact that except for two PAP households, none of the rest 89 households were eligible to receive food aid and other subsidies provided by the State<sup>7</sup> for families living below the poverty line of Rs.3,924 per person<sup>8</sup>.

<sup>6</sup> Department of Census and Statistics (2013) Household Income and Expenditure Survey 2012/13

<sup>7</sup> Under the Government's poverty alleviation programme *Samurdhi*.

<sup>8</sup> Department of Census and Statistics (2014) District Official Poverty Lines

## Conclusion

The PAP households in the St. Sebastian South Canal having diverse and reliable income sources are economically stable. Their incomes are relatively high and thus their vulnerability to poverty and deprivation is comparably low. Continuous consultations and information sharing with the PAPs have revealed their capacity to contribute to the condominium management fund and to pay the maintenance fees. Furthermore, most of the current dwellings of the PAPs being semi-permanent, their monetary value would be in the range of LKR 1.2 million (US \$9230) or even lesser<sup>9</sup> As the resettlement programme of the Government of Sri Lanka provides them with a flat worth of LKR 7 million (US \$53,846) which has better quality and facilities, it is reasonable that PAP households are requested to make a contribution to the condominium management fund. This financial contribution on the part of PAPs in turn would also build a sense of ownership for the houses that they are provided with. Meanwhile, both the PMU and the UDA would also embark on a livelihood restoration and improvement programme as part of their post-resettlement strategy which would eventually contribute to an augmentation the household incomes of the PAPs and their capacities to meet the new expenditures.

The project management unit (PMU) since January 2014 has shared information with the PAPs on the payments that they have to make as well as its planned payment schedules. The PMU has also followed a preparatory phase to advise and guide the PAPs to gradually save part of their incomes to deposit the required funds on time. As such, almost all the PAPs are now ready with the funds to make their initial deposit of LKR 50,000. In the meantime, PMU on behalf of the two households that have monthly incomes below LKR 10,000 (US \$77) will negotiate with UDA to extend the period given to pay the second installment of LKR 50,000 from 3-6 months so that those two households would receive a longer grace period to settle their payments.

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<sup>9</sup> Estimated on the basis of LKR 3,000 (US \$23) per square Km

## **Annex 9: Strategy for Restoring Livelihoods and Incomes of Six Economically Displaced Households in the St Sebastian South Canal**

### **Introduction**

Along with the physical displacement of ninety-one households resulting from the rehabilitation of St Sebastian South Canal, there will also be a permanent economic displacement to six PAPs who at present operate their small-scale commercial enterprises within a part of their own dwellings. These six PAPs along with their displacement would not only lose their current business premises but also their established consumer networks. Four out of the six households operate retail groceries. The fifth small-scale commercial enterprise is a tea kiosk where a variety of snacks and tea was sold. Collecting discarded items made out of iron and other forms of metal and selling them to agencies that engaged in re-cycling of such material is the sixth small-scale enterprise. As the discarded items collected by this PAP is kept stored in front yard of his present house until such time they are cleaned and sold, physical displacement of this PAP and his shifting to a flat in the condominium will deprive him a place to keep his goods stored<sup>10</sup>.

### **Livelihood and income restoration strategies**

The resettlement of the six PAPs in the new condominium flats will not have much adverse impacts on their current livelihood activities as well as the incomes generated therein as the PMU in collaboration and coordination with UDA has planned to implement several measures to restore their livelihood related activities. The PMU in compliance with the Social Management Framework (SMF) will implement the following strategies to support these six PAPs to restore and improve their current livelihood activities.

1. Cash compensation for the loss of commercial structures of the six PAPs will be paid at replacement cost based on the valuation conducted by the Land Officer of the Urban Development Authority (UDA). A copy of the valuation report is herewith appended.
2. Cash compensation for loss of incomes will be paid to the six PAPs to enable re-establishment of their businesses calculated as net income for six months on the basis of average net annual incomes for preceding three years as recorded in income/sales tax returns files, OR a lump sum livelihood assistance of LKR 18,000, whichever is higher.
3. The UDA, as a temporary measure will grant permission to four PAPs who operate retail groceries as well as the PAP who runs the tea kiosk to re-establish and operate their small enterprises from within their individual flats, if they wished to do so. This arrangement would enable PAPs to re-start their business activities immediately after resettlement and to prevent any loss of their incomes. The UDA is in the process of constructing separate permanent structures in the vicinity of the condominium which would be allocated to accommodate the PAPs who have lost their commercial structures due to resettlement. This process is expected to be completed within a period of six months from now.

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<sup>10</sup> Data presented in this paper is derived from the social impact survey conducted with 91 PAP households in July 2013.

4. The UDA will also allocate five flats on the ground floor of the condominium so that the PAPs would be able to run their business operations with greater convenience and with easy access to their respective clientele. There can be a temporary setback of the regular customer base of the five PAPs due to changes in the environment. However, as the entire condominium accommodates a population consisting of 432 households, it will provide a potential consumer base for these business operations of the five PAPs.
5. The PMU in collaboration with UDA will also assist the sixth PAP who is engaged in the selling of discarded iron and metal items to find a suitable alternate location to store his goods.
6. Furthermore, PMU will place priority to select members from the six PAP households to participate in the vocational training programmes and other support services planned as part of the post-resettlement strategy so that they would be able to initiate supplementary income generating activities for their respective households.

**Annex 10: Impacts on Livelihoods of Project Affected Persons**

SN	Household Assessment No.	No. Household Members	Type of Livelihood	Number of Persons Engaged in Livelihood Related Activities	Unemployed Female Members	Impact on Livelihoods
1	129	9	Casual labor work	3	2	Increase of travel distance
2	130	5	Three wheeler driver Bag vendor	2	2	Increase of travel distance
3	131	5	Selling fruit drinks / Casual labor work	2	1	Increase of travel distance
4	132	6	Pavement Vendor	1	1	Increase of travel distance
5	133	6	Three wheeler drivers	2	2	Increase of travel distance
6	134	7	Casual labour work and private sector employees (2)	3	2	Increase of travel distance
7	135	5	Fish vendor	1	1	Increase of travel distance
8	136	6	Labourer in a sanitary service	1	-	Increase of travel distance
9	137	6	Casual labour work	1	1	Increase of travel distance
10	139	5	Casual labour work /	1	1	Increase of travel distance
11	140	6	Three wheeler driver	1	1	Increase of travel distance
12	141	7	Casual labour work Labourer in the private sector	2	3	Increase of travel distance
13	142	4	Three wheeler driver	1	1	Increase of travel distance

14	143	4	Masons (2) Private sector employee	3	-	Increase of travel distance
15	144	7	Electrician Pavement vendor	2	1	Increase of travel distance
16	145	12	Casual labour work (2) Sales agent	3	4	Increase of travel distance
17	146	7	Three wheeler driver	1	2	Increase of travel distance
18	147	7	Three wheeler driver	1	2	Increase of travel distance
19	148	13	Casual labour work (3) Care giver at hospital	4	2	Increase of travel distance
20	149	8	Private sector labourer Welder Casual labour work	3	2	Increase of travel distance
21	150	3	Driver Casual labour work	2	1	Increase of travel distance
22	151	8	Three wheeler drivers (2) Mobile phone vendor	3	1	Increase of travel distance
23	152	4	Retail grocery Employee in a shop, Colombo Fort	2	1	Loss of business premises Increase of travel distance
24	153	12	Casual labour work (2 ) Pavement vendor	3	-	Increase of travel distance
25	154	6	Migrant worker Pavement vendor	3	1	Increase of travel distance

			Employee in a shop			
26	155	9	Driver Collector of discarded items for recycling and Casual labour work	3	1	Loss of business premises Increase of transport expenses
27	156	9	Casual labour work	1	-	Increase of travel distance
28	157	9	Casual labour work (2)	2	2	Increase of travel distance
29	158	9	Casual labourwork (3)	3	2	Increase of travel distance
30	159	4	Three wheeler drivers (2) Native physician	3	1	Increase of travel distance
31	160	7	Vendor	1	1	Increase of travel distance
32	161	8	Mason Private sector employee	2	2	Increase of travel distance
33	162	6	Casual labour work (2) Selling Soya food Migrant employee	4	2	Increase of travel distance
34	163	5	Retail grocery	1	1	Loss of business premises Loss of market Increase of travel distance
35	164	6	Collector of discarded metal for recycling	1	1	Increase of travel distance



36	167	5	Pavement Vendor	1	1	Increase of travel distance
37	168	3	Casual labour work	1	1	Increase of travel distance
38	169	4	Casual labour work	1	1	Increase of travel distance
39	170	5	King coconut seller	1	1	Increase of travel distance
40	171	3	Mason Housemaid	2	-	Increase of travel distance
41	172	8	Casual labour work	1	2	Increase of travel distance
42	173	2	Selling ready-made garments and dress-maker	1	-	Increase of travel distance
43	174	2	Restaurant run by husband and wife	2	-	Loss of business premises Loss of market Increase of travel distance
44	175	8	Retail grocery run by husband and wife	2	-	Loss of business premises Loss of market Increase of travel distance
45	176	6	Casual labour work	1	1	Increase of travel distance
46	177	2	Labourer in the private sector	1	1	Increase of travel distance
47	178	4	Labourer in a hotel	1	1	Increase of travel distance
48	179	4	Migrant employee Fried chips maker Welder	3	-	Increase of travel distance
49	180	9	Casual	1	2	Increase of

			labour work			travel distance
50	165	1	Mason	1	-	Increase of travel distance
51	183	4	Collector of discarded metal for recycling	1	1	Increase of travel distance
52	182	4	Labourer in a sanitary service	1		Increase of travel distance
53	206	2	Driver	1	1	Increase of travel distance
54	211	7	Labourer in a shop Migrant employee	2	-	Increase of travel distance
55	209	3	Employee in a sanitary service Migrant employee	2	-	Increase of travel distance
56	208	6	Three wheeler driver	1	1	Increase of travel distance
57	207	5	Casual labour work (2)	2	1	Increase of travel distance
58	205	6	Three wheeler driver	1	1	Increase of travel distance
59	204	8	Helper to masons	1	1	Increase of travel distance
60	203	2	Three wheeler driver	1	1	Increase of travel distance
61	202	4	Labourer in a sanitary service	1	1	Increase of travel distance
62	201	8	Three wheeler driver	1	1	Increase of travel distance
63	200	7	Collector of discarded metal for recycling	1	1	Increase of travel distance
64	199	14	Painter Casual	3	2	Increase of travel

			labour work (2)			distance
65	198	7	Vendor of sport items Labourer in a shop	2	1	Increase of travel distance
66	197	7	Vegetable seller Pavement vendors (2)	3	-	Increase of travel distance
67	196	6	Vender of plastic goods Collector of used steel Labourer in a hotel	3	1	Increase of travel distance
68	195	5	Three wheeler driver	1	-	Increase of travel distance
69	194	4	Casual labour work	1	1	Increase of travel distance
70	193	7	Casual labour work Helpers in shops (2)	3	1	Increase of travel distance
71	192	10	Helper in a shop Three wheeler driver Casual labour work	3	1	Increase of travel distance
72	191	8	Selling used steel Labourer at harbour Tailor	3	1	Increase of travel distance
73	190	6	Casual labourer Pavement vendor	2	1	Increase of travel distance
74	189	6	Casual labour work	1	1	Increase of travel distance
75	188	4	Pavement vender of vegetables	1	1	Increase of travel distance
76	187	5	Three wheeler	1	1	Increase of travel

			driver			distance
77	186	4	Migrant worker Casual labour work	2	-	Increase of travel distance
78	185	5	Casual labour work	1	1	Increase of travel distance
79	226	6	Manufacturing & selling incense sticks Casual labour work	2	-	Increase of travel distance
80	225	6	Casual labour work	1	1	Increase of travel distance
81	224	4	Migrant employee Casual labour work	2	-	Increase of travel distance
82	222	3	Salesman	1	1	Increase of travel distance
83	223	9	Migrant employee Cook Vegetable seller	3	-	Increase of travel distance
84	221	12	Readymade garment seller Helper in a hotel Three wheeler driver Helper at a hardware shop	4	1	Increase of travel distance
85	220	5	Selling king coconuts	1	1	Increase of travel distance
86	219	5	Pavement vendor	1	1	Increase of travel distance
87	218	9	Casual labour work (2) Bank	3	1	Increase of travel distance

			officer			
88	217	6	Three wheeler driver	1	1	Increase of travel distance
89	215	5	Selling shopping bags to shops and boutiques	1	1	Increase of travel distance
90	214	3	Cook in a hotel Factory laborer	2	-	Increase of travel distance
91	213	5	Retail grocery	2	-	Loss of business premises Loss of market Increase of travel distance