

SFG2777 REV

Annex 4 – Land Acquisition and Resettlement Policy Framework

INDONESIA:

DAM OPERATIONAL IMPROVEMENT AND SAFETY PROJECT - 2 (DOISP AF)

LAND ACQUISITION AND RESETTLEMENT POLICY FRAMEWORK (LARPF)

An Integral Part of Environmental and Social Management Framework (ESMF)

January 2017

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DEFINITIONS

Terms	Meaning
Government	The Government of the Republic of Indonesia
Project	Dam Operational and Safety Improvement Project 2 (DOISP AF)
Provincial government	The <i>provinsi</i> government, headed by a governor or <i>gubernur</i>
Local government	Municipal (<i>kota</i>) government (headed by a mayor or <i>walikota</i>) or district or regency (<i>kabupaten</i>) government (headed by a district head/regent or <i>bupati</i>)
Sub-project	Project component implemented at the central, provincial and/or <i>kabupaten/kota</i> level

ACRONYMS

APBD	Local Government Budget
APBN	Central Government Budget
Bappeda	Local Government Planning Agency
BPN	Local Government Land Agency
CP Program	Community Participation Program
CPIU	Central Project Implementation Unit
CPMU	Central Project Management Unit
DED	Detail Engineering Design
DGWR	Directorate General of Water Resources
GOI	Government of Indonesia
LARAP	Land Acquisition and Resettlement Action Plan
LARPF	Land Acquisition and Resettlement Policy Framework
MHA	Indigenous Community (<i>Masyarakat Hukum Adat</i>)
MPWH	Ministry of Public Works and Housing
NGOs	Non-Government Organizations
OP	Operational Procedures
PAH	Project Affected Household
PAPs	Project Affected Persons
PIU	Project Implementation Unit
PIP	Project Implementation Plan
QPR	Quarterly Project Report (QPR)
WBOJ	World Bank Office in Jakarta

A. Introduction

1. The project is a continuation of the ongoing Dam Operational Improvement and Safety Project (DOISP) and will finance five components required to substantially improve Indonesia's dam operation and safety. The project builds on lessons learned from a number of related projects that advocate for an integrated, holistic approach to dam safety and operations within the context of the river basin to ensure the adequacy of the supporting institutional environment. The project is planned to be implemented from 2017-2022 and aimed at: (i) increase the safety of existing dams in selected locations, and (ii) strengthen institutions for operational effectiveness of dam management. Investments are prioritized based on objective criteria for identification and assessment and includes 23 major dams prioritized and prepared under DOISP, along with priority investments from the remaining 115 major dams in the portfolio. These sub-projects will be mostly located in Java (West Java, Central Java, Yogyakarta and East Java), and some in NTB, NTT, Lampung, East Kalimantan and South Sulawesi.
2. The project will not finance any new dam construction and is focused on the rehabilitation of existing dams and their associated structures, along with improved safety measures. These activities are not intended to exceed the original schemes, change their nature, or so alter or expand the scope and extent as to make them appear as new or different schemes, thus it is expected that there will be no activities that would imply significant land acquisition and involuntary resettlement. Additionally, none of the sub-projects under DOISP have involved land acquisition activities. However, to give more flexibility during project implementation of the DOISP AF where some proposed activities may require additional land, temporarily or permanently, this Land Acquisition and Resettlement Policy Framework (LARPF) is developed. The project will ensure that only small-scale land acquisition will take place, which will not have any significant impact on the owners. A Land Acquisition and Resettlement Action Plan (LARAP) will be prepared during project implementation (after the screening, verification and confirmation stage) in the likely event that the sub-project activities will involve land acquisition and/or resettlement. The Bank requires the project to avoid involuntary resettlement where feasible, and where it is not feasible to be avoided, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits.

B. Objective

3. The purpose of this Policy Framework is to provide requirements to Project Implementation Units (PIUs) on the principles, process, procedures, and organizational arrangements to be applied to sub-projects requiring land acquisition and resettlement in preparing a Land Acquisition and Resettlement Action Plan (LARAP) which will need to be prepared during project implementation, once specific planning information of the sub-project is known and as a reference for the Central Project Management Unit (CPMU) of Directorate Operation & Maintenance, DGWR at the central level to ensure that project management staff at the regional level plan and implement land acquisition and resettlement in compliance with this framework.

4. As a framework, LAPRF provides general guidance for the preparation and implementation of small-scale land acquisition and/or resettlement. Protocol for voluntary land donation will also be provided to anticipate land acquisition through voluntary land donation that may take place in the Community Participation (CP) program, as occurred in several sites under CP program of the DOISP.
5. There will be 6 (six) sub-projects to be implemented during the 1st year of project implementation. The detail engineering designs (DEDs) of the sub-projects have confirmed that none of them will involve land acquisition that require land acquisition/resettlement action plan. This LARPF will be applied to sub-projects identified in the following years during project implementation. List of sub-projects under the 1st year implementation is presented in **Appendix 1**.
6. The overall objectives and principles of land acquisition and resettlement in this project are to ensure that:
 - a) Land acquisition and resettlement should be avoided where feasible, or minimized, exploring all viable alternative sub-project designs;
 - b) Where it is not feasible to avoid land acquisition and resettlement, activities of land acquisition and resettlement should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the project affected persons (PAPs) to share the sub-project benefits. The PAPs should be meaningfully consulted and should have opportunities to participate in planning and implementing the land acquisition and resettlement programs.
 - c) PAPs should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-land acquisition and resettlement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

Overall, the PAPs' living conditions should not be worse-off due the land taking by the sub-project, while at the same time they should benefit from the project.

7. The PAPs should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs, and should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them.

C. Definition

8. In this project, involuntary resettlement includes land acquisition implemented under the eminent domain principle that could involve physical and economic displacement. As practice in various World Bank supported projects in Indonesia, understanding of involuntary resettlement includes land acquisition implemented under the Indonesian laws and regulations, and resettlement (or relocation). Hence, as the common practice in other World Bank supported projects, Land Acquisition and Resettlement Action Plan (LARAP) is the term commonly used that is equivalent with the term Resettlement Action Plan (RAP) used in World Bank OP 4.12.
9. This framework applies for the following situation:

- a. Impacts caused by sub-projects resulting in involuntary land acquisition, relocation, loss of assets or loss of access to assets, loss of income sources or means of livelihood whether or not the Project Affected Persons (PAPs) must move to another location; resulting in the involuntary restriction of access to legally designated parks and protected areas that would result in adverse impacts on the livelihoods of the PAPs.
- b. Activities resulting in involuntary land acquisition and resettlement in linked activities, regardless of financing sources that are:
 - Directly and significantly related to the DOISP AF sub-project;
 - Necessary to achieve the objectives of the sub-project; and
 - Carried out, or planned to be carried out contemporaneously with the sub-project.

D. Laws and Regulation Related to Land Acquisition and Resettlement

10. This framework relies on Government of Indonesia laws and regulations to the extent that they are in compliance with the World Bank OP 4.12 on Involuntary Resettlement. Specific provisions are included in this framework to address any aspect of the OP 4.12 that are not fully addressed in the Government of Indonesia laws and regulations. GOI laws and regulations include:
 - a. Law No. 2/2012 on Land Acquisition for Project Activity for Public Interest;
 - b. Presidential Regulation No. 71/2012 on Land Acquisition and its amendments; and
 - c. Regulation of the Head of BPN RI No. 5/2012 on Technical Guidelines on the Implementation of the Land Acquisition.

Land acquisition process based on Law 2/2012 is shown in **Figure 1** and **Figure 2**.

11. The amendment of Presidential Regulation No. 71/2012 on Land Acquisition (Presidential Regulation No. 40/2014) allows that land acquisition for an area less than 5 Ha to be carried out directly by the agency requiring the land based on willing-buyer-willing seller principle, exchange or other schemes agreed by the two parties. In this case, the required land should be located in one area, and can be obtained in one fiscal year. The agency requiring the land may use licensed appraisers to assess the affected assets.
12. Gap analysis between GOI laws and regulations and the World Bank OP 4.12 are described in below.

Table 1: Gap Analysis on Land Acquisition/Resettlement

Issue	Indonesia Framework versus OP 4.12	Gaps Identified	Addressed in the LARPF
Preparation	GOI: Design/planning document focusing on overall cost-benefit and technical consideration.	No consultation in this stage, though later Project Affected Peoples on project location agreement is a requirement	LARPF provides an outline relating to consultations with the PAP as early as possible including in selection of alternatives scenarios. LARPF also provides an outline on livelihood restoration plan. However, the practice will subject to GOI approval with consideration of applicable laws and regulations.
	OP: Become part of overall project planning and design. LARAP focus on: solution of social economic problems based on consultation with the PAP (including livelihood restoration), alternatives scenario and action plan	No alternatives scenario No action plan and No livelihood restoration plan	
Eligibility & Entitlement	<p>GOI: Only landowner (with full, development and sufficient proof of traditional right or proof of land transaction from traditional right; including people without proof but with good faith and with 2 witness of ownership) and people who own asset on that land are eligible for compensation.</p> <ul style="list-style-type: none"> • No compensation for renter except, renter from government asset. Squatter on private land is not eligible for compensation (it is private land owner responsibility). • Non-cash compensation is permissible but not preferable 	<ul style="list-style-type: none"> • Only land and asset owner is eligible for compensation on loss of asset • No compensation for renter or squatter on private land • Almost no non-cash compensation 	LARPF considers renter and squatter as PAP that eligible to receive livelihood restoration assistance. The assets other than land will also be compensated. When the PAPs prefer to receive non-cash compensation, project proponent will support the option as long as align with applicable laws and regulation.
	OP: All PAP before cut-off date of PAP inventory is eligible for compensation; non-cash compensation is preferable on resettlement case		
Livelihood restoration	GOI: In Indonesian Society of Appraisers guideline livelihood restoration is part of the valuation of land parcel but this is not specifically mention in the framework. In area where PAP special economic or social opportunity of the location is not express on the land price, there is a possibility that livelihood restoration cost is undervalued.	Livelihood restoration is not mentioned, in the case where PAP special economic opportunity of the location is not representing on land price, the cost tends to be under valued	LARPF requires livelihood restoration to be included in LARAP.

	OP: PAP livelihood restore to at least the original condition		
Agreement & Grievance	<p>GOI: There are 3 agreements and consultation where each of them has grievance procedures: (a) PAP agree on the project location → grievance to (i) preparation team → (ii) Administration Court (PTUN) → (iii) Supreme court;</p> <p>(b) PAP agree on inventory of land & asset → grievance to implementation team (P2T);</p> <p>(c) Agree on compensation (no detail mechanism and time allocation for non-cash compensation) → (i) negotiate again to implementation team → (ii) file a case price agreement to District Court (cash compensation put in the court) → (iii) Supreme Court</p> <p>OP: No discussion on PAP agreement on the project location except for affected indigenous people. Agreement on inventory, negotiation procedure and grievance procedure are detailed in LARAP or project framework. Non-cash compensation that securing livelihood restoration is preferable</p>	<p>Clear agreement and grievance mechanism though no time and procedure for non-cash agreement</p> <p>Limited opportunity for PAP to raise grievances.</p>	<p>ESMF includes Project-wide procedures for grievance redress mechanism to ensure all grievances will be responded in timely manner.</p> <p>LARPF also include livelihood restoration for the PAP in non-cash compensation.</p>
Financial & institutional setting	<p>GAP:</p> <p>(i) No detail scenario and detail financial estimation and arrangement,</p> <p>(ii) No institutional, procedure and time allocation for non-cash compensation</p> <p>(iii) No action plan and institutional capacity self-evaluation required</p> <p>(iv) Access to information is not specifically layout but combination of this framework and the Law of Access of Information No. 14 of 2008¹ is sufficient to close the gap.</p>		<p>LARPF requires development of LARAP as supplementary document of Government's land acquisition plan to address this issue.</p>

¹ Every citizen, by requesting to the relevant agency, has the right to get all public document copy, except certain document that is exempted by the related agency regulation.

Figure 1: Preparation Stage of Land Acquisition Process based on Law 2/2012

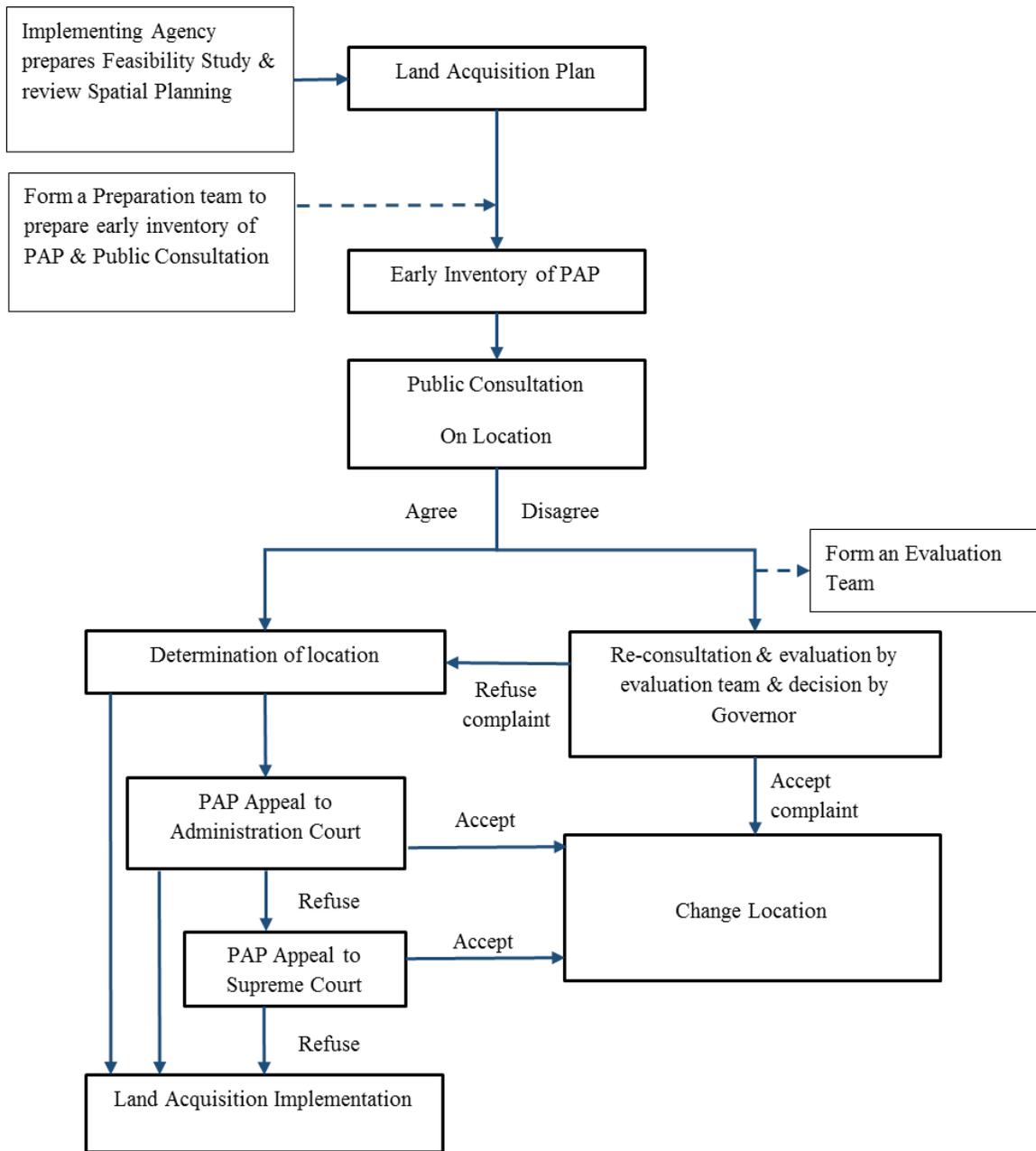
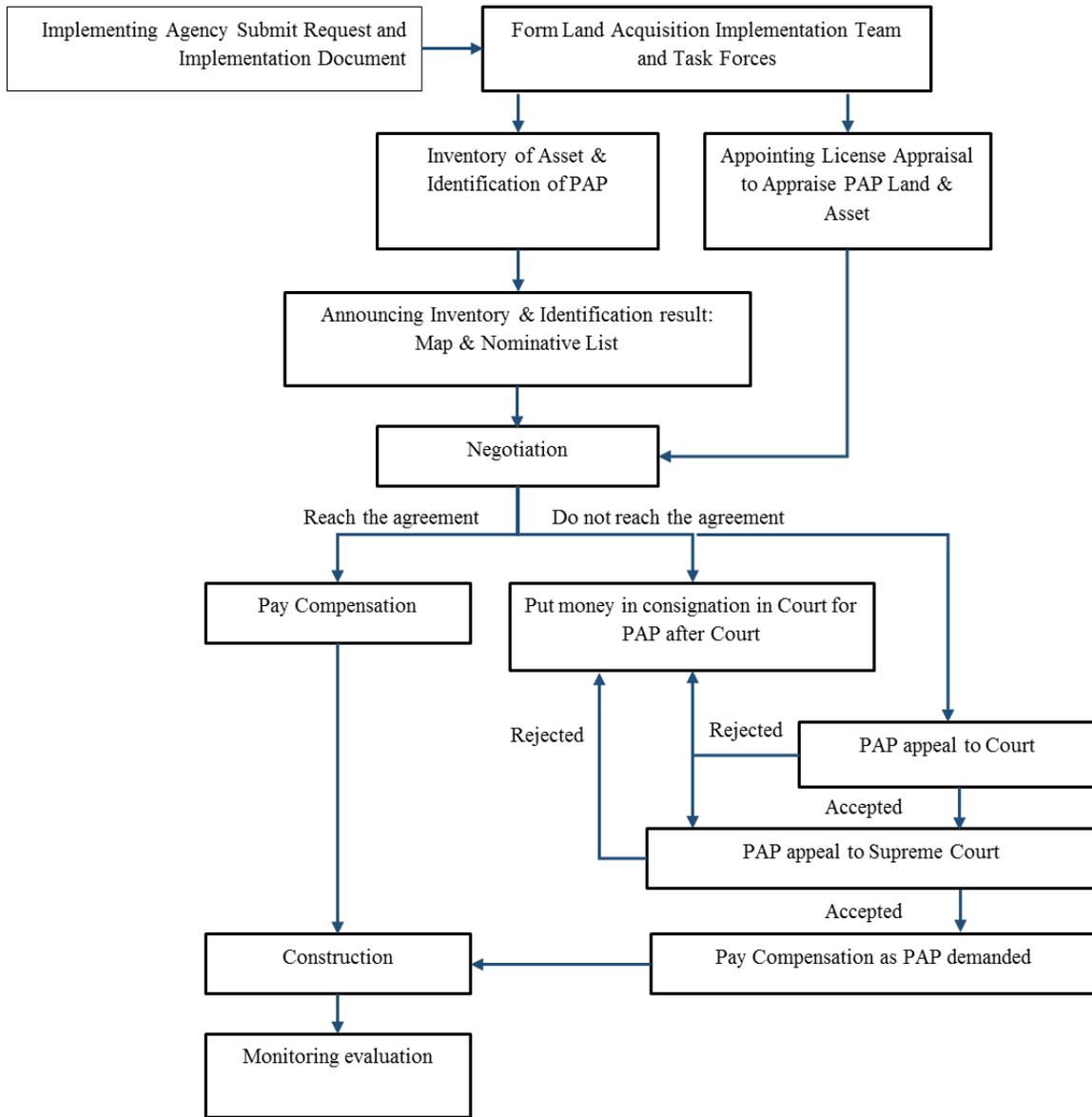


Figure 2: Implementation Stage of Land Acquisition Process based on Law 2/2012



E. Likely Category of Project Affected Persons

13. It is anticipated that the rehabilitation activities would involve some small land acquisition. The project anticipates that there would be two general categories of PAPs in this project: (1) persons affected by the acquisition of privately owned land; (2) persons affected who have lived on the government (state or local government)'s land but do not own the occupied land. These occupants fall into four categories: (a) persons who own and occupy dwellings and other structure built on state or government land without any recognizable legal right or claim to the land they occupy; (b) renters of dwellings and other structures built on state or government land without any recognizable legal right or claim to the land they occupy; (c) encroachers, i.e., persons who extend their personal holdings by encroaching adjacent state or government land; (d) squatter landlords, i.e. persons who derive illegal rents from structures built on state or government land, but do not occupy such structures. Identification of the PAPs will be done during the preparation of LARAP through the census survey.
14. A LARAP should adopt measures to ensure that the PAPs are:
 - a. Informed about their options and rights pertaining to resettlement;
 - b. Consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and
 - c. Provided prompt and effective compensation at full replacement costs for losses of assets attributable directly to the project.
15. If the impacts include physical relocation, a LARAP should also include measures ensuring that the PAPs are:
 - a. Provided assistance (such as moving allowance) during relocation; and
 - b. Provided with residential housing, or housing sites, or else, as required and agreed with the PAPs to at least equivalent the situation in the old sites.
16. Where necessary to achieve the objectives of land acquisition and resettlement, a LARAP should also include measures to ensure that PAPs are:
 - a. Offered support after displacement for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and
 - b. Provided with development assistance in addition to compensation.

F. Preparation and approval process of LARAP

17. During the sub-project preparation, the PIU will identify activities that will likely involve land acquisition and resettlement and identify the scale of impact of the land acquisition, based on estimated number of affected people and size of land to be taken based on the detail engineering design (DED). Number of affected peoples and/or scale of land acquisition will define whether the PIU should prepare a draft full

LARAP or an Abbreviated LARAP²:

- Full LARAP is required when land acquisition affects more than 200 people, takes more than 10% of household productive assets and/or involves physical relocation;
- Abbreviated LARAP is acceptable if fewer than 200 persons are affected but land acquisition is minor, less than 10% of all productive assets of the affected households is taken.

18. The content is more or less equivalent with the combination of activities under the Land Acquisition Plan and the Inventory and Identification of Land Ownerships, Use and Utilization of Land under the Implementation of Land Acquisition Stage under the national law and regulations. The content of a full LARAP and an Abbreviated LARAP are presented in **Appendix 2**. There are no fundamental differences in terms of achieving objectives of equality and compensating social cost; however, there are some procedural differences between an Abbreviated LARAP and LARAP. The LARAP is more detailed and takes longer to complete. A LARAP needs to include a review of the legal and institutional framework whereas an Abbreviated LARAP does not. An Abbreviated LARAP can be based on an asset census with each affected household while a LARAP requires both an asset census and a community socio-economic survey to provide a monitoring benchmark for understanding how PAPs' socio-economic conditions have changed. Since physical works will be in the existing system, if land acquisitions are involved, they will be in small-scale that will only need Abbreviated LARAPs.

19. PIU will prepare the LARAP in collaboration mainly with the Land Agency (BPN). Local Government Planning Agency (BAPPEDA) will also be consulted particularly to ensure that the LARAP is in conformity with the city spatial development plan, as well as to inform them of the potential estimated budget needs for implementing land acquisition and resettlement. The Draft LARAP will be shared with the CPMU/CPIU (DGWR) for review. Finally, the reviewed LARAP will be shared with the Bank for approval. During the LARAP preparation, the PIU will be guided and assisted by the Regional Safeguards Specialist of CPIU.

G. Eligibility Criteria for Defining Various Categories of PAPs

20. PAPs eligible for compensation for the affected assets are those (a) who have land rights ownership; (b) who have land management/use ownership; (c) who have “*nadzir*” for the donated land of “*wakaf*”; (d) land owners for land that used to be owned by adat; (e) “*masyarakat hukum adat*” (MHA or Adat Community); (f) those who occupy or use state land with good intention/faith; (g) those who hold basic control of land; and/or (h) those who own building/structure, plants and other things related to the land.

² As of OP 4.12, Full LARAP and Abbreviated LARAP refer to the level of significance of impacts

H. Methods of Affected Assets Valuation

21. As required by Law No. 2/2012 and its implementation regulations, values of affected assets will be assessed by licensed appraisers, which will be assigned by the provincial BPN in accordance with the national procurement regulations. The values defined by the licensed appraisers will be used as a basis for negotiation with the PAPs. Types and compensation level will be defined based on the negotiation results between the PIU (who need the land for the sub-project) and the land or property owners. Value assessment will be carried out on per affected land plot basis which include land, space above and beneath land, buildings or structures, plants, things that relate to the affected land and/or other loss that can be valued (e.g. non-physical loss that can be equivalent with monetary value; loss of jobs or income earning sources, cost for moving, cost for change of profession, and value for remaining property). The remaining property that is no longer physically or economically feasible can be also compensated if the owners prefer to do so. Land valuation/appraisal by the licensed appraisers will be carried out based on the MAPPI (Indonesian Society of Appraisers) Standards as specified in MAPPI Guidelines (*Standar Penilaian Indonesia* (SPI) 306).

22. Entitlements Matrix for the Project Affected Persons can see in **Table 2** below.

Table 2: Entitlements Matrix for the Project Affected Persons

Project Affected Persons	Entitlements	Expected Outcomes
Land/asset owners who lose land and/or other assets	Compensation for loss of land and other assets based on value assessment carried out by licensed appraisers to reflect the replacement cost	Land/asset owners will be fully compensated for the loss of land and asset
Land/asset owners who lose temporarily or permanently their sources of income or livelihoods	Compensation for loss of sources of income or livelihoods based on value assessment for non-physical carried out by licensed appraisers	Land acquisition/resettlement will not result in the impoverishment of the affected land/asset owners
Persons who own and occupy dwellings and other structure built on state or government land without any recognizable legal right or claim to the land they occupy	Compensation for loss of dwellings and other structure, for income sources or livelihoods and resettlement assistance, based on the assessment of the licensed appraisers to reflect replacement cost	Compensation received and resettlement assistance provided will enable households to gain access to adequate housing or to a place that can be legally occupied and land acquisition will not result in the impoverishment of the affected persons.
Renters of dwellings and other structures built on state or government land without any recognizable legal right or claim to the land they occupy	The project considers to provide sufficient time (at least 2 months from the cut-off date/at the time of census survey) for the renters to find another place	Renters will find place to rent or to live in accordance to their needs

Project Affected Persons	Entitlements	Expected Outcomes
Squatter landlords, i.e. persons who derive illegal rents from structures built on state or government land but do not occupy such structures.	Do not entitle for any compensation	Do not have incentive to do similar renting scheme in other areas or in the future

I. Forms of Compensation

23. Compensation may take several forms: (a) cash; (b) land replacement; (c) resettlement to other site; (d) shares ownership; or (e) other forms of compensation that are agreed both by the PAPs and the agency requiring the land (in this case is the city/regency PIU). Compensation may take combination of these depending on the agreements between the PAPs and the agency requiring the land.

J. Consultations and disclosures

24. Consultations and disclosures for acquiring land start from the planning, preparation, and implementation phase. In brief summary, Law No. 2/2012 and its implementing regulations specify that consultations should be carried out in the following activities:

- a. At planning stage: plan of the location of sub-project, purpose of the development, steps and time frame for land acquisition, roles of licensed appraisers in the asset valuation, incentive or compensation that would be provided for the PAPs, eligible assets or object for compensation, and responsibility and rights of the eligible PAPs. Consultations will use public meetings, media and information in the closest villages. Consultations will adopt dialogue approach, and can take place more than one time, depending on the need and agreement reached. Agreement will be put in writing. The defined sub-project location requiring land will be disclosed to public in the media, websites of the provincial and city government as well as in the website of the agency requiring the land.
- b. BPN will consult the owners of the asset during the inventory and the identification of the affected assets. Results of the inventory will be disclosed in the sub-project area (village/*kelurahan*) or *kecamatan* (sub-district) offices for 14 days to receive complaints.
- c. Results of asset valuation done by the licensed appraisers will be provided to the PAPs and used as the basis for negotiations.
- d. LARAP document will be disclosed in the *kelurahan*/village where the sub-project requiring land acquisition is located and in posted in the project (MPWH) website (www.pu.go.id).

K. Voluntary Land Donation

25. Voluntary land donation is a common approach in Indonesia for acquiring the land, in particular under the community-based program. Under the Community Participation

(CP) program of the DOISP, there were activities that required lands, which were acquired through land donation. As the DOISP AF will scale-up the CP program, guidance to the voluntary land donation (VLD) for the PIU is required. Consultations and disclosures for acquiring land start from the planning, preparation, and implementation phase. The protocol on conducting VLD is provided in **Appendix 3**.

L. Grievance Redress Mechanisms (GRM).

26. Process, procedures, requirements as well time for complaints to be solved during the land acquisition process will follow Law No. 2/2012 and its implementing regulations (including amendments).
27. Any grievance raise outside of land acquisition timeline and procedures will not be registered as “formal” complaints or as an objection. However, PIU may help to resolve the grievance to certain extend by following the Grievance Redress Mechanism (see **Annex 17**).

M. Organizational & Financing Arrangements

28. Organizational arrangements for the process of acquiring land will follow the Law No. 2/2012 and its implementing regulations (including amendments). The PIU will work closely with the land agency (BPN) who is mainly in charge of the process of land acquisition. LARAP will be prepared based on the information provided by the Land Acquisition Plan and Inventory and Identification Report of the BPN. The draft LARAP will be reviewed by CPMU/CPIU, and approved by the Bank. Implementation of LARAP will be overseen and monitored by the regional implementing unit and regular implementation report will be provided to the CPMU/CPIU and the Bank. Land acquisition process should be completed prior to the start of the construction.
29. Funds should cover compensation, operational and supporting costs during the planning, preparation, implementation, handover of results, administration and management, and socialization. Confirmation on the scope of land that will have to be acquired for a sub-project will be confirmed during or after the DED is completed. In principle, the funding will be available from the Central Budget (APBN) and/or Local Budget (APBD) or combination of these, under the agency who needs the land. Requirement for the operational and supporting budget from APBN is regulated by the Ministry of Finance, whereas that from APBD is regulated by the Ministry of Home Affairs.

N. Monitoring and Reporting

30. PIUs, assisted by the Regional Safeguards Specialist of CPIU, will monitor the LARAP preparation and implementation. Process of preparing and content of LARAP will be ensured in reference to the LARPF. Implementation of LARAP will be monitored based on indicators as specified in the approved LARAP, which includes among others: (a) consultation process; (b) eligible PAPs; (c) agreed compensation level and forms; (d) payment of compensation and delivery of assistance; (e) follow-up on the legal process of the acquired land/remaining land; (f) the effectiveness of complaint handling mechanisms; (g) number, type of complaints and follow up; (h) disclosures of the LARAP and transparency during the process of

land acquisition; etc. The monitoring report of LARAP implementation will be submitted to the Bank. The summary of the report will be included in the Quarterly Project Report (QPR).

O. Implementation Arrangement

31. CPMU/CPIU assisted by the regional safeguard specialist will be responsible for training the respective PIU to undertake the work of consultation, screening, analyses and preparing LARAP and addressing any grievances.
32. PIU of individual sub-projects and local authorities are responsible for undertaking all works related to land acquisition and resettlement activities and implementing the LARAP (arrange adequate staff and budget) under guidance of CPIU's Regional Team.

Appendix 1: List of DOISP AF Sub-Projects in the 1st Year Implementation Arrangement

No	Dam	B(BWS)	Location	Activities	Land Issue
1	Ubrug	Citarum	Kab. Purwakarta, West Java Province	Radial gate installation	No land acquisition required
2	Ketro	Bengawan Solo	Desa Ketro, Kec. Tanon, Kab. Sragen, Central Java Province	<ul style="list-style-type: none"> • Rehabilitation of main dike • Minor replacement of hydro-mechanical • Sediment dredging 	No land acquisition required
3	Penjalin	Pemali Juana	Desa Paguyungan, Kec. Bumiayu, Kab. Brebes, Central Java Province	<ul style="list-style-type: none"> • Rehabilitation of main dike, using diaphragm wall • Minor replacement of hydro-mechanical • Sediment dredging 	No land acquisition required
4	Greneng	Pemali Juana	Dea Tunjungan, Kec. Blora, Kab. Blora, Central Java Province	<ul style="list-style-type: none"> • Replacing some dike material with better soil • Sediment dredging 	No land acquisition required
5	Tempuran	Pemali Juana	Desa Tempuran, Kec. Blora, Kab. Blora, Central Java Province	<ul style="list-style-type: none"> • Replacing some dike material with better soil • Sediment dredging 	No land acquisition required
6	Mrancang	Kalimantan III	Dea Mrancang, Kec. Gunung Tabur, Kab. Berau, East Kalimantan	<ul style="list-style-type: none"> • Leveling of undulating main dike, and repair spillway. • Minor replacement of hydro-mechanical • Sediment dredging 	No land acquisition required

Appendix 2: Format of Land Acquisition and Resettlement Action Plan

A. Format of Full LARAP

A full LARAP shall include, at minimum, the elements below, as relevant. If any component is not relevant to the activity/sub-project's circumstances, it needs to be explained on the full LARAP.

1. Description of Sub-project.

A general description of the sub-project/activity and identification of the site.

2. Potential Impacts.

Identification of: (a) components of sub-project that would require land and/or relocation; (b) areas to be affected by the sub-project (area of influence); (c) alternatives to avoid or minimize land acquisition and/or relocation; and (d) to the extent possible, any measures adopted to avoid or minimize land acquisition and/or relocation.

3. Objectives.

Objectives of the full LARAP.

4. Census of the Project Affected Persons (PAPs) and inventory of affected assets.

Census results and asset inventory, including the following information:

- a. List of PAPs, with differentiation of those having land rights and occupants who do not have land rights; vulnerable and gender;
- b. Inventory of land parcels and structures affected by the sub-project, covering the following information:
 - Size of total land parcels affected, size of land to be acquired by the sub-project, and size of the remaining land;
 - Ownership status of the land and structure affected by the sub-project and proof of ownerships;
 - Function of land affected by the sub-project;
 - Size and function of the affected structure, and remaining size of the structure;
 - Condition of the affected structures (permanent, semi-permanent, temporary, etc.)
 - Other assets affected by the sub-project (trees, crops, wells, fences, etc.).
- c. Total number of PAPs and households affected by the sub-project (Project Affected Households - PAH)
- d. Number of PAHs to be relocated, which differentiate (1) those who can rebuild their houses in the remaining land from the affected land, and (2) those who have to relocate to other locations; and

- e. Number of PAHs who lose more than 10% of their productive assets.

The above information should be summarized in a Table.

5. Socio-economic Study

The Socio-economic Study must be conducted in the early stage of the sub-project preparation and with the involvement of the potentially PAPs. The Study must include the following components:

Census results and asset inventory, including the following information:

- a. The results of the census of the PAPs in paragraph 4 above.
- b. The description about production systems, labour, and household organization; and baseline information on livelihoods and standards of living of the PAPs;
- c. Characteristics of social interaction within the affected communities, including social networks and social support systems, and how they will be affected by the sub-project;
- d. Information about vulnerable groups or persons for whom special provisions may have to be made;
- e. Existing land ownership rights and systems of land transfer, including an inventory of shared natural resources, sources from which community members obtain their livelihood and food, right to use system based on non-ownership rights (including fishing, harvesting from vegetation/trees for own consumption, or use of forested areas) as governed by land allocation mechanisms, locally-applicable systems, and systems to settle any issues arising due to particular land occupation schemes;
- f. Magnitude of the expected loss –total or partial—of assets and the extent of displacement, physical or economic, as well as public infrastructure and social services to be affected;
- g. Social and cultural characteristics of the PAPs, including a description about local formal and informal institutions (for example, community organizations, ritual groups, non-government organizations (NGO), who are possibly related to the public consultation strategy, project design process and implementation of resettlement);
- h. Initial information concerning the livelihoods of PAPs (to include, if necessary, level of production and income obtained from any formal as well as informal economic activity) and level of their livelihood (including their health status); and
- i. Provisions to update information on the PAPs' livelihoods and standard of living at regular intervals so that the latest information is available at the time of their displacement.

6. Legal Analysis

The findings of an analysis of the legal framework, covering:

- a. The scope of the power of eminent domain and the nature of compensation

- associated with it, in terms of both the valuation methodology and the timing of payment;
- b. The applicable legal and administrative procedures, including a description of remedies available to the PAPs in the judicial process, the normal time frame for such procedures, and any available alternative dispute resolution mechanisms that may be relevant to resettlement under the Project;
 - c. Relevant laws (including customary and traditional laws) governing land tenure, valuation of assets and losses, compensation and natural usage of rights; customary personal law related to displacement; and environmental laws and social welfare legislation;
 - d. Laws and regulations relating to the agencies responsible for implementing land acquisition and resettlement;
 - e. Any legal steps necessary to ensure the effective implementation of land acquisition and resettlement under the Project, including, as appropriate, a process for recognizing claims to legal rights to land, including any claims obtained according to traditional law and traditional usage.

7. Institutional Framework

The findings of an analysis of the institutional framework includes:

- a. The identification of agencies responsible for resettlement activities and NGOs that may have a role in sub-project implementation;
- b. An assessment of the institutional capacity of such agencies and NGOs; and
- c. Any measure proposed to enhance the institutional capacity of agencies and NGOs responsible for implementing land acquisition and resettlement.

8. Entitlement

Identification of PAPs entitled to receive compensation, assistance for resettlement and support for rehabilitation, in addition to explanations regarding the criteria to determine the entitlement among various categories of PAPs, including the time for announcing the PAPs as affected and eligible for compensation (the cut-off-date).

9. Asset valuation and calculation of compensation on affected assets

A description of procedures to determine the types and amount of compensation to be offered to the PAPs, which represent the value assessment carried out by the licensed appraisers.

10. Compensation, assistance for resettlement and support for rehabilitation

A description about the (1) various compensation packages to be offered to PAPs whose land and/or other assets are going to be acquired by the Project Activity; (2) assistance for resettlement to the community members who are physically relocated, and (3) support for rehabilitation for community members who will lose their source of income or livelihood due to land acquisition for the sub-project. The compensation packages, combined with assistance and other support offered for every category of PAPs must be sufficient to ensure that their livelihood following resettlement is not

getting worse. Options for resettlement and other assistance offered to PAPs must be prepared based on consultation and must be technically and economically appropriate, and in accordance to the most preferable options from the cultural viewpoint of the PAPs.

11. Location selection, preparation, and resettlement

Alternative resettlement sites and the description of each site including:

- a. Institutional and technical arrangements that are needed to identify and prepare the resettlement site, whether it is in rural or urban areas, of which, a combination of potentially productive and beneficial locations, as well as a combination of other factors, to the greatest extent possible, will give equal benefits to the PAPs compared to their situation in their previous location, within an estimated time period required to obtain and to convert the land and its additional resources;
- b. Measures to prevent land speculation or an increasing influx of newcomers who are ineligible for resettlement, to the site;
- c. Procedures for physical relocation, including a schedule for preparation of the new relocation site and land transfers; and,
- d. Legal arrangements to occupy the land in the new relocation site and to transfer land rights to the PAPs.

12. Housing, infrastructure, and social services

Plans to provide (or to finance) the settlers to receive their entitlements pertaining to housing, infrastructure (for example, clean water, road access etc.), and basic social services (for example, schools, health services etc.); plans to ensure that those services are equal or greater than the existing standards of the host community; and exploration for expansion of location, technique, and architectural design for those facilities.

13. Environmental management

A description on the boundaries of relocation area, and assessment on the environmental impacts due to the proposed land acquisition, and the steps to reduce and mitigate the impacts (to be coordinated, as necessary, with the environmental assessment of the sub-project, which requires land acquisition).

14. Participatory Process

Participation of affected community and host community is crucial. This requires:

- a. A description of the strategy of public consultation and the participatory process, involving the PAPs, as well as the host community, in design, as well as in implementation of the land acquisition process;
- b. A summary of the views expressed by the PAPs and how these views are being considered in the LARAP;
- c. Review of alternatives to land acquisition are offered and a decision is made by PAPs concerning the various available options, including options on forms of compensation and assistance due to land acquisition, or relocation for families,

- individuals, or part of the communities or of kinship communities, and efforts to maintain patterns of existing social organization, as well as efforts to maintain access to cultural land (e.g. places of religious worship, or burial);
- d. Institutional arrangements in which the relocated community members can report their concerns to the authorized parties of the Project, during the planning and implementation stages, and efforts are in place to ensure that the vulnerable groups are properly represented; and
 - e. Measures taken to reduce impacts of land acquisition on the community member/host community (if relocation takes place), including consultation with members of the host community and local government. There are arrangements to accelerate payment to the community member/host community for the affected land or other assets which are bought for the relocated peoples, as well as arrangements to overcome any possible conflict between the relocated peoples and the host community; and to provide basic public services (for example, education, water, health, and production facilities etc.) for host communities, which should be of equal service level to those of the relocated group.

15. Grievance Redress Procedures

The procedures must be accessible (inexpensive and easy) by any third party to obtain settlement for any dispute arising from the sub-project, as listed in Full LARAP. Such grievance procedures should consider options for settlement through court and other mechanisms such as community-based settlement of dispute, as well as traditional dispute resolution mechanisms.

16. Institutional Responsibility

The organizational frameworks for land acquisition and resettlement, including identification of institutions responsible for the implementation of Full LARAP, of procedures on land acquisition and provision of services; plan to ensure that proper coordination between various institutions and jurisdictions involved in the implementation is already made; and every step (including technical assistance) required to strengthen the capacity of the implementing agency to design and carry out land acquisition; to transfer the work to the local authorized party or to the settlers to manage their own facility and service provided by the Project and to transfer other responsibility from the implementing agency for land acquisition, if any.

17. Schedule of Implementation

A schedule for implementation, which includes all land acquisition activities, starting from preparation to implementation, including target deadlines for realization of benefits expected for the settlers and host community and cut-off dates for the various forms of assistance. The schedule needs to describe how resettlement is linked with the overall sub-project's implementation.

18. Cost and Budget

A table showing an estimation of costs for all land acquisition activities, including an inflation factor, population growth, and other contingency expenses; schedule of disbursement; source of fund; timely cash flow plan, and funding for land acquisition,

if any, for areas beyond the jurisdictions of the implementing agency.

19. *Monitoring and Evaluation*

Plan for monitoring toward land acquisition and resettlement activity by the implementing agency, supported by independent observers as considered necessary by the Bank, to ensure that complete and objective information can be collected; indicators for performance monitoring to measure input, output, and outcome of the land acquisition activity; PAPs' participation in the monitoring; submission of monitoring report to the Bank; evaluation of the impact of land acquisition within a set time frame to be determined after all land acquisition activities and related activities are completed. The results of monitoring should also be used to improve implementation.

B. Format of Abbreviated LARAP

An Abbreviated LARAP is required for a Project Activity that affects less than 200 people, or if it creates insignificant and minor impacts on the PAPs. Impacts are considered minor and insignificant if the PAPs physically do not have to be relocated and not more than 10% of their productive assets are acquired by the Project Activities. An Abbreviated LARAP shall include, at minimum, the following components:

1. *Description of the Project Activity*

General description concerning the sub-project and identification of the site.

2. *Potential various impacts that may occur*

The identification includes: (i) components of sub-project that would require land acquisition; and (ii) areas to be affected by the activity.

3. *Census on the PAPs, and inventory of assets affected by the Project Activity*

Results of the survey and asset inventory, which will include: (i) list of PAPs, which differentiate PAPs who have land rights and land users (tenants) who do not have land rights; and, (ii) inventory of land parcels and structures affected.

4. *Eligibility*

Identification of which PAPs will be entitled to receive compensation and explanation of the criteria used to determine eligibility.

5. *Compensation, assessment of land and assets valuation, and resettlement assistance to be provided*

This includes a description of the compensation options and resettlement assistance that will be offered to the PAPs. Assessment of land and asset values will be determined by the result of an assessment result by licensed appraisers.

6. *Public consultation with local community members who will lose their land and other assets*

This include activities to (a) inform the PAPs about various impacts of the sub-project, available options for compensation and resettlement assistance, and

procedures to obtain compensation, and (b) provide opportunity for the PAPs to express their opinion or concerns.

7. *Institutional Responsibility*

Brief description concerning the organizational frameworks to implement the activities of land acquisition.

8. *Schedule of Implementation*

An implementation schedule shall be made to include all land acquisition activities, including target deadlines for compensation payments. The schedule must describe how land acquisition activities are linked to the overall sub-project's implementation.

9. *Cost and Budget*

Costs estimations for land acquisition are required by the sub-project.

10. *Complaints Handling Procedures*

A workable procedure must be set up, which can be accessed by complainants for settlement of disputes arising from the land acquisition; such complaints' mechanisms should consider the options to go to the district court as well as community-based and traditional dispute resolution mechanisms.

11. *Monitoring*

Plan to monitor land acquisition activities and compensation payment to the PAPs.

12. *Monitoring and Evaluation*

Plan for monitoring toward land acquisition and resettlement activity by the implementing agency.

Appendix 3: Summary of Voluntary Land Donation Protocol

Voluntary land donation is a common approach in Indonesia for acquiring the land, in particular under the community-based program. The Community Participation program of the DOISP includes activities that required lands through land donation, among others for location of water treatment plant, communal toilet, and catfish farming. As the DOISP AF will scale-up the CP program, guidance to the voluntary land donation (VLD) is provided as one of the option of land procurement for community participation program.

The conditions of voluntary land donation are as follow:

- a. The land donor will receive direct benefit from the sub-project.
- b. The land donor is not categorized as poor.
- c. The land donor is the legitimate owner of such lands.
- d. The land donations must apply to agreed priority sub-project.
- e. Purpose and impacts of proposed activities on donated land must be fully explained to the donor.
- f. The land donations shall not cause relocation nor cause the landowner to lose their land and livelihood in a significant manner.
- g. The donated land is <10% of the total productive land size.
- h. The donated land is not in dispute.
- i. The location and land size is identified by PAPs and verified by facilitators, community forum and it should be free from any environmental impact and health risk.
- j. There are no structures of historic or cultural value on the donated land.
- k. The land donor shall receive clear and complete information about their rights. The landowner needs to be informed about their rights to receive compensation before making the decision to donate the land voluntarily. The donor may request monetary or non-monetary benefits or incentive as a condition for donation.
- l. All family members of the donor must be aware of the donation. Individuals using or occupying community or collective lands must also be aware of the donation.
- m. For community or collective land, donation can only occur with the consent of individuals using or occupying the land.
- n. Verification must be obtained from each person donating land (either through proper documentation or through confirmation by at least two witnesses).
- o. Any donated land that is not used for its agreed purpose is returned to the donor.
- p. In addition, the following aspects need to be carried out:
 - (i) Community facilitators should provide an opportunity to land owners to have an independent consultation prior to making the decision to voluntarily donate their land for the sub-project.

- (ii) Consultation with landowners concerning land donation must guarantee that no pressure is applied to land owners in the process of deciding on whether to donate land.
- (iii) Landowners have the right to refuse the land donation and project management should take measures to identify alternative locations for the facilities. The right of refusal is specified in the donation document the donor will sign.
- (iv) Voluntary land donations must be documented in a legal document, the Statement Letter for Land Donation, to be signed by landowners, facilitators and head of village, community forum, witnesses, as well as heirs. A template Statement Letter for Land Donation is provided in **Appendix 4**
- (v) If the land is only permitted for land use or for easement, a Statement Letter is required and should be signed by landowners, facilitators, and head of village, community forum, and witnesses, as well as heirs. A format for the Statement Letter on the Permit for Land Use is presented in **Appendix 5** and the Format of the Statement Letter on Permit for Land Easement is presented in **Appendix 6**.
- (vi) The community group should attach all other documentation related to voluntary land donation including minutes of meetings, grievances and procedures for the settlement of disputes.
- (vii) Grievance mechanism should follow the project's grievance mechanism. If necessary, the grievance process involves the participation of reviewers who are not directly affiliated with the project implementers or not traditional leaders who are a party to the donation process.
- (viii) An original copy of the Statement Letter should be kept both by the landowner and by the community forum as part of the proposal. A copy of the Statement Letter should be put in the village/*kelurahan* office. The proposal should be made available for the public.
- (ix) The donated land should be legally processed for its ownership status after the land is donated.
- (x) Any taxes to be paid by the land donor for the registration of the land transfer, if applicable, should be covered in full by the project.
- (xi) PIU is also responsible in maintaining the record with documentation for each instance of land donation. The documentation is made available for review in any grievance that may arise.

Appendix 4: Format of the Statement Letter on Land Donation

I/We, the undersigned herein under:

Name :
 ID Card/KTP No :
 Occupation :
 Address :

As the legitimate owner of the land by virtue of a valid Proof of Entitlement Number, Date..... or other valid Proof of..... (specify), hereby confirm that I/we agree to donate land and/or other assets to the Local Government of Province/District/City (specify) to be utilized for the construction of..... for the benefit of the general public.

Project Activities

Location of the land :
 Size of the donated land :
 Size of the remaining land :
 Value of other donated assets :
 Existing land use :
 Ownership status of the land :

(please mention the land boundary and land ownership status as well as land plot map with marking on clear orientations)

This statement is duly made without any pressure from anyone.

Place, date this mutual agreement is signed

The land donator
 Acknowledgement,

Signature (Land owner)

Rp.6000 Stamp Duty

(name)

Signature *Lurah*/Village Head

(name)

Signature of Witnesses

Name 1 signature
 Name 2 signature
 Name 2 signature

The donated land receiver,

Signature (on behalf of the Provincial/District/
 City Government)
 Camat as PPAT

(name)

Signature of Community Board of Trustees

(name)

Signature of inheritance

Name 1 signature
 Name 2 signature
 Name 2 signature

Attachment: Sitemap of land to be donated and photo.

Remarks: Original copy of this letter will be kept by the land donor and by the community forum as part of the proposal. A copy of the letter should be archived in the kelurahan/village office.

Appendix 5: Format of the Statement on Permit for Land Use

I, the undersigned herein under:

Name :
 ID Card/KTP No :
 Occupation :
 Address :

As the legitimate owner of the land by virtue of a valid Proof of Entitlement Number Date or other valid Proof of (please specify) hereby declare that I allow my land to be used by the Province/District/City Government of (please specify) to be utilized for construction work of ... for ... year for the benefit of the general public.

Location of the land :
 Land size to be lent :
 Remaining land size :
 Existing land use :
 Land Ownership status :

(please mention the land boundary and land ownership status as well as land plot map with marking on clear orientations)

This statement is duly made without any pressure from anyone.

Place, date this mutual agreement is signed

Party giving the permit

Party receiving the permit on behalf of
 Province/District/City Govt

Signature of the Land owner

Signature of Camat as PPAT

Rp.6000 Stamp Duty

(name)

(name)

Signature *Lurah*/Village Head

Signature of Community Forum

(name)

(name)

Signature of Witnesses

Name 1 signature
 Name 2 signature
 Name 2 signature

Signature of inheritance

Name 1 signature
 Name 2 signature
 Name 2 signature

Attachment: Sitemap of land to be donated and photo.

Remarks: Original copy of this letter will be kept by the land donor and by the community forum as part of the proposal. A copy of the letter should be archived in the kelurahan/village office.

Appendix 6: Format of the Statement on Permit for Land Easement

I, the undersigned herein under:

Name :
 ID Card/KTP No :
 Occupation :
 Address :

As the legitimate owner of the land by virtue of a valid Proof of Entitlement Number Date or other valid Proof of (please specify) hereby declare that I allow my land to be passed upon by the facility of..... to be constructed/developed by the Province/District/City (please specify) to be utilized for the benefit of the general public.

Land Location :
 Land size to be passed on :
 Existing Land Use :
 Land Ownership status :

(please mention the land boundary and land ownership status as well as land plot map with marking on clear orientations)

This statement is duly made without any pressure from anyone.

Place, date this mutual agreement is signed

Party giving the permit

Party receiving the permit on behalf of
 Province/District/City Govt

Signature of the Land owner

Signature of Camat as PPAT

Rp.6000 Stamp Duty

(name)

(name)

Signature *Lurah*/Village Head

Signature of Community Forum

(name)

(name)

Signature of Witnesses

Name 1 signature
 Name 2 signature
 Name 2 signature

Signature of inheritance

Name 1 signature
 Name 2 signature
 Name 2 signature

Attachment: Sitemap of land to be donated and photo.

Remarks: Original copy of this letter will be kept by the land donor and by the community forum as part of the proposal. A copy of the letter should be archived in the kelurahan/village office.

