



The World Bank

THE NATIONAL ROADS ADMINISTRATION

CONTRACT N° 441/DG/2006

RESETTLEMENT POLICY FRAMEWORK FOR THE ROADS SECTOR

NOVEMBER 2006

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PREAMBLE

In Mozambique, there are a number of development projects that have been implemented recently, involving resettlement and compensation programmes. The Sasol Natural Gas Project prepared a resettlement and compensation procedure for the Temane/Pande Field Development Projects and the

Mozambique/Secunda Pipeline. The compensation and resettlement procedure was aimed at ensuring that all parties affected by the project were resettled and compensated fairly. The project was implemented in 2001.

The Mozambique Aluminium (MOZAL) project carried out resettlement and compensation work for the affected persons. The resettlement and compensation activities aimed at providing the same or better conditions of living to the affected persons. Compensation in the form of land, buildings, cash, seed and other help was provided as appropriate. The project has taken strides to ensure mutual sustainable development through the involvement of the communities, within 10 kilometres of the aluminium smelter. The Mozal Community Development Trust (MCDT) established in 2000, is supporting community development projects in the areas of Small Business Development, Education and Training, Health and Environment, Sports and Culture and Community Infrastructure. MOZAL is supporting the community to become self sufficient by enabling them to harness indigenous skills and to turn them into income generating businesses. Single mothers and widows in Matola and Djuba areas, for instance, are receiving training to generate income for themselves and their families in chicken raising, carpet making, embroidery and cashew nut cropping. These activities are part of the MOZAL initiatives, aimed at reducing or mitigating the environmental and social impacts of resettlement, associated with the aluminium smelter project.

The Directorate for Lands and the Directorate for Planning have been involved in resettlement and compensation works where evaluations have been done by multi-sector committees comprising representation from Housing, Health, Education, Local Government, Agriculture, Energy and Lands authorities. It was learnt that in their payment for compensation, lists of prices are used for determining the amounts to be paid for loss of trees, for instance. The experience of government institutions in compensation and resettlement issues mainly borders on responses to natural disasters such as floods. In these circumstances, no plans have been developed to direct the process of resettlement and compensation in the road sector.

The EN 4 Road Construction project implemented by ANE in 2000 had a land acquisition and resettlement component where approximately 500 households were affected near Matola. The majority of the households were moved from the project area to Magowani and Matola areas. New houses were constructed for the affected households that were moved as a community by the contractor for the road works. Better homes than the ones the affected persons had before resettlement were constructed in the new areas. Social facilities including piped water supply and sanitation, electricity supply services, a clinic, a school and shops were constructed, some of which were previously owned by the persons moved from the old site. Impacts on the moved households included longer distances to work for the affected persons, most of who maintained their jobs in their respective places. This was mitigated by construction of a new road to accommodate the movement of vehicles from the new sites to the affected person's places of work. However the affected persons had to cope with the increase in transport costs due to longer distances compared with the distances they had to travel before resettlement. The new and better houses were constructed on the basis of valuations carried out on the old houses by the Ministry of Public Works and Housing. The new houses were constructed for all the PAPs that were deemed eligible, irrespective of the differences in age and condition of the old houses. ANE currently carries out minor compensation works in collaboration with the Ministry of Agriculture, which provides prices for compensation regarding various crops and trees.

TABLE OF CONTENTS

PREAMBLE	I
TABLE OF CONTENTS.....	III
EXECUTIVE SUMMARY.....	VI
SUMÁRIO EXECUTIVO.....	VIII
DEFINITION OF TERMS USED IN THE REPORT	XI
1.0 INTRODUCTION	1
1.1 Background	1
1.2 Project Description	1
1.3. Objectives and Basic Terms of Preparation of the RPF.....	2
1.4 Impacts, Land Acquisition and Resettlement.....	3
1.5 Resettlement Preparation and Implementation	4
2.0 PRINCIPLES AND OBJECTIVES GOVERNING RESETTLEMENT PREPARATION AND IMPLEMENTATION.....	6
2.1 Basic Principles and Vision of the Resettlement Program.	6
2.2 General Mechanisms for Land Acquisition.....	7
3.0 RAP PREPARATION, REVIEW, AND APPROVAL.....	9
3.1 Steps Leading to the Preparation of RAPS.....	9
3.2 Public Consultation and Participation.....	10
3.3 Approval of the Resettlement Action Plans	11
4.0 ESTIMATED POPULATION DISPLACEMENT AND CATEGORIES OF AFFECTED PEOPLE.....	12
4.1 Estimation of Displaced Population	12
4.2 Likely Categories of Affected Persons.....	12
4.2.1 General Land Acquisition, Title, Transfer and Term of Ownership	12
5.0 ELIGIBILITY CRITERIA FOR VARIOUS CATEGORIES OF AFFECTED PEOPLE.....	16

5.1	Method for Setting a Cut-off Date for Eligibility for Compensation	16
5.2	World Bank Criteria for Determining Eligibility for Compensation.....	16
5.3	Beneficiaries Eligibility Criteria	17
6.0	LEGAL FRAMEWORKS FOR RESETTLEMENT	19
6.1	Review the National Legislation Governing the Taking of Land or Other Assets.....	19
6.2	Discrepancies among the Various Legal Instruments	21
6.3	Requirements of the World Bank for Resettlement.....	21
6.4	Gaps between the National and the World Bank Legal Requirements.....	22
7.0	METHODS OF VALUING AFFECTED ASSETS.....	23
7.1	Borrower’s Methods of Valuing Assets.....	23
7.2	Recommended Valuation Methods.....	23
7.2.1	Valuation of Land used by the Public.....	23
7.3	Calculations for Compensation Payments and Related Considerations	24
7.3.1	General Considerations	24
7.3.2	Compensation for Land.....	24
7.3.3	Land measurement.....	24
7.3.4	Determination of Crop Compensation Rates	25
7.3.5	Compensation Rates for Labour.....	25
7.3.6	Compensation for Buildings and Structures.....	25
7.3.7	Compensation for Sacred Sites	26
7.3.8	Compensation for vegetable gardens and beehives	26
7.3.9	Compensation for Horticultural, Floricultural and Fruit trees	26
7.3.10	Other Domestic Fruit and Shade Trees.....	27
7.3.11	Entitlement Matrix	27
8.0	ORGANIZATIONAL ELEMENTS AND PROCEDURES FOR DELIVERY OF ENTITLEMENTS, INCLUDING THE RESPONSIBILITIES OF EACH ACTOR	28
8.1	Introduction.....	28
8.2	Process by which Individual RAPs for Sub-Projects will be Submitted to Project Authorities, Considered and Approved.....	28
8.3	Delivery of Entitlements for Compensation	28
8.3.1	Notification of Entitlement Holders	29
8.3.2	Consultation and Public Participation	29
8.3.3	Agreement on Compensation and Preparation of Contracts.....	29
8.3.4	Community Compensation Payments.....	29
8.4	Roles and Responsibilities	30
9.0	GENERIC ASPECTS OF THE IMPLEMENTATION SCHEDULE, INCLUDING HOW RESETTLEMENT WILL BE LINKED TO THE CIVIL WORKS .	33
9.1	Resettlement Action Plans.....	33

9.2	Time Frames.....	33
9.3	Linking Resettlement Implementation to Civil Works.....	34
10.0	GRIEVANCE REDRESS MECHANISMS	35
10.1	Objections	35
10.2	Consensus, Negotiations and Conflict Resolution.....	36
11.0	METHODS FOR CONSULTATION WITH AND PARTICIPATION OF AFFECTED PEOPLE.....	38
11.1	Notification Procedure	38
11.2	Public Consultation Mechanisms	38
12.0	MONITORING AND EVALUATION ARRANGEMENTS	40
13.0	ESTIMATED BUDGET	42
14.0	DISCLOSURE OF INFORMATION	44
15.0	TEMPLATE FOR THE DESIGN OF SUB-PROJECT RAPS.....	45
APPENDIX 1.1	Categories of losses and their impacts on project affected persons	46
APPENDIX 3.1	Main Contents of the Resettlement Action Plan	47
APPENDIX 3.2	World Bank OP 4.12 and Annex A	50
APPENDIX 5.1	Entitlement Matrix for Various Categories of PAPs.....	62
APPENDIX 6.1	Comparison of Mozambican Law and World Bank OP 4.12 Regarding Compensation	64
APPENDIX 7.1	Tree species, maturity times and values.....	65
APPENDIX 7.2	Example of Schedule to be used to Determine Monetary Compensation for Land Use	65
APPENDIX 7.4	Example of a schedule for Calculation of Compensation for Buildings.....	67
APPENDIX 7.5	Example for Calculating Compensation for Fruit Trees.....	68
APPENDIX 9.1	An Example of Land Acquisition and Resettlement Implementation Schedule .	70
APPENDIX 12.1:	Example of Land Acquisition and Resettlement Process Monitoring Plan.....	72
APPENDIX 13.1	Contents of a Comprehensive Compensation Budget	74

EXECUTIVE SUMMARY

The Government of Mozambique through the Administração Nacional de Estradas “(ANE)” and the Road Fund (RF) is implementing the Roads 3 Programme also known as the Roads and Bridges Management and Maintenance Programme “RBMMP”. This is a major ten-year program jointly financed by the GOM and a variety of donors, including the World Bank, which continues to play a leading role among other financiers for the sector. The entire program is divided into three phases, namely: APL-I, APL-II and APL-III with durations of 4, 3 and 3 years respectively. ANE is currently committed to the preparation of the second phase (the Roads 3 “APL-II”), which is scheduled to begin early 2007.

This Resettlement Policy Framework (RPF) establishes the general principles and parameters to be followed in the preparation and implementation of land acquisition activities and Resettlement Action Plans for the RBMMP. The RPF will be required when the final selection and alignment of roads to be constructed, rehabilitated and maintained under the project are not precisely known. Once a road segment is selected and designed, Resettlement Action Plans (RAPs) will be prepared on the basis of this framework in order to guide the conduct of land acquisition and resettlement activities of the RBMMP.

It is anticipated that the RBMMP activities will require additional land, including customary land to be alienated from local people. The Land Law, revised in 1997, introduced several innovations that need to be regulated to, among other things, recognize the rights acquired by occupancy by local communities and Mozambican individuals who, in good faith, occupy land for at least ten years. With increasing population and the decreasing available land resources, the number of Project Affected Persons (PAPs) and the magnitude of adverse impacts caused by future development project activities of the RBMMP are likely to be significant, especially in resource strained areas.

This framework serves to provide safeguards against any adverse impacts of future RBMMP development project activities through minimizing the number of (PAPs). It provides procedures and means for adequately compensating for the losses the PAPs may incur.

The proposed project activities of the RBMMP fall under prescribed projects (category B) of the World Bank’s Operational Policy (OP 4.12) on involuntary resettlement. This framework therefore, will adopt applicable principles outlined in the World Bank’s Operational Policy (OP 4.12) on involuntary resettlement, into local experiences and legislation because they are not comprehensive enough to accord fair compensation and resettlement arrangements.

It is expected therefore, that the local legislation will either be improved or that separate regulations will be promulgated to ensure that land acquisition, compensation and resettlement issues are at par with those contained in the World Bank Policy on involuntary resettlement.

This framework includes guidelines for compensation for land acquired involuntarily for development projects under the RBMMP. The general guiding principle for land acquisition shall be that where land is required for implementation of the RBMMP project activities, the recommended safeguards shall be observed to reduce the suffering of the affected community members.

The framework is intended to assist all proponents implementing World Bank funded (Category B) projects on the RBMMP. The overall responsibility for implementation of this Framework shall reside with ANE. ANE will be assisted by the Ministry of Local Government (MoLG), Ministry of Agriculture (National Directorate for Lands), and the Ministry responsible for Housing, in implementing this RPF. ANE will ensure that the Framework is publicly disseminated and that project staff has the requisite skills and knowledge and, where necessary, they have received appropriate training to implement the framework.

The District Administration shall take responsibility for implementation of the framework at respective local authorities, with assistance from other line local offices of the above mentioned government ministries.

Implementation of the framework will require a number of steps including public consultation and participation and various types of land acquisition and resettlement strategies to cater for the different losses incurred by the different categories of (PAPs). PAPs will need to be notified and will need to consent to the valuation procedures; eligibility criteria; entitlements; procedures for payment of compensation and resettlement plans, developed from the census and inventory surveys.

Adequate budgetary allocations and funding will have to be provided for; and the entire process of land acquisition and resettlement will have to be adequately monitored and evaluated to ensure that the needs of the PAPs are met; to restore and maintain their living standards to the original state or to improve them. Based on the census and social surveys and the work of the expropriation consultant for the APL-2 project, the resettlement activities for RBMMP phases II are estimated to cost US\$ 1,310,253.15. These costs will cover elements for RAP implementation and monitoring, compensation for affected trees, structures and buildings, compensation for loss of income and compensation for resettlement and rehabilitation. Details of the estimated budget are given in Section 13. The proposed R&R costs constitute approximately 2.59% of the total project cost of US\$ 50,592,595.00 for APL-2.

Successful implementation of this framework and the Resettlement Action Plans (prepared on the basis of this framework) will ensure that future RBMMP activities are implemented, assessed reviewed to sustainably address any adverse social and economic impacts on PAPs. This will foster fair treatment of PAPs with respect to land acquisition and resettlement for the RBMMP.

SUMÁRIO EXECUTIVO

O Governo Moçambicano através de Administração Nacional de Estrada (ANE) e o Fundo de Estrada (FE), esta implementar o Terceiro programa de Estrada conhecida como Estradas e Gestão e Manutenção de Pontes e o programa maior de 10 anos financiado juntamente com Governo Moçambicano e variedades dos doadores, incluindo Banco Mundial que continua tomar regulamentos principais entre outros financeiros para o sector. O Programa Inteiro esta dividido em três (3) fases nomeadamente APL-I APL-II e APL-III com duração de 4 a 3 anos respectivamente ANE esta correntemente a preparar a segunda fase (Estrada 3 APL-II) que foi programado para começar cedo em 2007.

Esta Política de Reassentamento (PR) estabelece o princípio e parâmetro geral a ser seguido na preparação e implementação da actividade da aquisição de terra e Planos de Acção de Reassentamento (PAR). O PR será requerido quando a escolha final e alinhamento da estrada a construir, reabilitar e manter não é conhecida. Quando o segmento da estrada for escolhida e desenhado, o Plano de Acção (PA) será preparado na base desta estrutura para guiar a conduta da aquisição da terra e actividades do (RBMMP).

É Prevenido que actividades da (RBMMP) vai precisar mais outra Terra, incluindo a terra habitual para que seja alinhado ao povo local. A lei da Terra revirada em 1997, introduziu varios inovações devem ser regulado notro lado, reconhecer os direitos requerido por ocupação na Comunidade locais e individuais Moçambicano que em boa fé, ocupa a Terra pelomenos a três anos. Com a população crescente e diminuição disponivel dos recursos da terra, o numero do Projecto das pessoas afectadas (PPA) e magnitude do impacto adverso causado pelo Projecto do desenvolvimento das actividades do (RBMMP) em futuro são provavelmente importantes especialmente na area dos recursos manchado.

Esta estrutura serve para provar salvaguarda contra todo impacto adverso do futuro do desenvolvimento das actividades do projecto do (RBMMP) através de minimizar o número do (PPA). Isto vai fornecer procedimentos para compensar as perdas incorridas pelo (PPA).

As actividade do Projecto proposto do (RBMMP) encontra-se prescrito nos projectos (categoria B) da Política Operativa do Banco Mundial (OP4.12) sobre Reassentamento involuntário. Esta estrutura portanto, vai adotar o principio aplicavel contido na Política Operativa do Banco Mundial (OP 4.12) sobre Reassentamento involuntario, devido as limitações nas experiências locais e legislação que não são suficientemente claras no que diz respeito a compensação justa e reassentamento.

Esta esperada portanto, que legislação local vai ser promovido ou aquela regulação separada para assegurar para que aquisição da Terra e assuntos da compensação são diferente com aqueles regulamentos do Banco Mundial num involutanrio fixo.

A estrutura tem na inclusão para compensação a terra requerida do desenvolvimento do Projecto no RBMMP. O principio da diretriz geral para aquisição da terra sera aquele onde a Terra necessário para instrumentação das actividades do projecto do EAPPM, as salvaguardas recomendado serão observado para reduzir sofrimento dos membros afectados na Comunidade.

A estrutura esta tencionado á ajudar todos instrumento do Banco Mundial (categoria B) do projecto financiado no EAPPM. A baixo de responsabilidade a estruturar esta estrutura sera residido com ANE-ANE sera ajudado por Ministerio do Governo Local, Ministerio da Agricultura (Direção Nacional dos Terrenos), e o Ministerio Responsável para Alojamento. ANE vai assegurar de que a estrutura seja publicada e o pessoal do do Projecto tenha habilidade necessário, elas receberão os trenos próprio para implementar a Política.

Administração do Distrito vai ter a responsabilidade para implemtação da Política, com o apoio de outras instituições locais do Ministerio mencionado acima.

A Implementação da Política vai precisar umas fases incluindo consulta pública e participação e varios tipos de aquisição da terra e estrategia para fornecer diferente perdas nas categoria diferentes. O Projecto do Pessoal afectado (PPA) vai ser notificado e deve consetir com o procedimento da avaliação, critério de elegibilidade, procedimentos de pagamentos da compensação e planos de reassentamento, desenvolvido no recenseamento e no inventário.

Atribuição adequada do orçamento e fundo deve ser prevenido para o Processo inteiro da aquisição do Terreno, para restaurar e manter a sua norma da vida no estado original ou promover-os. Utilizando figuras e experiencia au APL da fase ii, actividades fixo para RBMMP na fase ii e iii foram estimado a custar US\$1,310,253.15. Estes custos vão cobrir a implimentação e monitorização, compensação para arvores afetados, estruturas e construções, compesação na perda do rendimentos e compesação no reassentamento e reabilitação. Detalhas do orçamento estimado foi indicado na seção 13. O valor proposto para R&R constitui aproximadamente 2.59% do total do custo do Projecto, US\$50,592,595.00.

O sucesso da implementação desta Política e Plano de Acção (preparados na base da Política) vai assegurar que no futuro as actividades do RBMMP serão Implementadas, avliadas para assegurar qualquer impacto Sócio- economico no PPA. Isto vai fomentar o bom tratamento do PPA, com o respeito na aquisição da Terra e posição do RBMMP.

LIST OF ACRONYMS

ANE	Administracao Nacional de Estradas (National Roads Administration)
ARAP	Abbreviated Resettlement Action Plan
DEN	Directorate of National Roads
DFID	British International Development Agency
DEP	Provincial Directorate of Roads and Bridges,
DPOPH	Provincial Directorate of Public Works and Housing
ESMF	Environmental and Social Management Framework
GoM	Government of Mozambique
LGA	Local Government Authority
MCDT	Mozal Community Development Trust
MICOA	Ministry for Coordination of Environmental Affairs
MoLG	Ministry of Local Government
MOZAL	Mozambique Aluminium
OP	Operational Policy
PAPs	Project Affected Persons
PMT	Project Management Team
RAP	Resettlement Action Plan
RBMMP	The Roads and Bridges Management and Maintenance Programme
ROCS	Roads and Coastal Shipping
RPF	Resettlement Policy Framework
UASMA	Unidade de Assuntos Sociais e Meio Ambiente
VDC	Village Development Committee

DEFINITION OF TERMS USED IN THE REPORT

Unless the context dictates otherwise, the following terms shall have the following meanings:

1. **“Census”** means a field survey carried out to identify and determine the number of Project Affected Persons (PAP) and their assets; in accordance with the procedures, satisfactory to the National Roads Administration (ANE), and the World Bank Safeguard Policies. The meaning of the word shall also embrace the criteria for eligibility for compensation, resettlement and other measures, emanating from consultations with affected communities and the Local Leaders.
2. **“Barraca”** means small, temporary shop usually by the roadside selling consumer goods, hardware and other different types of domestic items.
3. **Environmental and Social Management Framework (ESMF)** is a safeguard instrument (document) which establishes a mechanism to determine and assess future potential environmental and social impacts of the project funded activities in the RBMMP construction program. The framework sets out mitigation, monitoring and institutional measures to be taken during design, implementation and operation of the project activities to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels. This instrument has been prepared as a separate and stand-alone document to be used in conjunction with this RPF.
4. **“Compensation”** means the payment in kind, cash or other assets given in exchange for the taking of land including fixed assets thereon, in part or whole.
5. **“Cut-off date”** is the date of commencement of the census of PAPs within the project area boundaries. This is the date on and beyond which any person whose land is occupied for project use, will not be eligible for compensation.
6. **“Project affected persons” (PAPs)** means persons who, for reasons of the involuntary taking or voluntary contribution of their land and other assets under the project, result in direct economic and or social adverse impacts, regardless of whether or not the said Project affected persons physically relocate. These people will have their:
 - (a) standard of living adversely affected, whether or not the Project Affected Person must move to another location ;
 - (b) right, title, interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently, adversely affected;
 - (c) access to productive assets adversely affected, temporarily or permanently;
or

- (d) business, occupation, work or place of residence or habitat adversely affected.
7. **“Involuntary Displacement”** means the involuntary taking of land resulting in direct or indirect economic and social impacts caused by:
 - (a) Loss of benefits from use of such land;
 - (b) relocation or loss of shelter;
 - (c) loss of assets or access to assets; or
 - (d) loss of income sources or means of livelihood, whether or not the project affected person has moved to another location.
 8. **“Involuntary Land Acquisition”** is the taking of land by government or other government agencies for compensation, for the purposes of a public project against the will of the landowner. The landowner may be left with the right to negotiate the amount of compensation proposed. This includes land or assets for which the owner enjoys uncontested customary rights.
 9. **“Land”** refers to agricultural and/or non-agricultural land and any structures thereon whether temporary or permanent and which may be required for the Project.
 10. **“Land acquisition”** means the taking of or alienation of land, buildings or other assets thereon for purposes of the Project.
 11. **“Mashamba”** means subsistence farming plot
 - 12 **Rehabilitation Assistance”** means the provision of development assistance in addition to compensation such as land preparation, credit facilities, training, or job opportunities, needed to enable project affected persons to improve their living standards, income earning capacity and production levels; or at least maintain them at pre-project levels.
 - 13 **Resettlement and Compensation Plan”, also known as a “Resettlement Action Plan (RAP)” or “Resettlement Plan”** - is a resettlement instrument (document) to be prepared when road locations are identified. In such cases, land acquisition leads to physical displacement of persons, and/or loss of shelter, and /or loss of livelihoods and/or loss, denial or restriction of access to economic resources. RAPs are prepared by the party (in this case ANE) impacting on the people and their livelihoods. RAPs contain specific and legally binding requirements to be abided by ANE to resettle and compensate the affected party before implementation of the project activities causing adverse impacts.
 14. **“Replacement cost”** means replacement of assets with an amount sufficient to cover full replacement cost of lost assets and related transaction costs. In terms of land, this may be categorized as follows;
 - (a) “Replacement cost for agricultural land” means the pre-project or pre-displacement, whichever is higher,

value of land of equal productive
the vicinity of the affected

potential or use located in
land, plus the costs of:

- (b) preparing the land to levels similar to those of the affected land; and
- (c) any registration, transfer taxes and other associated fees;

15. **“Replacement cost for houses and other structures”** means the prevailing cost of replacing affected structures of the quality similar to or better than that of the affected structures, in an area and. Such costs shall include:

- (a) transporting building materials to the construction site;
- (b) any labour and contractors’ fees; and
- (c) any registration costs.

16. **“Resettlement Assistance”** means the measures to ensure that project affected persons who may require to be physically relocated are provided with assistance such as moving allowances, residential housing or rentals which ever is feasible and as required, for ease of resettlement during relocation,

17. **“The Resettlement Policy Framework (RPF)”** has been prepared as an instrument to be used throughout the RBMMP implementation. The RPF will be disclosed to set out the resettlement and compensation policy, organizational arrangements and design criteria to be applied to meet the needs of the people who may be affected by the program. The **Resettlement Action Plans (“RAPs”)** for the RBMMP will be prepared consistent with the provisions of this RPF.

18. **“Vulnerable Groups”** refers to:

- Low capacity households - widows, the disabled, marginalized groups, low income households and informal sector operators;
- Incapacitated households – those no one fit to work and;
- Child-headed and street children

This group is among other things, characterised by low nutrition levels, low or no education, lack of employment or revenues, old age, ethnic minority and/or gender bias.

1.0 INTRODUCTION

1.1 BACKGROUND

The Government of Mozambique (GOM) initiated an Economic Rehabilitation Programme in the late 1980s. The programme included sectoral reform activities to stimulate the recovery and growth of the rural sector and to improve rural incomes. The economic growth strategies included efforts to improve the agricultural sector, which is the main economic sector of the country.

The Economic Rehabilitation Programme initiatives highlighted the country's severe constraints in the roads sector. Only three percent of the road network was classified to be in good condition while forty four percent was considered impassable. To address these constraints, the Roads and Coastal Shipping (ROCS) project was launched in two phases of ROCS 1 and ROCS 2. Towards the end of ROCS 2 twenty three percent of the road networks were classified as good, while nine percent were classified as impassable. Following the ROCS project, a third stage referred to as the Roads 3 Programme has been initiated.

The Roads 3 Programme (also known as the Roads and Bridges Management and Maintenance Programme "RBMMP") is being implemented by the Government of Mozambique, through the Administração Nacional de Estradas, "ANE" and the Road Fund (RF). This is a major ten-year programme jointly financed by the GOM and a variety of donors, including the World Bank, which continues to play a leading role among financiers for the sector. The entire program is divided into three phases, namely: APL-I, APL-II and APL-III with durations of 4, 3 and 3 years respectively. ANE is currently committed to the preparation of the second phase (Roads 3 "APL-II"), which is scheduled to begin early 2007.

The types of works proposed for this phase constitute periodic road maintenance and rehabilitation:

- periodic road maintenance activities include full width resurfacing or treatment of the existing pavement or roadway to maintain surface characteristics and structural integrity; localized repairs and reconstruction; limited geometric improvements to enhance traffic capacity, speed and safety. Periodic maintenance of the national road network is done by the Directorate of National Roads, DEN.
- rehabilitation works involve strengthening of the road, repairing of structural defects and restoring the road to its initial condition. The rehabilitation works also include widening the road, making small alignment changes, regular maintenance of road drainage, side slopes, verges, furniture and providing foot paths. Rehabilitation is implemented by the provinces through the Provincial Directorate of Public Works and Housing, DPOPH and the Provincial Directorate of Roads and Bridges, DEP. Planning for rehabilitation works on national roads is the responsibility of the Maintenance Department of ANE

1.2 PROJECT DESCRIPTION

The proposed works for this project are to be carried out on the EN 1 trunk road that runs in the North-South direction across Mozambique. The works are aimed at bringing the road to a

consistent standard with lane widths of 3.4m, sealed shoulders of 1.5m and effective side drains and culverts. The total width to be cleared for the works on EN 1 will comprise of:

- (a) the nominal maximum of 15m width of road, comprising of 3.4m lanes, 1.5m shoulders and 2.5m for each side drain. This nominal width applies where the road is at natural ground level;
- (b) road sections in cut, to have the same width of area to be cleared as the road sections at ground level. The difference will be the cut, which will depend on the depth of cut and type of material.
- (c) road sections in fill, to have a width of 9.8m to be cleared and a fill batter at a slope of one to two (1:2) or a slope of one to three (1:3)

In general the road corridor for EN 1 is already established. Therefore it is anticipated that there will be little need for additional major earth works or clearing. However, removal of structures, trees and vegetation that are in the road reserves or that are very close to the proposed new road alignments, is highly likely. There is also a likelihood of taking some land currently used for subsistence gardens (mashambas) in the rural areas.

Potential ancillary project land taking activities for the road sections will include the different types of drainage structure such as side drains, mitre drains and sub-soil drains (culverts) to be provided in sections where the road is in cut. Land taking activities will also include the construction of shoulders and common construction activities for borrow pits, construction camps and works compounds. In addition, there might be temporary land taking for road diversion activities.

1.3. OBJECTIVES AND BASIC TERMS OF PREPARATION OF THE RPF

This RPF has two basic objectives as follows:

- (a) to provide a Resettlement Policy Framework that will guide the preparation of any future Resettlement Action Plans for the roads sector. The RPF is to be prepared to the standards of the Government's Policy Framework and the policy of the World Bank, OP 4.12.
- (b) to provide a framework for Resettlement Action Plans for the three road sections of Jardim – Benfica, Xai-Xai – Chissibuca and Massingue – Nhachengue; as indicated in detail, in Table 1 below.

The Resettlement Action Plan for the three road sections has been prepared as a separate document.

This Resettlement Policy Framework (RPF) establishes the general principles to be considered in preparation Resettlement Action Plans. The RPF will be required when the final selection and alignment of roads to be constructed, rehabilitated and maintained under the project are not precisely known. Once a segment of road is selected and designed, a Resettlement Action Plan (RAP) will be prepared in order to guide land acquisition and resettlement activities of that particular section. RAPs will be developed, under this phase of the RBMMP, for the following road segments that will be rebuilt during the first year of the Roads 3, APL- II:

Table 1: Road sections earmarked for improvement in the Roads 3, APL II phase

Road section	Environment	Length (Km)	Province	Scope of services
Jardim - Benfica	Urban	6	Maputo	RAP
Xai-Xai - Chissibuca	Rural	149	Gaza and Inhambane	RAP
Total	Urban and Rural	155		RAP

The objective of this RPF is to provide a process for future road development activities to ensure that where land acquisition and acquisition of other assets, or impact on livelihood by the project activities is inevitable, resettlement and compensation activities for lost resources shall be conceived and executed in a sustainable manner. This entails providing sufficient investment resources to meet the needs of the persons affected and/or displaced from their habitat and resources. It also requires adequate collaborative consultation and agreement with the PAPs to ensure that they maintain or improve their livelihoods and standards of living in the new environment.

The RPF provides guidelines for development of appropriate mitigation and compensation measures, for the impacts caused by the future road improvement project activities whose exact locations are not known prior to project appraisal. The RPF is intended for use as a practical tool to guide the preparation of Resettlement Action Plans (RAPs) for sub-project activities during the implementation of the RBMMP; and has been prepared as an instrument to be used throughout the programme implementation. The RPF will be disclosed to set out the resettlement and compensation policy, organizational arrangements and design criteria to be applied to meet the needs of the people who may be affected by the project. The RAPs for the RBMMP will be prepared consistent with the provisions of this RPF.

1.4 IMPACTS, LAND ACQUISITION AND RESETTLEMENT

In the RBMMP, the project activities that may trigger land acquisition and resettlement safeguard policies are those described in Section 1.2 above. These activities might require the removal of structures, particularly those that have been erected in road reserves in the urban and peri-urban areas. The activities may also require temporary or permanent acquisition of land currently used for farming activities in the rural areas.

In some cases, the actual removal of structures or crops may not take place. However, restriction of access to services or restrictions to movement may be required particularly during construction. Given the nature and size of the project, it is very likely that acquisition of land types of different nature including illegally occupied land and farmland will take place from the following activities:

- construction of the different types of drainage structures may result in the taking of land from built up areas, access routes and gardens. Water, drained from the road may flow into people's gardens and onto land used for different purposes thereby creating gullies;
- construction of road shoulders will temporarily take up land used by pedestrians and cyclists;
- borrow pits and works camps construction may require additional land for operation of the borrow pits and for transportation routes for the road construction materials;

- road bypasses construction will require additional land resulting in disruption of gardens and removal of buildings and structures in the urban, peri-urban and rural segments of the road

Unmitigated involuntary land acquisition and resettlement arising from development projects such as road projects, often leads to severe economic and socio-economic impacts where:

- production and income generating systems are disrupted,
- people face impoverishment as their productive assets or income sources are lost;
- affected persons' skills are rendered inapplicable in new environments;
- people are relocated to environments where their community institutions and social networks are weakened;
- kin groups are dispersed, and cultural identity, traditional authority and the potential for mutual help are diminished or lost and;
- there is increased competition for resources in newly settled areas;

1.5 RESETTLEMENT PREPARATION AND IMPLEMENTATION

In most cases, resettlement to pave way for development projects is done because the project activities demand land acquisition. Little attention, if any, is given to the welfare of the people who may be affected because of loss of agricultural land; loss of buildings; loss of access or proximity to water; health and social amenities. Appendix 1.1 gives details of categories of losses and impacts on PAPs.

Where resettlement has to take place, a Resettlement Policy Framework is needed to guide the process for land acquisition, compensation and resettlement. For the resettlement of affected persons to be done in a fair manner, preparation of a Resettlement Action Plan (RAP) is necessary.

A RAP is a detailed and specific plan that contains information prepared for well-defined specific project activities. A RAP contains detailed census information with the numbers and names of persons that are to be displaced or persons that are affected in some way or another, including by loss of shelter, loss of access to services and loss of means of livelihood. A RAP will contain information on property values, the basis and conduct for compensation. A RAP also contains specific work plans including dates when the displaced persons are going to be relocated.

RAPs contain specific and legally binding requirements to be abided by the project developer; to resettle and compensate the affected persons before implementation of the project activities causing the adverse impacts. A Resettlement Policy Framework (RPF) guides preparation of a RAP.

This RPF covers projects that will be defined in the future. Under the RBMMP, only details of project activities for Roads 3, APL-II are known at this time and RAPs must be presented for these project activities. Hence, no construction work may begin on the segments of Roads 3-APL II until the RAP has been developed and approved for these segments. Project activities for Roads 3, APL III are not defined in sufficient scope at this time. This effectively means that no road construction that triggers OP 4.12 will be undertaken during Roads 3-APL III project year 1.

Under Roads 3-APL III, ANE or a consultant will prepare the RAP and ANE will pay the costs of resettlement. The project authority (ANE) and its local officials (and not the construction companies) will be responsible for the land-taking, evaluation and compensation activities. This is important in order to ensure that the construction companies' performance, in the construction works, is not influenced by the resettlement activities; their integrity is not compromised and that the PAPs are treated in a fair manner. With this approach, the project authority and the local officials are not to delegate the census of the affected population, the inventory of assets to be taken, the valuation of those assets, the negotiation of compensation amounts, or the payment of compensation to the road construction contractor. ANE will support this approach and will therefore provide the necessary financial and administrative resources.

The objectives of resettlement preparation and implementation are to:

- 1.5.1 provide an effective, systematic and efficient procedure and mechanisms for the implementation of compensation and resettlement.
- 1.5.2 determine the necessary and appropriate detailed list of activities including the time frames for all the stages of compensation, resettlement and post resettlement.
- 1.5.3 plan for the necessary resources including financial, equipment and human resources (persons and institutions) required for effectively implementing resettlement and compensating the people to be displaced as determined by the census,
- 1.5.4 ensure that the development that follows in both the vacated and resettlement land takes place in an orderly, efficient and environmentally friendly manner.
- 1.5.5 plan for the systematic implementation of appropriate mitigation measure to avoid adverse consequences of social, cultural, economic and environmental integration with host communities
- 1.5.6 ensure that the needs of the displaced and affected are timely, smoothly and conveniently provided during the transition period.

2.0 PRINCIPLES AND OBJECTIVES GOVERNING RESETTLEMENT PREPARATION AND IMPLEMENTATION

2.1 BASIC PRINCIPLES AND VISION OF THE RESETTLEMENT PROGRAM.

This RPF for the RBMMP advocates (for all measures) to move or deprive from resources, as few people as possible, consistent with the requirements of the project. Therefore the principles of doing no harm, avoiding or minimizing resettlement are to be followed in all sub-projects of the RBMMP.

In reality, increasing pressure on land resources, due to high population growth, has led to scarcity of land for construction of public service facilities including roads. Hence there are cases where land acquisition and resettlement may not be avoided.

Where physical and economic displacement of people; or adversely impacting on people's livelihoods cannot be avoided, involuntary acquisition of land for the RBMMP shall, as a matter of principle:

- (a) initially endeavour to utilize available freehold or public land;
- (b) utilize land voluntarily donated by communal/individual owners, who agree(s) to provide the land or property for project-related activities, provided that the contribution is an act of informed consent, made with prior knowledge of other options available (including the right not to contribute or transfer the land) and their consequences. The land, sufficient for the purposes of the project must be donated without undue coercion or duress. Voluntary donation means that the people are not coerced to part with their land; and that the donation does not deny them receiving compensation for their loss.
- (c) be negotiated for implementation of the project activities, using agreed compensation plans;
- (d) and as a last resort only, be acquired through involuntary means following the procedure outlined below:

2.1.1 where suitable land for a specific project has been identified by ANE or a competent authority, ANE or the competent authority shall initiate negotiations with the affected persons including the traditional/community leaders of the area, the owner or occupier of the land and the Local Administration or its recognized representatives;

2.1.2 there shall be close coordination and cooperation, among public institutions and other relevant stakeholders in order to benefit from the various expertise and experiences in the implementation of resettlement for the RBMMP activities;

2.1.3 the implementing agency, in consultation with the developer, shall prepare action plans that comply with the provisions of this RPF, for implementation of land acquisition, resettlement and compensation.

The general principles and objectives guiding land acquisition, loss of assets or impact on livelihood and resettlement shall, among others include timely, full and fair compensation before land acquisition, resettlement, loss of assets and impact on livelihood. The affected persons shall be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them to the original condition. There shall be no distinction between compensation for private and customary land.

Certain conditions in the project and sub-projects may present special problems or opportunities to resettlement. Some of these special problems may result from:

- (a) illegal settlements in road reserves;
- (b) ineligible opportunists taking advantage of compensation offers;
- (c) disadvantaged affected persons being sidelined;
- (d) lack of awareness (by the PAPs) of their rights;
- (e) problems of integration with host communities;
- (f) loss of cultural identity for PAPs and;
- (g) loss of social status, among other losses.

Opportunities may include:

- (i) better facilities provided along with the resettlement programme and;
- (ii) better and new employment opportunities or income generating capacity;
- (iii) Improved transport and communication as a result of the improved road conditions.

The diversity of these problems, some of which will be project and site specific, require extensive consultation and public awareness.

2.2 GENERAL MECHANISMS FOR LAND ACQUISITION

Where land acquisition is inevitable for the RBMMP project activities, the following procedure shall be adhered to:

- 2.2.1 the Government or the implementing agency shall serve notice on the PAPS, clearly explaining the purpose of land acquisition, the area of land required and the owner's or occupier's right to compensation in accordance with the existing legislation, policies and this RPF;
- 2.2.2 in the case of customary land, the competent authority shall ascertain from the traditional leaders, the persons who have rights over the affected land for accurate identification and fair compensation to affected persons;
- 2.2.3 in the case of private land, the competent authority shall ascertain the correct registered owner of the land from the Lands Registry.

ANE shall engage a competent authority to survey on the land to be acquired. Thereafter a Resettlement Action Plan shall be prepared and certified to accurately show:

- 2.2.4 the land to be acquired;
- 2.2.5 names of owners or occupiers of the land, as far as they can be officially ascertained; and the name of the person who is the holder of the right over the land as ascertained by the traditional leaders and other bona fide local residents;
- 2.2.6 names of the traditional and community leaders or representatives to assist in the process of land acquisition and resettlement;
- 2.2.7 the estimated magnitude of impacts relative to the need for resettlement or compensation and valuation of assets for the compensation;
- 2.2.8 financial records (to permit calculation of the final cost of resettlement and compensation per person or household, to be maintained by a competent authority.

Each person or household receiving compensation will have a dossier containing:

- 2.2.9 the person's detailed identification information, including name, date and place of birth, next of kin, marital status etc;
- 2.2.10 number of persons she or he claims as household or homestead dependants; and
- 2.2.11 the amount of land available to the person or household when the dossier is opened.
- 2.2.12 assets – including structures, resources, crops, etc.
- 2.2.13 socio-economic status

Each time land is used or acquired by the competent authority, there is need to update the dossier in order to determine if the person or household/homestead is being affected to the point of economic non-viability and eligibility for compensation or resettlement or its alternatives. The dossiers will provide the foundation for monitoring and evaluation, as well as documentation of compensation agreed to, received and signed for.

Additional information will be required for individual's eligibility for resettlement or compensation. This information will include:

- 2.2.14 level of income and of production;
- 2.2.15 inventory of material assets and any improvements made on the land; and debts if any;
- 2.2.16 proposed compensation offers and draft agreements to be signed by the affected persons and the developer;
- 2.2.17 details of alternative land (if applicable) inclusive of ancillary support services such as transport for physical resettlement, provision of housing, provision of crop starter packs and food support or any other relevant assistance that may be required;
- 2.2.18 details of resettlement after-care and assistance, where appropriate;
- 2.2.19 available employment opportunities for the PAPs to participate in the project activities; and
- 2.2.20 mechanisms for monitoring and evaluation.

A copy of the plan will require to be cleared by the World Bank and to be deposited with the Local Government's Office of the District Administration; and with the Traditional Leaders of the area affected.

The land acquisition and compensation procedures shall ensure that persons affected either physically or economically by the project maintain or improve their livelihood.

3.0 RAP PREPARATION, REVIEW, AND APPROVAL

3.1 STEPS LEADING TO THE PREPARATION OF RAPS

The extent and detail of screening for project sites and for planning and information needs will depend on the severity of impact. In general, screening for project sites shall include, among other things, a baseline study and census to determine the level of impact to PAPs, assets and to establish the cut-off date.

For the RBMMP, limited strips of land will be taken and the farmer's fields will remain viable. Hence all that will be necessary is a valuation of the assets, land and crops and there will be no need for a detailed socio-economic survey.

Screening for land acquisition is a very important component of several activities that contribute to the preparation of the RAP. In the RBMMP however, identification and acquisition of new land will be very limited, since only small strips of land along the road corridor will be affected, except for the relatively small pieces of land required for borrow pits and service buildings. In preparing the RAP the following steps will provide guidance:

Step 1

The National Roads Administration (ANE) or a consultant will prepare the project activities, to be undertaken in the targeted road sections, for the construction, rehabilitation and maintenance of the proposed roads. The ANE will approve the project activities.

Step 2

ANE will coordinate the project activities with the District Administration, other relevant stakeholders and the Local Leaders in the project areas. As far as possible the local community development structures already existing at the district level must be used.

Step 3

Using participatory methods, ANE and the Local Development Committee within the boundary area will establish the cut off date.

Step 4

ANE will request its service providers to carry out a socio economic survey, a census and to collect other information about the land and the assets to be affected. The census will be done to identify the potential PAPs (focusing on the individual household and vulnerable groups) and; to assess their incomes, and assets, as the first step in the preparation of the RAP.

Step 5

On completion of the socio-economic survey and the baseline census, ANE will identify a service provider to carry out valuation of the affected assets and determine compensation values.

Step 6

All construction activities that trigger OP 4.12 and therefore require resettlement plans will be subjected to final approval of the World Bank, to ensure compliance with the Bank's safeguards. Thus, ensuring that land is actually acquired or access to resource is lost, denied, or restricted; and that the individual resettlement plans are consistent with this RPF.

For construction activities that do not have any resettlement issues and do not trigger OP4.12, the provisions of this RPF do not apply and therefore ANE shall refer to the Environmental and Social Management Framework ESMF or the relevant environmental management laws and legislation. Approved compensation costs that do not entail resettlement can be effected at this time.

For construction activities that require resettlement, screening for resettlement sites shall be conducted. However, screening for project site identification has relatively restricted meaning in a roads maintenance and rehabilitation program such as the Roads 3 programme.

The World Bank OP 4.12 article 25 and Annex A provides the basic requirements and contents of the RAP (see Appendix 3.1 and Appendix 3.2). Where any element is not relevant to the RBMMP's circumstances, it shall be noted in the RAP.

Step 7

ANE shall forward the RAP, together with the modified designs, to the respective District Authorities for scrutiny for compliance with the applicable by laws and sectoral requirements.

The World Bank must provide final clearance and approval of the RAP, which shall be in compliance with the applicable by-laws, sectoral requirements as well as the World Bank Policy requirements.

3.2 PUBLIC CONSULTATION AND PARTICIPATION

Projects involving the community owe their success to community participation and involvement from the planning stage to implementation. Hence public consultations through participatory rural appraisal shall be mandatory for all projects requiring land acquisition, compensation and resettlement for the RBMMP project activities.

During screening there must be adequate consultation and involvement of the local communities and the affected persons. Specifically, the affected persons must be informed about the intentions to use the earmarked sites for the RBMMP activities, facilities and structures. The affected persons must be made aware of:

- (a) their options and rights pertaining to resettlement and compensation;
- (b) specific technically and economically feasible options and alternatives for resettlement sites;
- (c) process of and proposed dates for resettlement and compensation;
- (d) effective compensation rates at full replacement cost for loss of assets and services;
- and
- (e) proposed measures and costs to maintain or improve their living standards.

The aim of public consultations at the screening stage will be to:

- disseminate concepts for proposed project activities with a view to provoking project interest amongst the communities;
- promote sense of ownership for the project and resettlement activities;
- invite contributions and participation on the selection of project sites;
- determine communities' willingness to contribute in kind towards the

- implementation of the project; and
- determine community willingness to contribute towards long term maintenance of the project facilities.

During public consultation, there is the need to negotiate compensation and resolve conflicts. Grievance redress is very important to the success of implementation of resettlement action plans. Grievance redress is covered in more detail in Section 10 of this RPF.

3.3 APPROVAL OF THE RESETTLEMENT ACTION PLANS

Once the RAP has been prepared, it must be forwarded to the District Administration for scrutiny and approval. Once satisfied with the RAP, the District Administration will forward them, together with their recommendations, to the Ministry responsible for lands, physical planning and surveys for their endorsement and approval. The World Bank will also have to endorse the RAP to ensure compliance with the Bank's operating procedures.

4.0 ESTIMATED POPULATION DISPLACEMENT AND CATEGORIES OF AFFECTED PEOPLE

4.1 ESTIMATION OF DISPLACED POPULATION

For purposes of compensation and resettlement, it is very important that the correct numbers of displaced persons are established. This will ensure that all the affected persons are compensated for and therefore the number of complaints will be minimal. At the same time paying compensation to opportunists will be avoided.

The following are steps that need to be followed in order to determine actual numbers of Affected Persons:

- a) In close liaison with ANE and the consultant for a particular road improvement project, determine the alignment of the road in question, taking every precaution to avoiding human settlements as much as possible.
- b) Clearly demarcate the recommended way leaves and road reserves as prescribed by the National Roads Authority or as stipulated in the Town Planning Guidelines and Standards.
- c) Carry out a physical count (census) of all the persons and assets falling within the demarcated area where the road passes or where service structures will be constructed. This will give the actual number of directly affected persons and assets. The data on affected persons shall be disaggregated into the likely categories of Affected Persons as described in Section 4.2 below. This disaggregation will assist in identifying special needs of the different categories of the displaced persons.

The total number of kilometres of road to be affected on the Roads 3 APL II is 155. This comprises of 6 kilometres of urban segment on and 149 kilometres of rural segment. It is estimated that approximately 900 PAPs will be affected in the three sections of APL II, comprising about 300 from the urban segment and 600 from the rural segment.

4.2 LIKELY CATEGORIES OF AFFECTED PERSONS

4.2.1 General Land Acquisition, Title, Transfer and Term of Ownership

Land *acquisition* in Mozambique may be achieved through:

- a. occupancy by individual persons and by local communities, in accordance with customary norms and practices, which do not contradict the Constitution;
- b. occupancy by individual national persons who have been using the land in good faith for at least ten years and;
- c. authorization of an application submitted by an individual or corporate person in the manner established by the Land Law

The Land Law Legislation stipulates that a land *title* shall be issued by the general or urban Public Cadastre Services. However, the absence of title shall not prejudice the right of land

use and benefit acquired through occupancy in terms of 3.2.2 a. and b. above. The application for land title shall include a statement by the local administrative authorities, preceded by consultation with the respective communities, for the purpose of confirming that the area is free and has no occupants. Title to local community shall be issued in a name decided upon by the community and individual men and women who are members of the local community may request individual titles after partitioning community land.

The right of land use and benefit can be *proved* by presentation of the respective title; testimonial proof presented by members, men and women of local communities and by expert evidence and other means permitted by law.

Among other modes of land *transfer*, the Land Law permits the transfer of land by inheritance, without distinction by gender.

The *term* of land use and benefit, for the purpose of economic activities, is subject to a maximum term of 50 years, renewable for an equal period upon application. The right of land use is not subject to time limit for the following cases:

- Where the right was acquired by local communities through occupancy;
- Where it is intended for personal residential purposes and;
- Where national individuals intend it for family use.

From the land ownership types given above, different categories of Affected Persons may include those losing legal title and those without it; those losing land, losing housing or both, those losing temporary access or those losing permanent rights, business or residential property including those losing land based means of livelihood.

During the process of compensating and resettling the Affected Persons, there is need to ensure fairness and equity among the beneficiaries with diversified needs. This entails making sure that the vulnerable and the voiceless are not left out. Therefore, for the purposes of this policy framework, the categories of persons likely to be affected include but are not limited to:

🕒 **Unmarried Women or Female Headed Households**

Unmarried women may depend on sons, brothers, and any member of the family or property/business that might be displaced by this project. Resettlement and compensation considerations for the RBMMP shall allow for such persons who may need resettlement assistance.

🕒 **The Elderly**

Elderly persons usually depend on subsistence farming, often benefiting from assistance from family members for daily needs as well as cultivating their farms. The economic and social welfare of these people may be compromised, as their breadwinner moves to a distant area due to resettlement on the RBMMP. This group of people therefore, shall be adequately compensated to ensure that their special needs (in form of resettlement assistance) are catered for.

🕒 **AIDS Affected and Chronically ill Persons**

In Mozambique, like most of the developing countries, high percentages of mostly poor people are either living with the HIV or are terminally ill with Aids. Some of these people are beneficiaries of assistance from various health programmes. Resettlement

may isolate these people from those that are taking care of them and from the health programmes that they are now able to access. In the assessment of affected persons for compensation and resettlement, the needs of this group of people where special medical care may be required, are to be considered. Making the necessary arrangements to link them to health care institutions within their reach may suffice.

🕒 **Orphans and Child Headed Households**

The AIDS pandemic has created a large number of children without parents. These children may be divided into three categories. There are those children, too young to go to school and those that are able to go to school. These two categories often depend on family members or relatives. The third category consists of children who, for some reason or another, cannot go to school but take care of their younger brothers and sisters. All these categories need some kind of assistance that will enable them earn a living. Some of these children depend on government health programmes and others engage in small business activities including begging from business enterprises and persons that might be displaced by this project. Resettlement and compensation shall adequately provide for these various groups of children in form of paying for their rehabilitation. Where necessary this shall include training in various useful vocational skills. Placing them in children's care homes or children's charities could also be one way of fairly compensating them.

🕒 **People with Disabilities**

People with disabilities may be attached to a particular service centre. Others may be too incapacitated to build a new home and start earning a living on their own. Their special needs shall be adequately provided for during movement and relocation. Their new residential premises may have to be specially designed to meet their disability needs.

Local leaders and District Administration Officials will verify eligibility of beneficiaries and assume responsibility for identifying ownership of vacated land.

The categories given above may not cover all types of affected persons. In addition, the categories are not mutually exclusive. It is important therefore that the RBMMP project activities shall have well prepared and comprehensive resettlement action plans that will be specific and comprehensive enough to benefit all the categories of affected persons, where the situation demands, through the following and other actions as may be appropriate:

- a. quick decisions and rapid action on the RAPs' for timely and effective assistance to the affected persons;
- b. both individual and collective consultation;
- c. the affected persons shall be given the opportunity to participate or to work in the project activities;
- d. alternative subsistence farming plots (mashambas) shall be identified and surveyed following procedures and standards set forth in the environmental and social management framework; and developed and made available to those losing land;
- e. compensation for loss of crops and trees shall be determined and negotiated before relocation or construction, and shall be paid before construction begins in the road segment;
- f. transitional support, where appropriate, shall be given to those moved from their land during construction and re-establishment;

- g. resettlement to improve livelihoods – when these are directly affected.
- h. compensation and other assistance depending upon the extent of impact. Minor impacts (taking a small strip of land from a field) may be replaced by other land and any crops lost compensated in cash. Major impacts (resettlement, business re-establishment) require significant attention to restoring and improving livelihoods).
- i. monitoring of the RAP's to ensure that resettlement and compensation is benefiting all the affected persons to improve their livelihoods, in comparison with the pre-resettlement conditions and;
- j. technical and financial assistance shall be made available to them should they wish to use the grievance mechanism described in Chapter 10.

It is to be appreciated that uniform approaches cannot be employed in land acquisition and resettlement matters. The course of direction for each sub-project activity will largely depend on the characteristics of the sites and the types of socio-economic activity predominant in the particular area. Thus, approaches to land acquisition and resettlement for a predominantly urban area with large numbers of temporary and illegal settlers will not be the same as approaches to be used for a predominantly rural setting. For this reason, each sub-project must have its own RAP and records for each individual RAP must be kept and maintained separately.

5.0 ELIGIBILITY CRITERIA FOR VARIOUS CATEGORIES OF AFFECTED PEOPLE

5.1 METHOD FOR SETTING A CUT-OFF DATE FOR ELIGIBILITY FOR COMPENSATION

The screening process for land for the road construction projects under the RBMMP shall include, among other things, a baseline study and census to determine the level of impact to PAPs, assets; and to establish the cut-off date. The cut off date will be determined and set at the beginning of the census through a consultative process. PAPs, Community Leaders and the community shall be widely consulted and shall be well informed of the cut off date after which any new settlements within the project impact area will not be compensated for.

5.2 WORLD BANK CRITERIA FOR DETERMINING ELIGIBILITY FOR COMPENSATION

According to OP 4.12 of the World Bank, the criteria for determining eligibility for compensation, resettlement and rehabilitation assistance measures for persons to be displaced, shall be based on the following:

- (a) Persons that have formal legal rights to land, including customary and traditional; and those that have religious rights recognized under the laws of Mozambique. This class of people includes those holding leasehold land, freehold land and land held within the family or passed on through generations.
- (b) Persons who do not have formal legal rights to land or assets at the time the census begins; but have a recognized claim to such land or assets through the national and traditional laws of Mozambique. This class of people includes those that come from outside the country and have been given land by the local chief to settle, and/or to occupy in matrimonial society.
- (c) Persons who have no recognizable legal right or claim to the land they are occupying, using or getting their livelihood from. This class of people includes those that settle at a place on semi-permanent basis, or those settling at a place without any formal grant or authority.

Affected persons classified under paragraph (a) and (b) shall be provided compensation, resettlement and rehabilitation assistance for the land, buildings or fixed assets, on the land and buildings taken by the project. The compensation shall be in accordance with the provisions of this framework and if affected persons occupied the project area prior to the cut-off date (date of commencement of the census).

Persons covered under sub-section (c) above are to be provided with resettlement assistance in lieu of compensation for the land they occupy. In addition, they have to be given the necessary assistance to satisfy the provisions set out in this policy, if they occupied the project area prior to the established cut-off date.

All persons in the three sub-sections above are to be provided with compensation for loss of assets other than land. Consequently, this policy advocates for some kind of assistance to all affected persons, including squatters or other persons encroaching on the project area illegally, irrespective of whether they have formal titles, legal rights or not. However, all persons who encroach on the project area after the cut-off date will not be entitled to any compensation or any assistance.

Communities including districts, towns, wards and villages permanently losing land, resources and/or access to assets will receive compensation for public infrastructure up to the value of the land and other assets lost. Where this is to be done, the consultative process for deciding communally on what infrastructure will be selected will be through community meetings facilitated by ANE in consultation with the local leader. Replacement public infrastructure will be funded by ANE and will be constructed using the normal procurement procedures followed by ANE.

Compensation to communities will include that for public toilets, market places, car parks and health posts or other appropriate compensation chosen by the community. Compensation measures shall ensure that pre-resettlement socio-economic status of the communities are restored and maintained.

5.3 BENEFICIARIES ELIGIBILITY CRITERIA

As a general rule and unless otherwise preferred by the displaced communities and families through a participatory process, special effort shall be made to resettle indigenous communities and families as entire communities. Hence alignment of the road and acquisition of additional land for bypasses, borrow pits and service buildings shall avoid displacement of people or shall endeavour to keep displacement of human settlement to a minimum. Densely populated areas shall be avoided.

However, the Roads 3-APL III consists of project activities that are lineal rather than areal in nature, closely following existing road alignment. Therefore physical relocation is likely to arise in the urban segments and within limited strips of land where entire communities are not likely to be affected, except for a number of households and businesses within the community. Since the extent of physical dislocation in any one place will be limited, it will often be possible to re-insert the PAPs within a reasonable distance of their existing home or business.

Different categories of people may be affected by the project activities of the RBMMP. The types of losses such people may suffer will include access to land, income, housing, water sources, proximity to work, utilities and social amenities. The identification of persons eligible for compensation and resettlement in a particular area will therefore be based on the following criteria:

- (a) person with homes, farmland, structures or other assets within the proposed road reserve or way leave of any infrastructure proposed for construction or rehabilitation;
- (b) vulnerable individuals who may be too old or ill to fend for themselves. These PAPs receive additional assistance (e.g., a premium over the indemnisation to cover additional costs such as contracting labor to construct a new home or to pack, move and uncrate the belongings because they are unable to do so).
- (c) persons that incur losses whether partial or total and whether they have their own land or rent land, including those that rent or occupy buildings individually or as a group for business or as households.

Appendix 5.1 presents the format of an entitlement matrix for losses incurred by Project Affected Persons.

Where there are clearly no identified owners or users of land or assets, the respective Regional Lands Board, District Administration and the Traditional Leaders will notify the community leaders and representatives to help to identify and locate the land users. These leaders and representatives will also be charged with the responsibility to notify their members about the established cut-off date and its significance. The user(s) will be informed through both formal notification in writing and by verbal notification delivered in the presence of the community leaders or their representatives.

6.0 LEGAL FRAMEWORKS FOR RESETTLEMENT

6.1 REVIEW THE NATIONAL LEGISLATION GOVERNING THE TAKING OF LAND OR OTHER ASSETS.

6.1.1 The Land Law

The Resettlement Policy Framework draws its strength from local legal instruments that exist in Mozambique, specifically the new Land Law legislation No. 19/97. This collection of legislation covers regulation for the key aspects of land occupation and use in Mozambique. Also covered in the regulation are the various situations of land acquisition, including among others:

- (a) the acquisition of the right of land use and benefit by customary occupancy in good faith,
- (b) the acquisition of the right of land use and benefit through the official channels;
- (c) the rules governing protection zones;
- (d) the relationship between the public and the Cadastre Services; and
- (e) the rights and duties of the title holders

Article 3, of the Land Law stipulates that in the Republic of Mozambique, land is the property of the State. This is also captured in Article 46 of the Constitution. Consequently, land may not be sold, alienated, mortgaged or attached (distrained).

The Law states however, that although land is owned by the State, all Mozambicans have the right to use and enjoy the land or the right to land use and benefits thereto. Specifically, Article 9 provides for the acquisition of the right of land use and benefit by occupancy by local communities; while Article 10 provides for the right of land use and benefit by occupancy in good faith by national individuals.

The Mozambican Land Law Legislation recognizes the rights acquired through systems of customary occupancy and the role of communities in the management of land and natural resources and conflict resolution. This is spelt out in Article 24. Article 27 provides for the requirements and modalities regarding consultation, on land matters, with the local communities.

Article 30 dictates that the mechanisms for representation of and action by local communities, with regard to the rights of land use and benefit shall be established by law; while Article 23 empowers District Administrators, where there are no Municipal or Settlement Councils, to authorize applications for land use and benefit.

The Land Law Legislation captures and observes internationally innovative features that facilitate equitable development, based on relations that are mutually beneficial to local communities and to investors whether these are national or foreign.

The Right of Eminent Domain (Article 86 of the new constitution of Mozambique) says that individuals and entities have the right to equitable compensation for expropriated assets and the right to a new and equal plot of land

In addition to the Land Law, there are a number of legislations that pertain to land administration in Mozambique. These include the Land Policy, the Land and Water Law, the Framework Environmental Law, and the National Heritage Protection Law. However, this study has revealed that the provisions in these Acts are not

comprehensive enough to accord fair compensation and resettlement arrangements. The following are some of the relevant legislations:

- 6.1.2 The New Land Policy** was approved by the Council of Ministers in October 1995. The main elements of this new policy are that it recognizes customary rights over land, including the various inheritance systems; it recognizes the role of the local community leaders in the prevention and resolution of conflicts; it aims at creating conditions for the development and growth of the local community and the promotion of investment by the commercial sector; and that it maintains the concept of land belonging to the state.
- 6.1.3 The Land Legislation Supplement (1998)** in Article 50, 51, 52, and 53 says that the household affected by a public project may be moved or transferred to another place. The process has to be carried out in consultation with the Local Leaders for administrative purposes. The resettlement will happen after compensation is paid or a new house similar to the existing one has been constructed. The Legislation requires the developer to look for and maintain the same social and economic life style of the affected persons. It further states that all the expenses have to be borne by the institution responsible for the relocation.
- 6.1.4 The Urban Construction Legislation** (Decree No. 2/2004), Article on Demolition and Relocation states that a demolition may take place when there is public interest. The demolition may be total or part of the structure. However, before demolition or repositioning takes place, it is necessary to hear the affected persons. Only after consultation may the household be transferred to another new place.
- 6.1.5 The National Environmental Programme (NEMP)**, approved by the Council of Ministers in 1995 seeks to promote and implement sound environmental policy. The NEMP was formulated by the ministry responsible for environmental coordination (MICOA) as a master plan for environment management in Mozambique. It contains the National Environmental Policy, a proposal for Framework Environmental Legislation and the Environmental Strategy. The NEMP consists of Sectoral Plans, which are intended to guide sustainable development for the medium and long term. The policy areas are classified as the rural, coastal and urban areas. For the rural areas, agriculture and forestry issues are considered the most important. In coastal areas, mangrove degradation, coastal pollution and erosion are the main issues to be addressed and for the urban areas, the degradation of sanitation systems and poor water quality are the most prominent issues. MICOA has the mandate to oversee the implementation of the NEMP through which environmental rules and regulations are being devised and enforced. MICOA also has the mandate to evaluate the policies of other ministries as well as their capacity to promote and implement sound environmental policies. MICOA, in close coordination with the other ministries and private civil groups works towards the:
- development of inter-sectoral policies for sustainable development (including roads development);
 - development and promotion of integrated resource use planning;
 - promotion of sectoral legislation and establishment of norms and criteria for environmental protection and sustainable use of the country's natural resources; and
 - creation of an enabling environment for law enforcement and environmental monitoring
- 6.1.6 The Framework Environmental Law**, passed in the Mozambican Parliament in July 1997, acknowledges the responsibility of the Government of Mozambique in the promotion and implementation of the NEMP. The Law provides the legal framework

for the use and sustainable management of the environment and its components. The Environmental Law is applicable to all public and private activities that directly or indirectly affect the environment. The law forbids all activities that threaten conservation, reproduction, biological resources (especially endangered and prone to extinction); seeks to protect environmental components with recognised ecological and socio-economic values by way of creating protected zones at the national, regional, or local level. These areas include rivers, lakes, marine waters and other fragile natural zones. Licensing for activities that are liable to cause significant environmental damage, depending on the level and significance of impact is required. Among other things, the law (Article 4) states that any citizen who believes his rights have been violated or are under threat of violation may take legal action against the perpetrator. Violation of rights includes personal loss and injury; and the loss of crops and profits. The Framework Environmental Law paved way for the establishment of the National Commission for Sustainable Development (NCSDD) in October 2000, to ensure high level and effective coordination and integration of sectoral environmental policies.

6.1.7 EIA Regulations and EIA Directives are defined by Decree No. 76/98 of December 1998 to provide the framework for the responsibility and conduct of Environmental Impact Assessment. The regulations provide for the process of conducting EIA's and highlight the importance of the public consultation process in carrying out EIA studies and in development of environmental management plans. MICOA is mandated by the regulations, to call for public hearings whenever the scale of environmental degradation is high and when requested by the affected parties whether public or private. An appendix to the EIA regulations lists the activities relevant to the roads sector that may cause significant impacts on the environment. These, among others include plans, programmes and projects that may affect sensitive areas directly, or indirectly; and those that imply the permanent or temporary displacement of populations and communities. MICOA prepared the Directiva Ambiental Para O Sector de Estradas (EIA Directives for Road Projects) in 2003.

6.1.8 The National Heritage Protection Law (Law 10/88 of December, 1988) is intended to protect all national antiques, historical and cultural heritage. Such protected areas are to be avoided in the selection of project sites.

6.2 DISCREPANCIES AMONG THE VARIOUS LEGAL INSTRUMENTS

The provisions of the national Land Law, the New Land Policy, the Land Legislation Supplement and the Urban Construction Legislation support fair land acquisition, compensation and resettlement procedures to be developed and implemented. These legislations provide adequate legal foundation for the preparation of the Resettlement Policy Framework. The other legislative provisions however, fall short of the necessary provisions to adequately support compensation and resettlement problems. The environmental laws and regulations for instance, while they speak a lot on environmental management and EIA, do not explicitly cover issues of land acquisition and resettlement. Therefore the role of the MICOA in resettlement matters is not very specific. From the above narration, it is evident that the Land Legislation is the one that widely covers issues of land acquisition and resettlement. The laws and regulations equally apply to all the categories of affected.

6.3 REQUIREMENTS OF THE WORLD BANK FOR RESETTLEMENT

The World Bank's Safeguard Policy OP 4.12 applies to all components of the programme and to all economically and /or physically affected persons, regardless of the number of

people affected, the severity of impact and the legality of land holding. The Safeguard Policy further requires particular attention to be given to the needs of vulnerable groups especially those below the poverty line, the landless, the elderly, women and children, indigenous groups, ethnic minorities and other disadvantaged persons.

The World Bank's Policy requires that a resettlement action plan shall be prepared and cleared by the Bank prior to implementing resettlement activities. The Bank also requires that the provision of compensation and other assistance to Project Affected Persons, to restore livelihoods when these are affected appreciably, shall be done prior to the displacement of people. In particular, the policy requires that possession of land for project activities may take place only after compensation has been paid. Resettlement sites, new homes and related infrastructure, public services and moving allowances must be provided to the affected persons in accordance with the provisions of the Resettlement Action Plan.

6.4 GAPS BETWEEN THE NATIONAL AND THE WORLD BANK LEGAL REQUIREMENTS

The Bank insists on ensuring that the PAPs are not adversely affected during the transition period while the national legislation is silent on this. Furthermore, the Bank requires that PAPs that belong to the disadvantaged groups such as orphans, the elderly, the sick, female headed households and others shall be given special attention to meet their needs so that they do not lose the proximity and access to the socioeconomic services that satisfy their particular and specific needs. Table 6.1 in the Appendix gives some of the gaps between the national legislation and the World Bank Policy. This RPF recommends that where there is remarkable difference between the Mozambican Legislation and the World Bank Operating Policies, the better of the two will be used since the lesser standard is met ipso facto.

7.0 METHODS OF VALUING AFFECTED ASSETS

7.1 BORROWER'S METHODS OF VALUING ASSETS

The Ministry responsible for agriculture maintains a list of values which may be used for compensation of crops. This list is available for use by other institutions that may wish to calculate compensation values for agricultural produce. This method of determining compensation values however, does not consider loss of income by PAPs during the transition period up to the time that replacement crops develop to maturity.

It was noted that ANE has a more elaborate way of calculating compensation values for buildings and other assets. The method uses actual cost of materials to determine the values of the buildings. The method also differentiates between the types of houses depending on whether they are classified as high, medium and low expense houses. ANE is assisted in the valuation of houses and crops by the Ministry of Public Works and Housing and the Ministry of Agriculture respectively.

The Local Administration in the districts uses tables of rates for compensation for crops and trees. A sample of the table used for valuation of trees in the District of Matola by the District Administration, for instance, is attached in Appendix 7.1

7.2 RECOMMENDED VALUATION METHODS

7.2.1 Valuation of Land used by the Public

For cases where the land is being used by the public (for instance for grazing, settling or otherwise), the National Roads Administration will, in consultation with the land administration of the government, identify suitable replacement land for use by the public. be expected to pay compensation.

The Roads 3-APL III includes urban, peri-urban and rural segments. The RBMMP will often require the use of land for its project activities in the rural segments. For these segments, valuation methods for the affected land and assets shall conform to Mozambican laws. For all the three segments (urban, peri-urban and rural) land and assets will be valued and compensated for according to the following guidelines and as appropriate for each segment:

- ANE will compensate for assets and investments (including labour, crops, buildings, and other improvements) according to the provisions of the resettlement plan.
- Eligibility for compensation will not be valid for new persons occupying/using the project sites after the cut-off date, in accordance with this policy.
- Compensation cost values will be based on replacement costs, as of the date that the replacement is to be provided or at the date of project identification, whichever is higher.
- The market prices for cash crops will have to be determined based on the values as determined by the Ministry of Agriculture.
- PAPs who lose farmland allotted by the village under customary tenure will be provided an equivalent plot. However, since the bank policy OP4.12 on resettlement makes no distinction between statute and customary rights, a customary land owner or a user of

state owned land will be compensated for land, assets and investments including loss of access, at replacement costs.

7.3 CALCULATIONS FOR COMPENSATION PAYMENTS AND RELATED CONSIDERATIONS

7.3.1 General Considerations

Individual and household compensation will be made in kind and/or in cash. Although the type of compensation may be an individual's choice, compensation in kind will be preferred, if the loss amounts to more than 20% of the total loss of assets.

For cash payments, compensation will be calculated in Mozambican currency adjusted for inflation. For compensation in kind, items such as land, houses, other buildings, building materials, seedlings, agricultural inputs and financial credits for equipment may be included. Assistance may include moving allowance, transportation and labour.

Making cash payments raises issues regarding inflation and security that have to be considered. Cash payments must allow for inflationary adjustments of compensation values. Security, for people who will be receiving cash compensation payments will need to be addressed by the local administration. These are some of the reasons why compensation in-kind will be preferred. For payment of compensation in-kind, the time and new location will have to be decided and agreed upon by each recipient, in consultation with the Local Government Authorities.

7.3.2 Compensation for Land

Compensation for land is aimed at providing for loss of crop and the labour used to cultivate the crop. The term "Land" refers to an area or homestead in cultivation, being prepared for cultivation, or cultivated during the last agricultural season. This definition recognizes that the biggest investment a farmer makes in producing a crop is his or her labour. As a result, compensation relating to land will cover the rates for labour invested, as well as the replacement cost of the crop lost.

7.3.3 Land measurement

The unit of measurement for land will be that which is used and understood by the affected persons. Therefore if a traditional unit of measurement exists in the rural areas, that unit shall be used. If a traditional unit of measurement does not exist, it is recommended that land should be measured in meters or any other internationally accepted unit of measurement. In such cases, the unit that is-being used must be explained to the affected farmers/users.

The unit of measurement must be easily related to recognizable land features that the communities are familiar with, such as relative location of trees, stumps and other fixed features on the sites. Understanding the unit of measurement ensures that the affected person is able to verify his/her own size of land that is being lost. This maintains transparency in the process and avoids subsequent accusations for wrong measurements or miscalculation of land areas.

7.3.4 Determination of Crop Compensation Rates

Both cash and consumption crops are valued at the market price mid-way between harvest peaks. Prevailing prices for cash crops will have to be determined with the assistance from the Ministry of Agriculture. Ministry of Agriculture rate schedules must be verified for currency. Each type of crop is to be compensated for, using the same rate. Calculating compensation using one rate guarantees uniformity and allows anyone to measure the area of land for which compensation is due and to multiply the area by the one rate known to all.

7.3.5 Compensation Rates for Labour

The value of labour invested in preparing agricultural land will be compensated for at the average wage in the community for the same period of time. The labour cost for preparing replacement land is based on costs for clearing the land and ploughing. Sowing, weeding, and harvesting are regarded as production costs and are not included in land preparation costs.

Labour costs will be paid in Mozambican Meticaís per the prevailing labour law. An example of a schedule for calculation of labour costs is given in Appendix 7.2

The rate used for land compensation is to be updated to reflect values at the time compensation is paid. An example that derives the total value for a one hectare piece of land, from the value of the crops on the land and the value of labour invested in preparing a replacement land is given in Appendix 7.3.

In certain cases, assistance may have to be provided to land users, in addition to compensation payments. For example, if a farmer is notified that his/her land is needed after the agriculturally critical date (critical date, may be different in parts of Mozambique and across climate zones) when s/he will no longer have enough time to prepare another piece of land, assistance will be provided in form of labour intensive village hire, or mechanized clearing so that replacement land will be ready by the sowing dates. The farmer will still continue to receive his/her cash compensation so that s/he can pay for sowing, weeding and harvesting.

7.3.6 Compensation for Buildings and Structures

Compensation for buildings and structures will be paid by replacing huts, houses, farm outbuildings, latrines and fences. Any homes lost will be rebuilt on the acquired replacement land. However cash compensation will be available as a preferred option for structures such as extra buildings lost, that are not the main house or house in which someone is living. The applicable replacement costs for construction materials will be used to calculate the values. Alternatively, compensation will be paid in-kind for the replacement cost without depreciation of the structure. The project will survey and update construction material prices on an ongoing basis and will consult with the Ministry of Public Works and Housing in updating these prices.

Compensation will be made for structures that are abandoned because of relocation, or resettlement of an individual or household, or structures that are damaged directly by construction activities.

Replacement values will be based on:

- Drawings of individual's house and all its related structures and support services,
- Average replacement costs of different types of household buildings and structures based on information on the quantity and type of materials used for construction (e.g. bricks, rafters, bundles of straw, doors etc.),
- Prices of these items collected in different local markets and as provided by the Ministry of Public Works and Housing,
- Costs for transportation and delivery of these items to acquired/replacement land or building site,
- Estimates of construction of new buildings including labour required.

An example to demonstrate the calculation of compensation for buildings is given in Appendix 7.4

7.3.7 Compensation for Sacred Sites

Compensation for sacred sites (e.g., proprietary rites and reconstruction) is determined through negotiation with the appropriate parties.

Sacred sites include but are not restricted to: altars, initiation centres, ritual sites, tombs and cemeteries. Sacred sites include such sites or places/features that are accepted by local laws including customary practice, tradition and culture as sacred.

To avoid any possible conflicts between individuals and/or communities, homesteads and village government, the use of sacred sites for any project activities is not permitted under the RBMMP.

7.3.8 Compensation for vegetable gardens and beehives

Vegetables are planted for daily use. Until a replacement garden can be harvested, the family displaced (economically or physically) as a result of the project will have to purchase these items from the market. The replacement costs therefore, will be that calculated to be the average amount an average town dweller spends on buying these items for one year, from the local market.

Some individuals that specialize in honey gathering place beehives in various locations. If such beehives are disturbed by the project activities, or access to them is denied, beekeepers may have to move them. The bees will eventually adapt to the new locations. Beekeepers will be compensated for the value of one season's income from honey, for each beehive that is moved and for any reasonable costs associated with moving the hive.

7.3.9 Compensation for Horticultural, Floricultural and Fruit trees

Trees are primarily important as a source of:

- Subsistence food for families
- Cash that contributes to the local and export economy
- Petty market income in some areas and,
- Shade (in the case of cashew, mango and some coconut trees)
- Traditional medicinal value

Where plants and trees exist on the affected land, the example given in Appendix 7.5, on fruit trees will serve as a guide on how to value fruit trees and other trees of nutritional, medicinal and other significant economic value.

Given their significance to the local subsistence economy, fruit trees will be compensated on a combined replacement value. Fruit trees such as coconut and cashew trees are commonly used for commercial purposes in Mozambique. Fruit crop compensation will be the value of lost production until the replacement seedling comes into production. These values are determined by the verified the Ministry of Agriculture rate schedule. Preference will be give to the replacement of affected trees with new seedlings unless otherwise decided by the PAPs. The compensation will be adjusted for inflation.

The cost of new fruit trees seedlings, the labour for planting and tending the new trees to maturity and compensation rates for loss of income will be based on information obtained from the Ministry of Agriculture and from the socio-economic surveys. Based on this information, a compensation schedule for cashew, coconut, guava, mango and other trees can be developed, incorporating the following criteria:

- replace loss of income for subsistence fruit (e.g. coconut, cashew, guava or mango) based on production yields as quickly as possible. Cash payments to farmers will be aimed at replacing income derived from the sale of excess guava or mango production until replacement trees produce the equivalent (or more) in projected cash income.
- provide subsistence farmers with new tree seedlings to replace the affected trees to sustain future source of income and food from the fruits.
- Provide farmers with the opportunity to derive alternative income from trees bearing more valuable fruits at off-season periods.

The compensation schedule in Appendix 7.5 is based on providing a combination of new grafted and local trees to farmers, as well as cash payments to offset lost yearly income to the time of maturity of the new trees.

7.3.10 Other Domestic Fruit and Shade Trees

These trees have recognized local market values, depending upon the species and age. Compensation for wild trees "owned" by individuals, who are located in lands as defined in this policy, will be paid. Wild, productive trees belong to the community when they appear in the bush as opposed to a fallow land. These trees will be compensated for under the umbrella of the village or community compensation.

7.3.11 Entitlement Matrix

A summary of all the assets that the Project Affected Person is entitled to shall be prepared for easy reference. Appendix 5.1 presents a specimen matrix of a summary for entitlement.

8.0 ORGANIZATIONAL ELEMENTS AND PROCEDURES FOR DELIVERY OF ENTITLEMENTS, INCLUDING THE RESPONSIBILITIES OF EACH ACTOR

8.1 INTRODUCTION

ANE has been carrying out the resettlement and rehabilitation related activities in cooperation with other government agencies, such as, the municipality, Ministry of Agriculture, etc. and the role of the UASMA (Unit for Environment and Social Issues) has been limited to monitoring the project implementation. Resettlement is an emerging issue in Mozambique and while the present organisational structure may continue for some time, it may be necessary to contract local consulting firms specialising on these issues. The capacity of these firms needs also to be enhanced.

8.2 PROCESS BY WHICH INDIVIDUAL RAPs FOR SUB-PROJECTS WILL BE SUBMITTED TO PROJECT AUTHORITIES, CONSIDERED AND APPROVED

Individual RAPs for sub-projects will be submitted to ANE who will check and approve the entitlements. ANE will ensure that all the entitlements have been fairly assessed and that the entitlement values have been agreed upon and accepted by the affected persons; and signed for by the individuals to be compensated. ANE will also ensure that the RAPs and the entitlements have been endorsed by the Local Administration or the Local leaders before approval and payment.

8.3 DELIVERY OF ENTITLEMENTS FOR COMPENSATION

Entitlements for compensation shall be based on the eligibility criteria and the various categories of losses identified in the desk studies and field consultations. The matrix in Appendix 5.1 will be used in the settlement of claims for compensation for lost assets of PAPs based on the aforementioned principles and legal framework where land is involuntarily taken. Unless otherwise indicated, payment of compensation and other entitlements and the extension of assistance will be given to PAP households and not individuals.

In dealing with compensation, preference shall be given to land based resettlement strategies for Project Affected Persons whose livelihoods are land-based. Where sufficient land is not available at a reasonable price, non-land based options built on opportunities for employment or self re-employment shall be provided in addition to cash compensation for land and other assets lost. However the lack of land shall be documented and justified.

In addition to these entitlements, households who are found in difficult situations and are at greater risk of impoverishment (i.e. widowed household heads, households without employment, single parent households etc) as identified by the census will be provided with appropriate assistance by ANE through the project. The District Administration shall furnish ANE with the necessary information. Assistance may be in form of food, temporally accommodation, medicine subsidy, employment referrals or priority employment in project

activities. The assistance is meant to help them cope with the displacement caused by the project.

8.3.1 Notification of Entitlement Holders

ANE shall, by public notice, to be published in the Daily Newspapers, and through local leaders, notify the public of its intention to deliver compensation to the eligible PAPs.

A copy of such notice shall be served to each owner, occupier and person or agent having an interest in the land thereof. The names and addresses of the owners, occupiers and agents shall be readily ascertainable.

8.3.2 Consultation and Public Participation

Consultation and public participation with the PAPs will initiate the compensation process. This consultation and public participation will be part of an ongoing process that will have started at the planning stage; and will have continued through the technical design inception and development, land selection and screening stages. This trend will ensure that all affected individuals and households are well informed and adequately involved in the entire process.

8.3.3 Agreement on Compensation and Preparation of Contracts

All types of compensation are to be clearly explained to the individual and households involved. ANE will draw up a contract, listing all property and land being surrendered; and the types of compensation (cash and/or in-kind) selected and agreed upon. Those selecting in-kind compensation will sign an agreement form, which will be witnessed by the Local Development Committees' Representative. The compensation contract and the grievance redress mechanisms shall be read aloud in the presence of the affected party and the representative of the Provincial Lands Board, District Administration and the Traditional Leaders, prior to signing.

8.3.4 Community Compensation Payments

Community compensation will be paid in-kind only for a community as a whole. This will be in the form of reconstruction of the facility to at least the same or better standard and as required by local planning regulation. Examples of community compensation include compensation for:

- a. School Building (public or religious)
- b. Public Toilets
- c. Well or Pump
- d. Market Place
- e. Road
- f. Storage warehouse.

Community compensation may in itself require land-take and people may be affected thereby requiring compensation.

All handing over of property such as land and buildings and compensation payments will be made in the presence of the affected party, the traditional leaders and their officials; and representatives of the local government administration.

Payment of compensation will involve several steps in accordance with the Compensation Plans and will be delivered as follows:

- (a) By agreement between ANE and the landowner(s):
 - ANE shall offer such sums deemed appropriate as compensation, and in accordance with the RAPs, for lost assets, to that person; and the person may accept that amount as compensation payable to him or her.
 - Such sums will be disbursed to the District Administrator (DA) for the district in question for payment to the PAPs. The DA shall maintain a record of PAPs, their claims and entitlements. After payment of such sums, the DA shall document the name(s) of the affected persons, the amount of compensation and the records of how the compensation was arrived at. A copy of such records shall be made available to ANE and the local chiefs.
- (b) By the court if there is no agreement: -
 - If the compensation payable is not agreed upon between ANE and the land/asset owner, such compensation shall be determined by the Courts of Law.

A claim shall not be entertained after five years from the date of the proclamation; and or 12 months after the execution of the purpose out of which the claim has arisen in respect of any damage done to the land acquired.

Payment of compensation shall strictly be based on the results of the census and shall be recorded in the register at the District Administration Office. The Village Administrator shall keep a copy for record purposes and future reference.

8.4 ROLES AND RESPONSIBILITIES

The roles and responsibilities of the designated personnel for the implementation of the RAP are outlined in the following Table.

Level	Implementation Staff	Roles and Responsibilities
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Level	Implementation Staff	Roles and Responsibilities
ANE Hq	Project Coordinator	<ul style="list-style-type: none"> • Oversees the preparation by the consultants of census, socio-economic survey, RAP, land acquisition plan, environmental management plan. • Oversees the progress of land acquisition through the district administration. • Participates in the district level meetings to facilitate land acquisition. • Coordinates with other Government line Departments for ensuring effective delivery of mitigation and rehabilitation support. • Makes budgetary provisions for R & R activities. • Coordinates the implementation of R & R activities with in-house and field staff. •
UASMA	Social Specialist / Environmental Specialist / HIV/AIDS Specialist	<ul style="list-style-type: none"> • Translate or have translated the R&R Policy Framework in local language(s). • Printing of the Policy and Identity Cards for the PAPs. • Consolidate the plans prepared by the Coordinator on physical and financial needs on a monthly basis. • Prepare monthly progress reports. • Monitor the progress of R & R. and land acquisition and public consultations at the road level. • Monitor compliance by the contractors of HIV/AIDS clauses in the construction contracts. • Monitor applicable environmental clauses in the construction contracts. • Prepare terms of reference and facilitate the appointment of external agencies for monitoring and evaluation (M&E). • Develop terms of reference for any studies identified to enhance the implementation of R & R and facilitate the appointment of consultants and coordinate the studies. • Keep formal accounts for all project funding and prepare for and cooperate with Government audits.
District	District Administrator	<ul style="list-style-type: none"> • Effects land acquisition and provides replacement lands. • Monitors the progress of land acquisition. • Ensures that the borrow areas taken by the contractor is returned to the community within the stipulated time as per the agreement and has not been made unproductive.

Level	Implementation Staff	Roles and Responsibilities
Project Road Level	Delegates in the provinces/Consultant	<ul style="list-style-type: none"> • Coordinates with the District Administrator to implement the resettlement and rehabilitation (R & R) activities. • Verifies project affected households listed in the RAP. • Implements information dissemination campaigns and distributes the translated Resettlement Policy Framework to the project affected households. • Ensures inclusion of those PAPs who may not have been covered during the census survey. • Issues identity cards to the project affected households (PAH). • Carries out public consultations with the PAHs on a continuing basis during the implementation of the project. • Establishes linkages with inter-agency, e.g., financial institutions, Govt. departments, etc. for income restoration and R&R services. • Enables the PAHs to identify the alternate sites for agriculture, residential and commercial plots. • Participates in the consultations on allotment of shops and residential plots. • Ensures that the PAPs have received their entitlements. • Ensures the preparation of rehabilitation sites. • Participates in the meetings organized by the Coordinator. • Assists the Supervision Consultant in ensuring that the contractors are following the various provisions of the applicable environmental laws and regulations concerning the worker's safety, health and hygiene, HIV/AIDS, women's issues and the child labour issues. • Submits monthly progress reports.

9.0 GENERIC ASPECTS OF THE IMPLEMENTATION SCHEDULE, INCLUDING HOW RESETTLEMENT WILL BE LINKED TO THE CIVIL WORKS

9.1 RESETTLEMENT ACTION PLANS

ANE shall make sure that following the census, a comprehensive Resettlement Action Plan is prepared for each project activity that triggers resettlement.

In this undertaking, ANE may employ a private consultant to provide valuation services required for the RAPs. This assignment shall be financed by ANE.

In case of involuntary resettlement, approval of the new pieces of land to be used for resettlement shall be sought from the Government in consultation with local communities.

The process of preparing the resettlement action plans, in line with the requirements will involve the following:

- establishment of the cut of date and carrying out of a census to identify PAPs;
- census will generate information about the PAPs, their entitlements regarding compensation, resettlement and rehabilitation assistance as required;
- disturbances, especially those affecting income-earning activities, shall be properly recorded for the sake of compensation or asset replacement.
- based on the census and inventory of losses, and in consultation with the PAPs, a time phased action plan with a budget for provision of compensation, resettlement, and other assistance as required, shall be prepared.

A generic implementation schedule is included in Table 9.1

To ensure transparency of procedures, PAPs shall be informed of the method of valuation used to assess their assets. All payments of compensation, resettlement assistance and rehabilitation assistance, as the case may be, shall be made in the presence of the PAPs in question and the local leaders.

9.2 TIME FRAMES

The following key timeframes shall apply unless otherwise agreed between ANE and the PAPs; provided however, that no agreement to waive the timeframes shall adversely affect the rights or interests of PAPs, under this Framework:

- the inventory shall be completed at most four months prior to the commencement of work;
- the Resettlement Plan shall be submitted to ANE for approval immediately after completion of inventory;
- civil works shall commence after compensation, resettlement and rehabilitation activities have been effected.

Comprehensive time frames shall be drawn up and agreed upon by all parties including the PAPs.

Compensation payments for acquired land and affected assets and resettlement of households as described above, must be completed as a condition for the taking away of land and before commencement of the civil works under the project.

Adequate time and attention shall be allowed for consultation of both the displaced and host communities before bringing in the new comers. The actual length of time will depend on the extent of the resettlement and compensation and will have to be agreed upon by all parties.

9.3 LINKING RESETTLEMENT IMPLEMENTATION TO CIVIL WORKS

PAPs will need to be compensated, in accordance with this Resettlement Policy Framework, before work on that road segment can begin

For activities involving land acquisition or loss, denial or restriction to access of resources, it is required that provisions be made, for compensation and for other assistance required for relocation, prior to displacement. The assistance includes provision and preparation of resettlement sites with adequate facilities.

In particular, land and related assets may be taken away only after compensation has been paid and resettlement sites and moving allowances have been provided to PAPs. For project activities requiring relocation or resulting in loss of shelter, the resettlement policy further requires that measures to assist the project affected persons are implemented in accordance with the individual RAPs.

In the Implementation Schedule of each RAP (Section 17 of appendix 4.2) precise details on resettlement and compensation must be provided. The schedule for the implementation of activities, as agreed between ANE and PAPs must include:

- target dates for start and completion of civil works,
- timetables for transfers of completed civil works to PAPs,
- dates of possession of land that PAPs are using (this date must be after transfer date for completed civil works to PAPs and for payments of all compensation) and;
- the link between RAP activities to the implementation of the overall sub project.

When approving recommendations for resettlement during screening, PAPs must confirm that the resettlement plans contain acceptable measures that link resettlement activity to civil works, in compliance with this policy. Proper timing and coordination of the civil works shall ensure that no affected persons will be displaced (economically or physically) due to civil works activity, before compensation is paid and before any project activity on that segment of road can begin.

10.0 GRIEVANCE REDRESS MECHANISMS

10.1 OBJECTIONS

At the time that the individual resettlement plans are approved and individual compensation contracts are signed, affected individuals and households will have been informed of the process for expressing dissatisfaction and to seek redress. The grievance procedure will be simple and will be administered as far as possible, at local levels to facilitate access by PAPs.

All grievances concerning non-fulfilment of contracts, levels of compensation, or seizure of assets without compensation shall be addressed to the Local Leader.

All attempts shall be made to settle grievances amicably. Those seeking redress and wishing to state grievances will do so by notifying their Local Leader. The Local Leader will inform and consult with the District Administration to determine validity of claims. If valid, the Local Leader will notify the complainant and s/he will be assisted. If the complainant's claim is rejected, the matter shall be brought before the LGA's for settlement. The decision, of the LGAs will be final and all such decisions must be reached within a full growing season after the complaint is lodged.

It has to be noted that in the local communities, people take time to decide to complain when aggrieved. Therefore, the grievance procedures will ensure that the PAPs are adequately informed of the procedure, before their assets are taken.

The grievance redress mechanisms is designed with the objective of solving disputes at the earliest possible time, which will be in the interest of all parties concerned and therefore, it implicitly discourages referring such matters to the Tribunal for resolution.

Compensation and resettlement plans (contracts) will be binding under statute, and will recognize that customary law is the law that governs land administration and tenure in the rural/village areas. This is the law that most Mozambicans living in these areas, are used to and understand.

All objections to land acquisition shall be made in writing, in the language that the PAPs understands and are familiar with, to the Local Leader. Copies of the complaint shall be sent to ANE and the relevant Minister for administration of land matters, within 20 days after the public notice. Channelling complaints through the Local Leader is aimed at addressing the problem of distance and cost the PAP may have to face.

The Local Leaders shall maintain records where grievances and complaints, including minutes of discussions, recommendations and resolutions made, will be recorded.

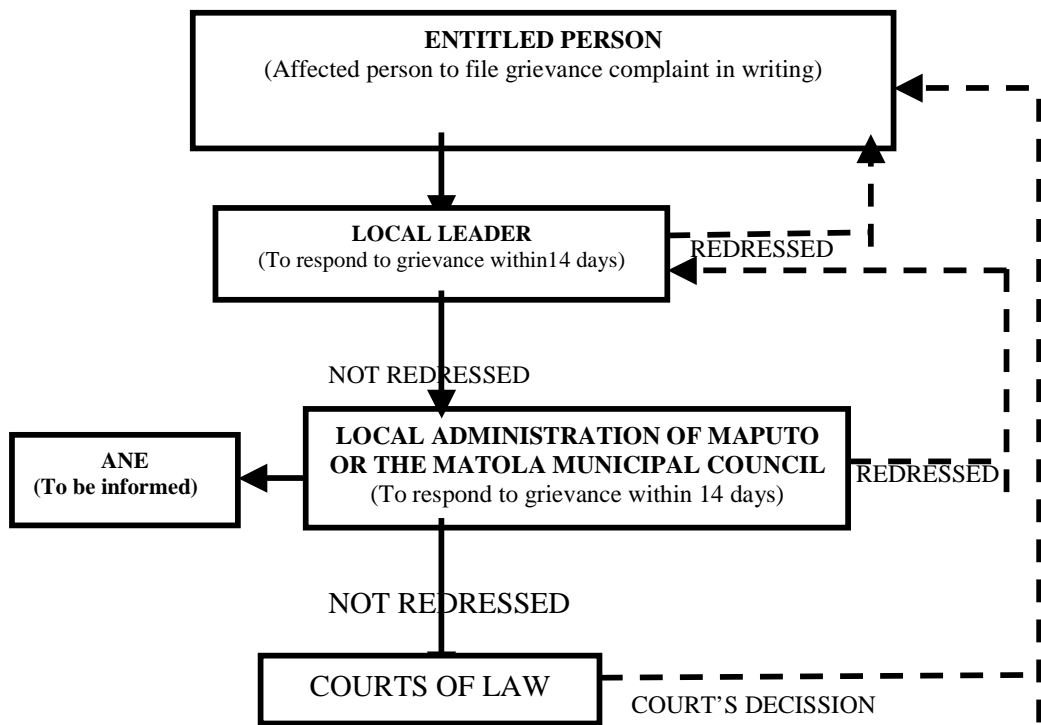
The procedure for handling grievances should be as follows:

- a) The affected person should file his grievance in writing, to the Local Leader. The grievance note should be signed and dated by the aggrieved person. Where the affected person is unable to write, he should obtain assistance to write the note and emboss the letter with his thumbprint.
- b) The Local Leader should respond within 14 days during which any meetings and discussions to be held with the aggrieved person should be conducted. If

the grievance relates to valuation of assets, experts may need to be requested to revalue the assets, and this may necessitate a longer period of time. In this case, the aggrieved person must be notified by the Local Leader that his/her complaint is being considered.

- c) If the aggrieved person does not receive a response or is not satisfied with the outcome within the agreed time he lodge his grievance to the Local Administration of Maputo or the Municipal Council of Matola.
- d) The Local Administration of Maputo or the Matola Municipal Council will then attempt to resolve the problem (through dialogue and negotiation) within 14 days of the complaint being lodged. If no agreement is reached at this stage, then the complaint is taken to the Courts of Law.

The following organogram below illustrates the sequential steps for the grievance redress mechanism:



10.2 CONSENSUS, NEGOTIATIONS AND CONFLICT RESOLUTION

Consensus and negotiations are central to addressing grievances. In general, people are aware of their rights, their commitments to the country as citizens and their allegiance to village and family issues. For this reason, many Government funded community projects have been implemented without obstacles from project affected persons.

However some projects have been known to stall due to delays in disbursement of compensation. Prior negotiations, between Government representatives and project beneficiaries, are therefore crucial to the success or failure of the project. As a guiding principle emphasis shall be placed on simplicity and proximity of the conflict resolution mechanisms to the affected persons and the following shall be noted:

- (a) Negotiation and agreement by consensus will provide the best avenue to resolving any grievances expressed by the individual landowners or households affected by community projects. These grievances shall be channelled through the Local Chiefs.
- (b) ANE shall ensure that the main parties involved achieve any consensus freely. ANE or the relevant government representative shall clearly advise the general public, as to who is responsible for the activity and the procedure for handling grievances or compensation claims.
- (c) Grievances shall be addressed during the verification and appraisal process. If a suitable solution is not found, ANE shall defer consent of the project and the concerned project activities shall not be allowed to proceed.
- (d) Grievances for which solutions have not been found shall be referred back to the community for discussion where the Local Leader and District Administration will redress the matter of concern to assist the claimants. The mediation process will be implemented according to traditional methods of mediation/conflict resolution. The resolution will then be documented on the relevant consent forms and verified.
- (f) If an agreement cannot be reached at community level the aggrieved party or parties shall raise their concerns to ANE who shall refer them to the respective District Administration, within 20 days of the verification meeting. Grievances that cannot be resolved at the Local and District level shall be officially the Local Government with copies to ANE, and the District Administration. Should grievances remain unresolved at this level, they can be referred to a court of law. The steps provided below are presented to assist in following the grievance redress procedure.

- Step 1. Approval of RAP by ANE after adequate consultation with PAPs
- Step 2. PAPs informed of the Grievance Procedure by ANE
- Step 3. Where there are grievances, PAPs present these to the local leader
- Step 4. The Local Leader informs and consults with the District Administration
- Step 5. The District Administration, in consultation with the Local Leader, resolves the grievances.
- Step 6. Grievance that cannot be resolved at step 5 above shall be presented to the Local Government Authority to resolve
- Step 7. Grievance that cannot be resolved at step 6 above shall be presented to the Court of Law.

11.0 METHODS FOR CONSULTATION WITH AND PARTICIPATION OF AFFECTED PEOPLE.

11.1 NOTIFICATION PROCEDURE

ANE shall by public notice, published in the Press (Daily newspapers, National Television, National Broadcasting Radios), notify the public of its intention to acquire land earmarked for the project.

The notice shall state:

- a) government's proposal to acquire the land
- b) the public purpose for which the land is needed
- c) that the proposal or plan may be inspected at ANE offices or the offices of the District Administrator in the respective districts, during working hours
- d) that any person affected may, by written notice, object to the transaction giving reasons for doing so, to ANE with copies to District Administration and the Local Village Chief's Headquarters within 14 days of the first public announcement or appearance of the notice.

11.2 PUBLIC CONSULTATION MECHANISMS

Public consultation and participation are essential because they provide an opportunity for informing the stakeholders about the proposed project. Public consultation and participation create a sense of ownership for the project, providing an opportunity for people to present their views and values and allowing consideration and discussion of sensitive social mitigation measures and trade-offs.

Public consultation and participation will afford the PAPs an opportunity to contribute to both the design and implementation of the program activities. In so doing, the likelihood for conflicts between and among the affected and with the management committees will be reduced.

In recognition of this, particular attention shall be paid to public consultation with PAPs, households and homesteads (including host communities) when resettlement and compensation concerns are involved.

As a matter of strategy, public consultation shall be an on-going activity taking place throughout the entire project cycle. Hence, public consultation shall take place during the:

- project inception and planning
- screening process
- feasibility study,
- preparation of project designs
- resettlement and compensation planning
- drafting and reading/signing of the compensation contracts.
- payment of compensations
- resettlement activities and
- implementation of after-project community support activities

Public consultation and participation shall take place through meetings, radio and television programmes, request for written proposals/comments, completion of questionnaires/application forms, public readings and explanations of the project ideas and requirements.

Public documents shall be made available in appropriate languages at the national, local and homestead levels and at suitable locations including the official residences/offices of village governments and village elders. Public consultation measures shall take into account the low literacy levels prevalent in the rural communities, by allowing enough time for discussions, consultations, questions, and feedback.

For this RPF, public consultation included several meetings with the stakeholders and PAPs, including borrower officials at all levels. The Draft RPF is to be widely circulated to interested and affected parties for comments. A list of some of those consulted is included in Appendix 11.1

12.0 MONITORING AND EVALUATION ARRANGEMENTS

In order to assess whether the goals of the resettlement and compensation plan are being met, a monitoring plan will be required. This monitoring plan will indicate parameters to be monitored, institute monitoring milestones and provide resources including responsible persons or institutions to carry out the monitoring activities.

The arrangements for monitoring the resettlement and compensation activities will fit the overall monitoring programme of the entire RBMMP, which will fall under the overall responsibility of ANE. ANE will institute an administrative reporting system that:

- (a) alerts project authorities on the necessity and procedures for land acquisition for the project activities and the need to incorporate land acquisition, resettlement, loss of assets and impact on livelihood provisions in the design technical specifications and budgets;
- (b) provides timely information about the asset valuation and negotiation process,
- (c) maintains records of any grievances that require resolution, and
- (d) documents timely completion of project resettlement obligations (i.e. payment of the agreed-upon sums, construction of new structures, etc.) for all permanent and temporary loses, as well as unanticipated, additional construction damage.
- (e) updates the database with respect to changes that occur on the ground as resettlement and compensation activities are being implemented

Periodic evaluations will be made in order to determine whether the PAPs have been paid in full and before implementation of the sub project activities; and whether the PAPs enjoy the same or higher standard of living than before.

A number of objectively verifiable indicators (OVI's) shall be used to monitor the impacts of the compensation and resettlement activities. These indicators will be targeted at quantitatively measuring the physical and socio-economic status of the PAPs, to determine and guide improvement in their social wellbeing. Therefore, monitoring indicators to be used for the RAP will have to be developed to respond to specific site conditions. As a general guide, Appendix 12.1 provides a sample of land acquisition and resettlement process monitoring plan with indicators.

This framework is suggesting that where appropriate and where it is determined to be cost effective, the office of the District Administration shall be structured to host the M&E component of the project/program. This will take the form of giving the districts the mandate to carry out independent monitoring of the implementation of the resettlement and compensation plans at periodic intervals of quarterly or half yearly (as circumstances dictate) during the program life.

The District Administration shall be assisted with transport and the necessary expenses to facilitate the monitoring visits to PAPs. ANE shall provide the assistance through the Provincial ANE Delegates who may accompany the District Administration Officials on their monitoring trips to PAPs. Monitoring reports from the District Administration will then be sent to ANE. The reports will become part of the official documents for the RBMMP.

Independent monitoring can be arranged from time to time to validate the programme implementation. Independent monitoring of the compensation and resettlement activities can be done by NGO's, consulting firms, and the Ministry of Lands and the Ministry responsible for environmental affairs. Carrying out such independent monitoring will enhance the openness and transparency of the compensation and resettlement programme.

13.0 ESTIMATED BUDGET

Activities for individual RAPs for sub-projects will be funded like any other project activity eligible under the RBMMP. Funding will be processed and effected through the programme's financial processing arrangements.

Funds for implementing inventory assessments and resettlement action plans will be provided by ANE. In general, the cost burden of compensation will be borne by the executing agency, ANE.

The RAP for a sub-project would include an itemised, indicative budget and ANE will finance this budget through the administrative and financial management rules and manuals like any other activity eligible for payment under the RBMMP. This budget will be subject to the approval by the ANE.

ANE will have to finance the resettlement compensation because they will be impacting on the people's livelihoods. Disbursements based on budgetary requirements, established by the RAPs in consultation with PAPs and local leaders, will be made through the relevant District Administration.

Presented in Table 13.1 below is an estimate of the costs for compensation, resettlement and rehabilitation for the activities under the Roads 3 APL II, Jardim-Benfica Section (Section 1) and Xai Xai-Chissibuca (Section 3) and Massinga-Nhachengue (Section 4) Sections. While Jardim-Benfica is an urban area within Maputo city, the other two sections are in rural areas and only privately owned trees are affected there. The basic assumptions are as follows:

- The compensation, resettlement and rehabilitation component includes activities for:
 - compensation for structures that include buildings, pavements, walls and other physical structures such as hedges. The estimates are based on an average cost of construction as detailed in Appendix 7.4.
 - compensation to PAPs for loss of income during the transition period. This is estimated at one and a half month's average income of US\$ 311 per household.
 - compensation for loss of income to renters of affected buildings (calculated at an average rate of up to one and a half months' income lost by PAPs renting the buildings, calculated at \$1528/-). This will cover the period during which the renters will be denied income (after loss of access to the rented buildings) during the transition period. The assumption is that PAPs will lose an average of one and a half months' of access to the rented buildings. This compensation amount includes compensation for their workers as well;
 - compensation for loss of trees, predominantly fruit trees (including the loss of income derived from the fruits) during the transitional period to allow for full production maturity of the replacement trees. Based on estimates for the trees in APL II, the average compensation amount for fruit trees is US\$117.75. Compensation for loss of fruit trees is determined using rates from the Ministry of Agriculture.

- resettlement is estimated at an average cost of US\$ 5,593/- per replacement structure, where resettlement will be the preferred option. In addition to resettlement costs, rehabilitation assistance, estimated at 10% of the resettlement costs are added to cover expenses for transportation, temporary accommodation and any other costs for assistance to be given to PAPs when relocating to new places.

The total cost of the project, as itemised and estimated in Table 13.1, is US\$ 1,310,253.15. This is approximately 2.59% of the total project cost of US\$ 50,592,595 for all the three sections of APL-2.

Table 13.1 Indicative budget for compensation, resettlement and rehabilitation for the Roads 3 APL II, Jardim-Benfica, Xai Xai-Chissibuca, and Massinga-Nhachengue Sections

ITEM	DESCRIPTION	AMOUNT (US\$)
	Cost of compensation for Section 1:	
1	Value of compensation for physical assets (Appendix 4.3)	576,966.04
2	Resettlement for 25 structures at US \$ 5,592.94/- each	139,823.65
3	Rehabilitation assistance (10% of resettlement, item 2 above)	13,982.36
4	Compensation for loss of income during transition period (US\$466 ea.)	142,596.00
5	Compensation for 36 renters @ US\$1528 average monthly income	55,008.00
6	Compensation for loss of 283 trees @ avg. cost of \$117.75 per tree	33,323.00
	Sub-Total	961,699.05
7	Cost of compensation for Section 3 (trees only)	188,308.90
8	Cost of compensation for Section 4 (trees only)	160,245.20
	Grand Total	1,310,253.15

14.0 DISCLOSURE OF INFORMATION

The Resettlement Policy Framework and the Resettlement Plans will be disclosed to the affected public by placing a hard copy of the document in the District Urban Office in Maputo for the urban section, and in the Administrative Posts and with the Local Leaders for the rural sections.

15.0 TEMPLATE FOR THE DESIGN OF SUB-PROJECT RAPS

A RAP will contain a complete inventory of all assets to be acquired for which a full census shall be undertaken to register and document the status of the potentially affected population within the project impact area, their assets, their tenurial status, and their sources of livelihood. All forms of land occupancy (including informal title) will be inventoried. The asset inventory and census will determine the cut-off date for entitlement to relocation assistance or other benefits from the project. In accordance with the provisions of the RPF and the specific RAP, all people moving into the project area after the cut-off date will not be entitled to support.

A RAP will contain a time-bound schedule of implementation. Compensation and assistance are to be based on the overall principle that people shall not suffer net losses as a result of the project. If indigenous peoples are affected by the project, specific measures shall be undertaken to ensure that they are not adversely affected, in accordance with World Bank Operational Policy 4.12 and Mozambican policy.

The Resettlement Action Plan shall give detailed guidance on how to implement the provisions in the policy framework, including institutional arrangements and budgets based on an enumeration of the numbers of project affected people with entitlements under the framework. Participation by involved stakeholders throughout the project, both in planning and implementation, shall be incorporated in the process.

The RAP will follow the usual outline (OP 4.12, Annex A), and the template given in Appendix 3.1, appropriately modified in order to take into account those matters dealt with in the RPF. The scope and level of detail of the RAP will vary with the magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about land acquisition (including land for borrow pits, construction camps and other allied works), the proposed resettlement and its impacts on the displaced persons and other adversely affected groups.

APPENDIX 1.1 Categories of losses and their impacts on project affected persons

Loss Category	Social Impacts
Relocation	Impoverishment, disturbance of production systems, loss of sources of income, loss or weakening of community system and social networks, loss of access to social amenities such as hospitals and schools, water; dispersion of kin groups, loss of cultural identity and traditional authority, loss or reduction of potential for mutual help, emotional stress.
Loss of land but no relocation	Impoverishment, loss of sources of income and means of livelihood, Loss of assets or access to assets, increased time and cost to access resources
Loss of business and market location	Impoverishment, loss of sources of income and means of livelihood, disturbance of production and market systems

APPENDIX 3.1 Main Contents of the Resettlement Action Plan

(Adapted from the World Bank Operational Policies: Involuntary Resettlement Instruments)

1. The scope and level of detail of the resettlement plan vary with the magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about (a) the proposed resettlement and its impacts on the displaced persons and other adversely affected groups, and (b) the legal issues involved in resettlement. The resettlement plan covers the elements below, as relevant. When any element is not relevant to project circumstances, it should be noted in the resettlement plan.

2. *Description of the project.* General description of the project and identification of the project area.

3. *Potential impacts.* Identification of

- (a) the project component or activities that give rise to resettlement;
- (b) the zone of impact of such component or activities;
- (c) the alternatives considered to avoid or minimize resettlement; and
- (d) the mechanisms established to minimize resettlement, to the extent possible, during project implementation.

4. *Socioeconomic studies.* The findings of socioeconomic studies to be conducted in the early stages of project preparation and with the involvement of potentially displaced people, including

- (a) the results of a census survey covering
 - (i) current occupants of the affected area to establish a basis for the design of the resettlement program and to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;
 - (ii) standard characteristics of displaced households, including a description of production systems, labor, and household organization; and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population;
 - (iii) the magnitude of the expected loss—total or partial—of assets, and the extent of displacement, physical or economic;
 - (iv) information on vulnerable groups or persons as provided for in [OP 4.12](#), para. 8, for whom special provisions may have to be made; and
 - (v) provisions to update information on the displaced people's livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement.
- (b) Other studies describing the following
 - (i) land tenure and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, non-title-based usufruct systems (including fishing, grazing, or use of forest areas) governed by local recognized land allocation mechanisms, and any issues raised by different tenure systems in the project area;

(ii) the patterns of social interaction in the affected communities, including social networks and social support systems, and how they will be affected by the project;

(iii) public infrastructure and social services that will be affected; and

(iv) social and cultural characteristics of displaced communities, including a description of formal and informal institutions (e.g., community organizations, ritual groups, nongovernmental organizations (NGOs)) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

5. *Institutional Requirements.*

(a) the identification of agencies responsible for resettlement activities; and NGOs that may have a role in project implementation;

(b) any steps proposed to enhance the institutional capacity of agencies and NGOs responsible for resettlement implementation.

6. *Eligibility.* Criteria for determining the eligibility for compensation and other resettlement assistance, including relevant cut-off dates

7. *Valuation of and compensation and resettlement and for losses.* The methodology to be used in valuing assets and in the determination of their replacement cost. A description of the proposed types and levels of compensation. A description of the packages of compensation and other resettlement measures that will assist each category of eligible displaced persons to achieve the objectives of the policy (see [OP 4.12](#), para. 6)

8. *relocation.* Alternative relocation sites considered, covering

(a) relocation sites, whether rural or urban, which are at least comparable to the advantages of the old sites;
(b) procedures for physical relocation under the project, including timetables for site preparation and transfer; and

(d) legal arrangements for regularizing tenure and transferring titles to resettlers.

9. *Housing, infrastructure, and social services.* Plans to provide (or to finance resettlers' provision of) housing, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health services); plans to ensure comparable services to host populations; any necessary site development, engineering, and architectural designs for these facilities.

10. *Environmental protection and management.* An assessment of the environmental impacts of the proposed resettlement and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).

11. *Community participation.* Involvement of resettlers and host communities, including

(a) a description of the strategy for consultation with and participation of resettlers and hosts in the design and implementation of the resettlement activities;

(b) a summary of the views expressed and how these views were taken into account in preparing the resettlement plan;

(c) a review of the resettlement alternatives presented and the choices made by displaced persons regarding options available to them, including choices related to forms of compensation and resettlement assistance.

(d) institutionalized arrangements by which displaced people can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such vulnerable groups as indigenous people, ethnic minorities, the landless, and women are adequately represented.

12. *Grievance procedures.* Affordable and accessible procedures for third-party settlement of disputes arising from resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.

13. *Organizational responsibilities.* The organizational framework for implementing resettlement, including identification of agencies responsible for delivery of resettlement measures and provision of services; arrangements to ensure appropriate coordination between agencies and jurisdictions involved in implementation; and any measures (including technical assistance) needed to strengthen the implementing agencies' capacity to design and carry out resettlement activities; provisions for the transfer to local authorities or resettlers themselves of responsibility for managing facilities and services provided under the project and for transferring other such responsibilities from the resettlement implementing agencies, when appropriate.

14. *Implementation schedule.* An implementation schedule covering all resettlement activities from preparation through implementation, including target dates for the achievement of expected benefits to resettlers and hosts and terminating the various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

15. *Costs and budget.* Tables showing itemized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.

16. *Monitoring and evaluation.* Arrangements for monitoring of resettlement activities by the implementing agency, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

APPENDIX 3.2 World Bank OP 4.12 and Annex A

THE WORLD BANK OPERATIONAL MANUAL OPERATIONAL POLICIES OP 4.12, December 2001

These policies were prepared for use by World Bank staff and are not necessarily a complete treatment of the subject.

Involuntary Resettlement

Note: OP and BP 4.12 together replace OD 4.30, *Involuntary Resettlement*. This OP and BP apply to all projects for which a Project Concept Review takes place on or after January 1, 2002. Questions may be addressed to the Director, Social Development Department (SDV).

1. Bank experience indicates that involuntary resettlement under development projects, if unmitigated, often gives rise to severe economic, social, and environmental risks: production systems are dismantled; people face impoverishment when their productive assets or income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community institutions and social networks are weakened; kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished or lost. This policy includes safeguards to address and mitigate these impoverishment risks.

Policy Objectives

2. Involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out. For these reasons, the overall objectives of the Bank's policy on involuntary resettlement are the following:

- (a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.
- (b) Where it is not feasible to avoid resettlement, 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. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.
- (c) Displaced persons 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-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

Impacts Covered

3. This policy covers direct economic and social impacts that both result from Bank-assisted investment projects, and are caused by

- (a) the involuntary taking of land resulting in
 - (i) relocation or loss of shelter;
 - (ii) lost of assets or access to assets; or
 - (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or
- (b) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.

4. This policy applies to all components of the project that result in involuntary resettlement, regardless of the source of financing. It also applies to other activities resulting in involuntary resettlement, that in the judgment of the Bank, 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.

5. Requests for guidance on the application and scope of this policy should be addressed to the Resettlement Committee (see BP 4.12, para. 7).

Required Measures

6. To address the impacts covered under para. 3 (a) of this policy, the borrower prepares a resettlement plan or a resettlement policy framework (see paras. 25-30) that covers the following:

- (a) The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
 - (i) informed about their options and rights pertaining to resettlement;
 - (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and
 - (iii) provided prompt and effective compensation at full replacement cost¹¹ for losses of assets¹² attributable directly to the project.
- (b) If the impacts include physical relocation, the resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
 - (i) provided assistance (such as moving allowances) during relocation; and
 - (ii) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site.¹³
- (c) Where necessary to achieve the objectives of the policy, the resettlement plan or resettlement policy framework also include measures to ensure that displaced persons are
 - (i) 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;¹⁴ and
 - (ii) provided with development assistance in addition to compensation measures described in paragraph 6(a)
 - (iii), such as land preparation, credit facilities, training, or job opportunities.

7. In projects involving involuntary restriction of access to legally designated parks and protected areas (see para. 3(b)), the nature of restrictions, as well as the type of measures necessary to mitigate adverse impacts, is determined with the participation of the displaced persons during the design and implementation of the project. In such cases, the borrower prepares a process framework acceptable to the Bank, describing the participatory process by which

- (a) specific components of the project will be prepared and implemented;
- (b) the criteria for eligibility of displaced persons will be determined;
- (c) measures to assist the displaced persons in their efforts to improve their livelihoods, or at least to restore them, in real terms, while maintaining the sustainability of the park or protected area, will be identified; and
- (d) potential conflicts involving displaced persons will be resolved.

The process framework also includes a description of the arrangements for implementing and monitoring the process.

8. To achieve the objectives of this policy, particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples,¹⁵ ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.

9. Bank experience has shown that resettlement of indigenous peoples with traditional land-based modes of production is particularly complex and may have significant adverse impacts on their identity and cultural survival. For this reason, the Bank satisfies itself that the borrower has explored all viable alternative project designs to avoid physical displacement of these groups. When it is not feasible to avoid such displacement, preference is given to land-based resettlement strategies for these groups (see para. 11) that are compatible with their cultural preferences and are prepared in consultation with them (see [Annex A](#), para. 11).

10. The implementation of resettlement activities is linked to the implementation of the investment component of the project to ensure that displacement or restriction of access does not occur before necessary measures for resettlement are in place. For impacts covered in para. 3(a) of this policy, these measures include provision of compensation and of other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, taking of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to the

displaced persons. For impacts covered in para. 3(b) of this policy, the measures to assist the displaced persons are implemented in accordance with the plan of action as part of the project (see para. 30).

11. Preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based. These strategies may include resettlement on public land (see footnote 1 above), or on private land acquired or purchased for resettlement. Whenever replacement land is offered,

resettlers are provided with land for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the land taken. If land is not the preferred option of the displaced persons, the provision of land would adversely affect the sustainability of a park or protected area,¹⁶ or sufficient land is not available at a reasonable price, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.

12. Payment of cash compensation for lost assets may be appropriate where (a) livelihoods are landbased but the land taken for the project is a small fraction¹⁷ of the affected asset and the residual is economically viable; (b) active markets for land, housing, and labor exist, displaced persons use such markets, and there is sufficient supply of land and housing; or (c) livelihoods are not land-based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.

13. For impacts covered under para. 3(a) of this policy, the Bank also requires the following:

(a) Displaced persons and their communities, and any host communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement.

Appropriate and accessible

grievance mechanisms are established for these groups.

(b) In new resettlement sites or host communities, infrastructure and public services are provided as necessary to improve, restore, or maintain accessibility and levels of service for the displaced persons and host communities. Alternative or similar resources are provided to compensate for the loss of access to community resources (such as fishing areas, grazing areas, fuel, or fodder).

(c) Patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons. To the extent possible, the existing social and cultural institutions of resettlers

and any host communities are preserved and resettlers' preferences with respect to relocating in preexisting communities and groups are honored.

Eligibility for Benefits¹⁸

14. Upon identification of the need for involuntary resettlement in a project, the borrower carries out a census to identify the persons who will be affected by the project (see the [Annex A](#), para. 6(a)), to determine who will be eligible for assistance, and to discourage inflow of people ineligible for assistance. The borrower also develops a procedure, satisfactory to the Bank, for establishing the criteria by which displaced persons will be deemed eligible for compensation and other resettlement assistance. The procedure includes provisions for meaningful consultations with affected persons and communities, local authorities, and, as appropriate, nongovernmental organizations (NGOs), and it specifies grievance mechanisms.

15. *Criteria for Eligibility.* Displaced persons may be classified in one of the following three groups:

(a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);

(b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets—provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan (see [Annex A](#), para. 7(f)); and¹⁹

(c) those who have no recognizable legal right or claim to the land they are occupying.

16. Persons covered under para. 15(a) and (b) are provided compensation for the land they lose, and other assistance in accordance with para. 6. Persons covered under para. 15(c) are provided

resettlement assistance²⁰ in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off date established by the borrower and acceptable to the Bank.²¹ Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in para. 15(a), (b), or (c) are provided compensation for loss of assets other than land.

Resettlement Planning, Implementation, and Monitoring

17. To achieve the objectives of this policy, different planning instruments are used, depending on the type of project:

- (a) a resettlement plan or abbreviated resettlement plan is required for all operations that entail involuntary resettlement unless otherwise specified (see para. 25 and [Annex A](#));
- (b) a resettlement policy framework is required for operations referred to in paras. 26-30 that may entail involuntary resettlement, unless otherwise specified (see [Annex A](#)); and
- (c) a process framework is prepared for projects involving restriction of access in accordance with para. 3(b) (see para. 31).

18. The borrower is responsible for preparing, implementing, and monitoring a resettlement plan, a resettlement policy framework, or a process framework (the "resettlement instruments"), as appropriate, that conform to this policy. The resettlement instrument presents a strategy for achieving the objectives of the policy and covers all aspects of the proposed resettlement. Borrower commitment to, and capacity for, undertaking successful resettlement is a key determinant of Bank involvement in a project.

19. Resettlement planning includes early screening, scoping of key issues, the choice of resettlement instrument, and the information required to prepare the resettlement component or subcomponent. The scope and level of detail of the resettlement instruments vary with the magnitude and complexity of resettlement. In preparing the resettlement component, the borrower draws on appropriate social, technical, and legal expertise and on relevant community-based organizations and NGOs.²² The borrower informs potentially displaced persons at an early stage about the resettlement aspects of the project and takes their views into account in project design.

20. The full costs of resettlement activities necessary to achieve the objectives of the project are included in the total costs of the project. The costs of resettlement, like the costs of other project activities, are treated as a charge against the economic benefits of the project; and any net benefits to resettlers (as compared to the "without-project" circumstances) are added to the benefits stream of the project. Resettlement components or free-standing resettlement projects need not be economically viable on their own, but they should be cost-effective.

21. The borrower ensures that the Project Implementation Plan is fully consistent with the resettlement instrument.

22. As a condition of appraisal of projects involving resettlement, the borrower provides the Bank with the relevant draft resettlement instrument which conforms to this policy, and makes it available at a place accessible to displaced persons and local NGOs, in a form, manner, and language that are understandable to them. Once the Bank accepts this instrument as providing an adequate basis for project appraisal, the Bank makes it available to the public through its InfoShop. After the Bank has approved the final resettlement instrument, the Bank and the borrower disclose it again in the same manner.²³

23. The borrower's obligations to carry out the resettlement instrument and to keep the Bank informed of implementation progress are provided for in the legal agreements for the project.

24. The borrower is responsible for adequate monitoring and evaluation of the activities set forth in the resettlement instrument. The Bank regularly supervises resettlement implementation to determine compliance with the resettlement instrument. Upon completion of the project, the borrower undertakes an assessment to determine whether the objectives of the resettlement instrument have been achieved. The assessment takes into account the baseline conditions and the results of resettlement monitoring. If the assessment reveals that these objectives may not be realized, the borrower should propose follow-up measures that may serve as the basis for continued Bank supervision, as the Bank deems appropriate (see also [BP 4.12](#), para. 16).

Resettlement Instruments

Resettlement Plan

25. A draft resettlement plan that conforms to this policy is a condition of appraisal (see [Annex A](#), paras. 2-21) for projects referred to in para. 17(a) above.²⁴ However, where impacts on the entire displaced population are minor,²⁵ or fewer than 200 people are displaced, an abbreviated resettlement plan may be agreed with the borrower (see [Annex A](#), para. 22). The information disclosure procedures set forth in para. 22 apply.

Resettlement Policy Framework

26. For sector investment operations that may involve involuntary resettlement, the Bank requires that the project implementing agency screen subprojects to be financed by the Bank to ensure their consistency with this OP. For these operations, the borrower submits, prior to appraisal, a resettlement policy framework that conforms to this policy (see [Annex A](#), paras. 23-25). The framework also estimates, to the extent feasible, the total population to be displaced and the overall resettlement costs.

27. For financial intermediary operations that may involve involuntary resettlement, the Bank requires that the financial intermediary (FI) screen subprojects to be financed by the Bank to ensure their consistency with this OP. For these operations, the Bank requires that before appraisal the borrower or the FI submit to the Bank a resettlement policy framework conforming to this policy (see [Annex A](#), paras. 23-25). In addition, the framework includes an assessment of the institutional capacity and procedures of each of the FIs that will be responsible for subproject financing. When, in the assessment of the Bank, no resettlement is envisaged in the subprojects to be financed by the FI, a resettlement policy framework is not required. Instead, the legal agreements specify the obligation of the FIs to obtain from the potential subborrowers a resettlement plan consistent with this policy if a subproject gives rise to resettlement. For all subprojects involving resettlement, the resettlement plan is provided to the Bank for approval before the subproject is accepted for Bank financing.

28. For other Bank-assisted project with multiple subprojects²⁶ that may involve involuntary resettlement, the Bank requires that a draft resettlement plan conforming to this policy be submitted to the Bank before appraisal of the project unless, because of the nature and design of the project or of a specific subproject or subprojects (a) the zone of impact of subprojects cannot be determined, or (b) the zone of impact is known but precise sitting alignments cannot be determined. In such cases, the borrower submits a resettlement policy framework consistent with this policy prior to appraisal (see [Annex A](#), paras. 23-25). For other subprojects that do not fall within the above criteria, a resettlement plan conforming to this policy is required prior to appraisal.

29. For each subproject included in a project described in para. 26, 27, or 28 that may involve resettlement, the Bank requires that a satisfactory resettlement plan or an abbreviated resettlement plan that is consistent with the provisions of the policy framework be submitted to the Bank for approval before the subproject is accepted for Bank financing.

30. For projects described in paras. 26-28 above, the Bank may agree, in writing, that subproject resettlement plans may be approved by the project implementing agency or a responsible government agency or financial intermediary without prior Bank review, if that agency has demonstrated adequate institutional capacity to review resettlement plans and ensure their consistency with this policy. Any such delegation, and appropriate remedies for the entity's approval of resettlement plans found not to be in compliance with Bank policy, are provided for in the legal agreements for the project. In all such cases, implementation of the resettlement plans is subject to ex post review by the Bank.

Process Framework

31. For projects involving restriction of access in accordance with para. 3(b) above, the borrower provides the Bank with a draft process framework that conforms to the relevant provisions of this policy as a condition of appraisal. In addition, during project implementation and before enforcing of the restriction, the borrower prepares a plan of action, acceptable to the Bank, describing the specific measures to be undertaken to assist the displaced persons and the arrangements for their implementation. The plan of action could take the form of a natural resources management plan prepared for the project.

Assistance to the Borrower

32. In furtherance of the objectives of this policy, the Bank may at a borrower's request support the borrower and other concerned entities by providing

- (a) assistance to assess and strengthen resettlement policies, strategies, legal frameworks, and specific plans at a country, regional, or sectoral level;
- (b) financing of technical assistance to strengthen the capacities of agencies responsible for resettlement, or of affected people to participate more effectively in resettlement operations;
- (c) financing of technical assistance for developing resettlement policies, strategies, and specific plans, and for implementation, monitoring, and evaluation of resettlement activities; and
- (d) financing of the investment costs of resettlement.

33. The Bank may finance either a component of the main investment causing displacement and requiring resettlement, or a free-standing resettlement project with appropriate cross-conditionalities, processed and implemented in parallel with the investment that causes the displacement. The Bank may finance resettlement even though it is not financing the main investment that makes resettlement necessary.

34. The Bank does not disburse against cash compensation and other resettlement assistance paid in cash, or against the cost of land (including compensation for land acquisition). However, it may finance the cost of land improvement associated with resettlement activities.

1. "Bank" includes IDA; "loans" includes credits, guarantees, Project Preparation Facility (PPF) advances and grants; and "projects" includes projects under (a) adaptable program lending; (b) learning and innovation loans; (c) PPFs and Institutional Development Funds (IDFs), if they include investment activities; (d) grants under the Global Environment Facility and Montreal Protocol, for which the Bank is the implementing/executing agency; and (e) grants or loans provided by other donors that are administered by the Bank. The term "project" does not include programs under adjustment operations. "Borrower" also includes, wherever the context requires, the guarantor or the project implementing agency.

2. In devising approaches to resettlement in Bank-assisted projects, other Bank policies should be taken into account, as relevant. These policies include [OP 4.01 Environmental Assessment](#), [OP 4.04 Natural Habitats](#), [OP 4.11 Safeguarding Cultural Property in Bank-Assisted Projects](#), and [OD 4.20 Indigenous Peoples](#).

3. The term "displaced persons" refers to persons who are affected in any of the ways described in para. 3 of this OP.

4. Displaced persons under para. 3(b) should be assisted in their efforts to improve or restore their livelihoods in a manner that maintains the sustainability of the parks and protected areas.

5. Where there are adverse indirect social or economic impacts, it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse economic and social impacts, particularly upon poor and vulnerable groups. Other environmental, social, and economic impacts that do not result from land taking may be identified and addressed through environmental assessments and other project reports and instruments.

6. This policy does not apply to restrictions of access to natural resources under community-based projects, i.e. where the community using the resources decides to restrict access to these resources, provided that an assessment satisfactory to the Bank establishes that the community decision-making process is adequate, and that it provides for identification of appropriate measures to mitigate adverse impacts, if any, on the vulnerable members of the community. This policy also does not cover refugees from natural disasters, war, or civil strife (see [OP/BP 8.50, Emergency Recovery Assistance](#)).

7. For purposes of this policy, "involuntary" means actions that may be taken without the displaced person's informed consent or power of choice. 8. "Land" includes anything growing on or permanently affixed to land, such as buildings and crops. This policy does not apply to regulations of natural resources on a national or regional level to promote their sustainability, such as watershed management, groundwater management, fisheries management, etc. The policy also does not apply to disputes between private parties in land titling projects, although it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse social impacts, especially those affecting poor and vulnerable groups.

9. For the purposes of this policy, involuntary restriction of access covers restrictions on the use of resources imposed on people living outside the park or protected area, or on those who continue living inside the park or protected area during and after project implementation. In cases where new parks and protected areas are created as part of the project, persons who lose shelter, land, or other assets are covered under para. 3(a). Persons who lose shelter in existing parks and protected areas are also covered under para. 3(a).

10. The *Resettlement Sourcebook* (forthcoming) provides good practice guidance to staff on the policy.

11. "Replacement cost" is the method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account (for a detailed definition of replacement cost, see [Annex A](#), footnote 1). For losses that cannot easily be valued or compensated for in monetary terms (e.g., access to public services, customers, and suppliers; or to fishing, grazing, or forest areas), attempts are made to establish access to equivalent and culturally acceptable resources and earning opportunities. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures necessary to meet the replacement cost standard. Such additional assistance is distinct from resettlement assistance to be provided under other clauses of para. 6.

12. If the residual of the asset being taken is not economically viable, compensation and other resettlement assistance are provided as if the entire asset had been taken.

13. The alternative assets are provided with adequate tenure arrangements. The cost of alternative residential housing, housing sites, business premises, and agricultural sites to be provided can be set off against all or part of the compensation payable for the corresponding asset lost.
14. Such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements
15. See [OD 4.20](#), *Indigenous Peoples*.
16. See [OP 4.04](#), *Natural Habitats*.
17. As a general principle, this applies if the land taken constitutes less than 20% of the total productive area.
18. Paras. 13-15 do not apply to impacts covered under para. 3(b) of this policy. The eligibility criteria for displaced persons under 3 (b) are covered under the process framework (see paras. 7 and 30).
19. Such claims could be derived from adverse possession, from continued possession of public lands without government action for eviction (that is, with the implicit leave of the government), or from customary and traditional law and usage, and so on.
20. Resettlement assistance may consist of land, other assets, cash, employment, and so on, as appropriate. 21. Normally, this cut-off date is the date the census begins. The cut-off date could also be the date the project area was delineated, prior to the census, provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx.
22. For projects that are highly risky or contentious, or that involve significant and complex resettlement activities, the borrower should normally engage an advisory panel of independent, internationally recognized resettlement specialists to advise on all aspects of the project relevant to the resettlement activities. The size, role, and frequency of meeting depend on the complexity of the resettlement. If independent technical advisory panels are established under [OP 4.01](#), *Environmental Assessment*, the resettlement panel may form part of the environmental panel of experts. See [BP 17.50](#), *Disclosure of Operational Information* (forthcoming) for detailed disclosure procedures.
24. An exception to this requirement may be made in highly unusual circumstances (such as emergency recovery operations) with the approval of Bank Management (see [BP 4.12](#), para. 8). In such cases, the Management's approval stipulates a timetable and budget for developing the resettlement plan.
25. Impacts are considered "minor" if the affected people are not physically displaced and less than 10% of their productive assets are lost. 26. For purpose of this paragraph, the term "subprojects" includes components and subcomponents.

OP 4.12 -- Annex A. December 2001 Involuntary Resettlement Instruments

These policies were prepared for use by World Bank staff and are not necessarily a complete treatment of the subject.

1. This annex describes the elements of a resettlement plan, an abbreviated resettlement plan, a resettlement policy framework, and a resettlement process framework, as discussed in OP 4.12, paras. 17-31.

Resettlement Plan

2. The scope and level of detail of the resettlement plan vary with the magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about (a) the proposed resettlement and its impacts on the displaced persons and other adversely affected groups, and (b) the legal issues involved in resettlement. The resettlement plan covers the elements below, as relevant. When any element is not relevant to project circumstances, it should be noted in the resettlement plan.

3. *Description of the project.* General description of the project and identification of the project area.

4. *Potential impacts.* Identification of

- (a) the project component or activities that give rise to resettlement;
- (b) the zone of impact of such component or activities;
- (c) the alternatives considered to avoid or minimize resettlement; and
- (d) the mechanisms established to minimize resettlement, to the extent possible, during project implementation.

5. *Objectives.* The main objectives of the resettlement program.

6. *Socioeconomic studies.* The findings of socioeconomic studies to be conducted in the early stages of project preparation and with the involvement of potentially displaced people, including

- (a) the results of a census survey covering
 - (i) current occupants of the affected area to establish a basis for the design of the resettlement program and to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;
 - (ii) standard characteristics of displaced households, including a description of production systems, labor, and household organization; and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population;
 - (iii) the magnitude of the expected loss—total or partial—of assets, and the extent of displacement, physical or economic;
 - (iv) information on vulnerable groups or persons as provided for in OP 4.12, para. 8, for whom special provisions may have to be made; and
 - (v) provisions to update information on the displaced people's livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement.
- (b) Other studies describing the following
 - (i) land tenure and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, non-title-based usufruct systems (including fishing, grazing, or use of forest areas) governed by local recognized land allocation mechanisms, and any issues raised by different tenure systems in the project area;
 - (ii) the patterns of social interaction in the affected communities, including social networks and social support systems, and how they will be affected by the project;
 - (iii) public infrastructure and social services that will be affected; and
 - (iv) social and cultural characteristics of displaced communities, including a description of formal and informal institutions (e.g., community organizations, ritual groups, nongovernmental organizations (NGOs)) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

7. *Legal framework.* 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 the remedies available to displaced persons in the judicial process and the normal timeframe for such procedures, and any available alternative dispute resolution mechanisms that may be relevant to resettlement under the project;
- (c) relevant law (including customary and traditional law) governing land tenure, valuation of assets and losses, compensation, and natural resource usage 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 resettlement activities;
- (e) gaps, if any, between local laws covering eminent domain and resettlement and the Bank's resettlement policy, and the mechanisms to bridge such gaps; and
- (f) any legal steps necessary to ensure the effective implementation of resettlement activities under the project, including, as appropriate, a process for recognizing claims to legal rights to land—including claims that derive from customary law and traditional usage (see [OP 4.12](#), para.15 b).

8. *Institutional Framework.* The findings of an analysis of the institutional framework covering

- (a) the identification of agencies responsible for resettlement activities and NGOs that may have a role in project implementation;
- (b) an assessment of the institutional capacity of such agencies and NGOs; and
- (c) any steps that are proposed to enhance the institutional capacity of agencies and NGOs responsible for resettlement implementation.

9. *Eligibility.* Definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

10. *Valuation of and compensation for losses.* The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation under local law and such supplementary measures as are necessary to achieve replacement cost for lost assets.¹

11. *Resettlement measures.* A description of the packages of compensation and other resettlement measures that will assist each category of eligible displaced persons to achieve the objectives of the policy (see [OP 4.12](#), para. 6). In addition to being technically and economically feasible, the resettlement packages should be compatible with the cultural preferences of the displaced persons, and prepared in consultation with them.

12. *Site selection, site preparation, and relocation.* Alternative relocation sites considered and explanation of those selected, covering

- (a) institutional and technical arrangements for identifying and preparing relocation sites, whether rural or urban, for which a combination of productive potential, locational advantages, and other factors is at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;
- (b) any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;
- (c) procedures for physical relocation under the project, including timetables for site preparation and transfer; and
- (d) legal arrangements for regularizing tenure and transferring titles to resettlers.

13. *Housing, infrastructure, and social services.* Plans to provide (or to finance resettlers' provision of) housing, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health services);² plans to ensure comparable services to host populations; any necessary site development, engineering, and architectural designs for these facilities.

14. *Environmental protection and management.* A description of the boundaries of the relocation area; and an assessment of the environmental impacts of the proposed resettlement³ and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).

15. *Community participation.* Involvement of resettlers and host communities,⁴ including

- (a) a description of the strategy for consultation with and participation of resettlers and hosts in the design and implementation of the resettlement activities;
- (b) a summary of the views expressed and how these views were taken into account in preparing the resettlement plan;
- (c) a review of the resettlement alternatives presented and the choices made by displaced persons regarding options available to them, including choices related to forms of compensation and resettlement assistance,

to relocating as individuals families or as parts of preexisting communities or kinship groups, to sustaining existing patterns of group organization, and to retaining access to cultural property (e.g. places of worship, pilgrimage centers, cemeteries);⁵ and (d) institutionalized arrangements by which displaced people can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such vulnerable groups as indigenous people, ethnic minorities, the landless, and women are adequately represented.

16. *Integration with host populations.* Measures to mitigate the impact of resettlement on any host communities, including

- (a) consultations with host communities and local governments;
- (b) arrangements for prompt tendering of any payment due the hosts for land or other assets provided to resettlers;
- (c) arrangements for addressing any conflict that may arise between resettlers and host communities; and
- (d) any measures necessary to augment services (e.g., education, water, health, and production services) in host communities to make them at least comparable to services available to resettlers.

17. *Grievance procedures.* Affordable and accessible procedures for third-party settlement of disputes arising from resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.

18. *Organizational responsibilities.* The organizational framework for implementing resettlement, including identification of agencies responsible for delivery of resettlement measures and provision of services; arrangements to ensure appropriate coordination between agencies and jurisdictions involved in implementation; and any measures (including technical assistance) needed to strengthen the implementing agencies' capacity to design and carry out resettlement activities; provisions for the transfer to local authorities or resettlers themselves of responsibility for managing facilities and services provided under the project and for transferring other such responsibilities from the resettlement implementing agencies, when appropriate.

19. *Implementation schedule.* An implementation schedule covering all resettlement activities from preparation through implementation, including target dates for the achievement of expected benefits to resettlers and hosts and terminating the various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

20. *Costs and budget.* Tables showing itemized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.

21. *Monitoring and evaluation.* Arrangements for monitoring of resettlement activities by the implementing agency, supplemented by independent monitors as considered appropriate by the Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

Abbreviated Resettlement Plan

22. An abbreviated plan covers the following minimum elements:⁶

- (a) a census survey of displaced persons and valuation of assets;
- (b) description of compensation and other resettlement assistance to be provided;
- (c) consultations with displaced people about acceptable alternatives;
- (d) institutional responsibility for implementation and procedures for grievance redress;
- (e) arrangements for monitoring and implementation; and
- (f) a timetable and budget.

Resettlement Policy Framework

23. The purpose of the policy framework is to clarify resettlement principles, organizational arrangements, and design criteria to be applied to subprojects to be prepared during project implementation (see [OP 4.12](#), paras. 26-28). Subproject resettlement plans consistent with the policy framework subsequently are submitted to the Bank for approval after specific planning information becomes available (see [OP 4.12](#), para. 29). 24. The resettlement policy framework covers the following elements, consistent with the provisions described in [OP 4.12](#), paras. 2 and 4:

- (a) a brief description of the project and components for which land acquisition and resettlement are required, and an explanation of why a resettlement plan as described in paras. 2-21 or an abbreviated plan as described in para. 22 cannot be prepared by project appraisal;
- (b) principles and objectives governing resettlement preparation and implementation;
- (c) a description of the process for preparing and approving resettlement plans;
- (d) estimated population displacement and likely categories of displaced persons, to the extent feasible;
- (e) eligibility criteria for defining various categories of displaced persons;
- (f) a legal framework reviewing the fit between borrower laws and regulations and Bank policy requirements and measures proposed to bridge any gaps between them;
- (g) methods of valuing affected assets;
- (h) organizational procedures for delivery of entitlements, including, for projects involving private sector intermediaries, the responsibilities of the financial intermediary, the government, and the private developer;
- (i) a description of the implementation process, linking resettlement implementation to civil works;
- (j) a description of grievance redress mechanisms;
- (k) a description of the arrangements for funding resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements;
- (l) a description of mechanisms for consultations with, and participation of, displaced persons in planning, implementation, and monitoring; and
- (m) arrangements for monitoring by the implementing agency and, if required, by independent monitors.

25. When a resettlement policy framework is the only document that needs to be submitted as a condition of the loan, the resettlement plan to be submitted as a condition of subproject financing need not include the policy principles, entitlements, and eligibility criteria, organizational arrangements, arrangements for monitoring and evaluation, the framework for participation, and mechanisms for grievance redress set forth in the resettlement policy framework. The subproject-specific resettlement plan needs to include baseline census and socioeconomic survey information; specific compensation rates and standards; policy entitlements related to any additional impacts identified through the census or survey; description of resettlement sites and programs for improvement or restoration of livelihoods and standards of living; implementation schedule for resettlement activities; and detailed cost estimate.

Process Framework

26. A process framework is prepared when Bank-supported projects may cause restrictions in access to natural resources in legally designated parks and protected areas. The purpose of the process framework is to establish a process by which members of potentially affected communities participate in design of project components, determination of measures necessary to achieve resettlement policy objectives, and implementation and monitoring of relevant project activities (see [OP 4.12](#), paras. 7 and 31). 27. Specifically, the process framework describes participatory processes by which the following activities will be accomplished

- (a) *Project components will be prepared and implemented.* The document should briefly describe the project and components or activities that may involve new or more stringent restrictions on natural resource use. It should also describe the process by which potentially displaced persons participate in project design.
- (b) *Criteria for eligibility of affected persons will be determined.* The document should establish that potentially affected communities will be involved in identifying any adverse impacts, assessing of the significance of impacts, and establishing of the criteria for eligibility for any mitigating or compensating measures necessary.
- (c) *Measures to assist affected persons in their efforts to improve their livelihoods or restore them, in real terms, to pre-displacement levels, while maintaining the sustainability of the park or protected area will be identified.* The document should describe methods and procedures by which communities will identify and choose potential mitigating or compensating measures to be provided to those adversely affected, and procedures by which adversely affected community members will decide among the options available to them.
- (d) *Potential conflicts or grievances within or between affected communities will be resolved.* The document should describe the process for resolving disputes relating to resource use restrictions that may arise between or among affected communities, and grievances that may arise from members of communities who are dissatisfied with the eligibility criteria, community planning measures, or actual implementation. Additionally, the process framework should describe arrangements relating to the following

(e) *Administrative and legal procedures.* The document should review agreements reached regarding the process approach with relevant administrative jurisdictions and line ministries (including clear delineation for administrative and financial responsibilities under the project).

(f) *Monitoring arrangements.* The document should review arrangements for participatory monitoring of project activities as they relate to (beneficial and adverse) impacts on persons within the project impact area, and for monitoring the effectiveness of measures taken to improve (or at minimum restore) incomes and living standards.

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1. With regard to land and structures, "replacement cost" is defined as follows: For agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures so as to meet the replacement cost standard. Such additional assistance is distinct from resettlement measures to be provided under other clauses in [OP 4.12](#), para. 6.

2. Provision of health care services, particularly for pregnant women, infants, and the elderly, may be important during and after relocation to prevent increases in morbidity and mortality due to malnutrition, the psychological stress of being uprooted, and the increased risk of disease.

3. Negative impacts that should be anticipated and mitigated include, for rural resettlement, deforestation, overgrazing, soil erosion, sanitation, and pollution; for urban resettlement, projects should address such density-related issues as transportation capacity and access to potable water, sanitation systems, and health facilities.

4. Experience has shown that local NGOs often provide valuable assistance and ensure viable community participation.

5. [OPN 11.03](#), *Management of Cultural Property in Bank-Financed Projects*.

6. In case some of the displaced persons lose more than 10% of their productive assets or require physical relocation, the plan also covers a socioeconomic survey and income restoration measures.

APPENDIX 5.1 Entitlement Matrix for Various Categories of PAPs

Category of PAP	Type of Loss	ENTITLEMENTS		
		Compensation for Loss of Structures	Compensation for Loss of land and other Assets	Compensation for Loss of Income/Livelihood
Property Owners (including those covered by customary law)	Loss of Land	Costs at full replacement value	Land replacement at new site, plus land clearing by the project	-Cash compensation for crops/trees at replacement cost in scarce season -Allow sufficient time to harvest crops
	Loss of Structures Residential or Business	Compensation at full replacement value (not depreciated).	(Fences block work, wire, and wood) Wells Stores Waste water facilities Connection to utilities Access roads	For lost income from rented property, pay lump sum cash payment of agreed number of months of rental per tenant.
Residential Tenant: Business Tenant	Loss of rental accommodation		Replacement costs for non- movables.	-Disturbance assistance. -Transportation assistance, if relocating -Rental for up to 2 months
	-Loss of Premises	None	Replacement costs for non- movables if installation was agreed with owner.	None
	-Loss of business	None	None	For loss of business, payment of lost income at an agreed rate (say up to 1.5 months' income)
	-Loss of business income	None	None	payment of lost income at an agreed rate (say up to 1.5 months' income)
	-Loss of salary	None	None	payment of lost salary at an agreed rate (say payment for up to 1.5 months of past year average salary)
Encroachers (using Land)	Loss of shelter, assets and land for cultivation where applicable	Cash compensation for assets/improvements as identified by the census on the	Where possible assistance in securing other access to land for growing crops, subject to approval of Local	-Cash compensation for trees/crops at replacement cost in scarce season. -Allow for sufficient

		affected land.	Authorities/communities	time to harvest crops -allow for sufficient time to relocate -For street vendors on right of ways allow possible access to other sites/locations
Encroachers (living on Site)	Loss of Shelter	-Compensation at full replacement value for structure, -relocation to resettlement site, with payment of site rent.	None	-Payments in lieu of wages while rebuilding -Disturbance assistance -Transport assistance if relocating
Community	Public facilities	-Compensation at full replacement value for structure, -relocation to resettlement site, with payment of site	-Land replacement at new site, plus land clearing by the project -Waste facilities, connection to utilities and provision of access	-For loss of business, payment of lost income -Provision of alternative temporary facilities during construction, where appropriate.
	Sacred sites and graves	None	Land replacement at new site, plus land clearing by the project	None

Note: All payments to be made in Mozambique Meticaís.

**APPENDIX 6.1 Comparison of Mozambican Law and World Bank OP 4.12
Regarding Compensation**

Category of PAPS / Type of Lost Assets	Mozambican Law	World Bank OP4.12
Land Owners	Cash compensation based upon market value under statute. Land for Land under Customary Law	Recommends land-for-land compensation. Other compensation is at replacement cost.
Land Tenants	Entitled to compensation based on the amount of rights they hold upon land under relevant laws. Illegal tenants not entitled to compensation	Are entitled to some form of compensation whatever the legal/illegal recognition of their occupancy.
Land Users	-In some cases land users have some form of secured tenure extended to them under new laws. In other cases land users are not entitled to compensation for land. -Entitled to compensation for crops and any other economic assets. -Land for Land under customary	Entitled to compensation for crops, may be entitled to replacement land and income must be restored to at least pre-project levels.
Owners of Temporary Buildings	Cash compensation based on market value or entitled to new housing on authorized land under government (state or local) housing programs.	Entitled to in-kind compensation or cash compensation at full replacement cost including labour and relocation expenses, prior to displacement.
Owners of Permanent buildings	Cash Compensation based on market value.	Entitled to in-kind compensation or cash compensation at full replacement cost including labour and relocation expenses, prior to displacement.
Businesses	Not covered	As per specifications of this RPF, once approved by the Bank and disclosed at the Bank info shop,
Marketers	Not covered	As per specifications of this RPF, once approved by the Bank and disclosed at the Bank info shop,
Crops	Cash compensation based upon rates calculated as an average net agricultural income.	As per specifications of this RPF, once approved by the Bank and disclosed at the Bank info shop,
Grievance procedure	Not covered	As per specifications of this RPF, once approved by the Bank and disclosed at the Bank info shop,
Consultation and Participation	Covered in the Land Law. It requires the PAPs to be consulted	As per specifications of this RPF, once approved by the Bank and disclosed at the Bank info shop,
Monitoring & evaluation	Not covered	As per specifications of this RPF, once approved by the Bank and disclosed at the Bank info shop,

Land owners: Those who hold legal title to the land through official tenure or customary law. **Land tenants:** Those who are renting land **Land users:** This refers to those that are freely using a piece of land but do not have legal title and are not renting the land from anyone **Permanent building:** refers to constructed in durable materials such cement, bricks and steel. **Temporary buildings** are usually constructed with local materials

APPENDIX 7.1 Tree species, maturity times and values

Name of PAP	Cashew			Mango Tree	
	New/Small	Medium	Large	New/Small	Medium
John	200	400	300	100	200
Mark	300	400	200	200	300

All prices are in dollars at the exchange rate of 25,500 Meticaais to the Dollar

New and small refer to trees that are 0-1 years old
 Medium refers to trees that are 1-5 years old
 Large refers to trees that are above 5 years old

APPENDIX 7.2 Example of Schedule to be used to Determine Monetary Compensation for Land Use

Item Compensated	Basis of Calculating Value	Mozambican Meticaais/ha
Value of Crops	Average of the highest current official and market survey of prices per ha of staple food crops (maize, rice etc.), plus value of cash crops (e.g. sugar cane, corn).	
Labour Invested	Labour costs of preparing the replacement land	
Total	Replacement value of crops plus labour for preparing replacement land	

* Note: Mozambican currency payments will be revised to reflect crop values and labour rates applicable at the time of compensation

Crop values will be determined based on a combination of staple foods and cash crops.

The value of staple crops to be taken as the highest market price (over 3 years) reached during the year, in recognition of these factors:

- Although most farmers grow staple crops mainly for home consumption, they always have the option of selling these crops to take advantage of-the market price.
- Farmers most often purchase cereals when they have run out, during the "hungry season" when prices are high. Compensating at a lower value might put the individual or household at risk.
- Averaging the highest price of staple foods yields a high per ha value that reimburses for the vegetables and other foods that are commonly intercropped with staples, but are almost impossible to measure for compensation.

APPENDIX 7.4 Example of a schedule for Calculation of Compensation for Buildings

N/O	TYPE OF CONSTRUCTION	Cost/ m ²	N/O	TYPE OF CONSTRUCTION	Cost/ m ²
<u>1.</u>	<u>Type of fence</u>		<u>3.</u>	<u>Informal markets</u>	
1.1	Hedge	250,00	3.1	Mobile kiosk with zinc sheet	2000,00
1.2	Fence with zinc sheet	600,00	3.2	Container	2500,00
1.3	Fence with reed	400,00	3.3	Market shops with stakes	300,00
1.4	Barbed wire	250,00	3.4	Market shops with insecure material	400,00
1.5	Wood fence	400,00	3.5	Market shops with non-plastered masonry	2500,00
1.6	Shark wire	400,00	3.6	Market shops with plastered masonry	3000,00
1.7	Brick walls not plastered (thickness 20cm)	1000,00	3.7	Market shops with plastered masonry and painted with installations	3500,00
1.8	Brick walls plastered (thickness 20cm)	1000,00	3.8	Market shop with ceiling and mosaic	4000,00
1.9	Brick walls not plastered (thickness 10 cm)	800,00	3.9	Covered shed and paved	1000,00
1.10	Brick walls plastered (thickness 10 cm)	800,00	<u>4.</u>	<u>Housing</u>	
<u>2.</u>	<u>Floor</u>		4.1	Reed House	2500,00
2.1	Gravel Floor	200,00	4.2	Masonry house (plastered or not) average height 2.5m	3000,00
2.2	Gravel floor with kerb surrounding	200,00	4.3	Masonry house plastered or not (height higher than 2,5m)	3500,00
2.3	Floor with mortar	400,00	4.4	Plastered house, painted with ceiling and mosaic	4000,00
2.4	Floor with concrete and mortar	600,00	<u>5.</u>	<u>Latrine</u>	
2.5	Block paving	800,00	5.1	Latrine	1000,00
2.6	Pavement with concrete and mosaic	1200,00	5.2	Shower	400,00

Note : Buildings and structures will be replaced by an equivalent structure or, on an exceptional basis cash and/or credit will be paid based on replacement costs
: Replacement latrines will be similar to those currently operational and financed by the bank or other donor agencies at health centres, schools.

APPENDIX 7.5
Trees

Example for Calculating Compensation for Fruit

Local Fruit Trees, e.g. Cashew, Coconut, Guava and Mangoes	
Estimated Avg. Fruit Yield (kg) of mature tree	800 to 1,300 kg/year
Estimated Yield used	Ten sacks (1, 000kg)/tree/year
Market Price: <ul style="list-style-type: none"> • Peak of harvest season (March/April) • End of season (late May) 	Meticais/kg Meticais/kg
Price used as basis of this estimate	80% height of season; 20% end of season
Years to Production	Six to seven
Years to Maximum Production	Twenty
Costs of Sapling	Meticais, locally available
Grafted Fruit Trees, e.g. Mangoes	
Estimated Avg. Fruit Yield (kg) of Mature tree	800 to 1,300 kg/year
Estimated Yield used	Almost entire yield due to market value
Market Price, (varies according to variety) <ul style="list-style-type: none"> • Height of harvest season (June/September) 	Meticais/kg
Price used as basis of this estimate	Price per fruit or sac (100kg) as quoted by the Ministry of Agriculture and confirmed with grower
Years to Production	Four to five
Years to Maximum Production	Eight
Costs of Sapling	Meticais, not locally available.

Proposed schedule for fruit (e.g. Coconut, Cashew, Guava or Mango) trees cut down			
Average age of tree	Estimate age (yrs)	In kind replacement for local guava and mangoes	Credits/Financial support
Sapling Trees planted after project cut-off date in area will not be eligible for compensation	0-1	Deliver to farmer: -Choice of two guava or mango tress - (local and/or improved grafted) -Supplies: fencing to protect tree, a bucket for watering and a spade	Meticais

Sapling/young tree	1-6	Deliver to farmer	Equivalent of x number of trees.
First minor production 12-50 fruits occurs about age 4-5		-Choice of two guava or mango trees. -(local and/or improved grafted) - Supplies: fencing to protect tree, a bucket for watering, and a spade	Meticais in credits or other financial support for labour invested in planting, fencing, and watering, made in one payment.
Mature, fruit producing trees	6-30	Deliver to farmer: -Choice of two guava or mango trees (local and/or improved grafted) -Supplies: fencing to protect tree, a bucket for watering, and a spade	Equivalent of X number of trees. Meticais in credits or other financial support for labour invested in planting, fencing, and watering, made in one payment. Equivalent of X number of trees. Meticais in credits or other financial support, representing eight years, (8 years x 10 sacks x X Meticais/sack) for lost income/subsistence until replacement trees begin production. This rate to be agreed by farmers. Meticais in cash or equivalent financial support to be paid in one instalment.
Mature Trees - Low or Non- Fruit Producing	30+	Same as for mature trees above	Same as above

APPENDIX 9.1 An Example of Land Acquisition and Resettlement Implementation Schedule

Item No	STAGE OF WORK	KEY ACTIVITY	Time	Responsible Person/Institution	Monitoring Institution
1.0	Project Planning	Setting up an effective administrative reporting system		ANE	ANE
		RBMMP Project concept/objectives studied and understood by key stakeholders		ANE	ANE
		Resettlement Policy Framework discussed with stakeholders		ANE, Local Administration	ANE, Local Leaders
		Project authorities and stakeholders alerted on the necessity for land acquisition and resettlement.		ANE, Local Administration	ANE
		Formation of National District and Village implementation Committees		ANE, Local Administration	ANE, Local Leaders
		Community involvement, sensitisation and participation initiated		ANE, Local Administration	ANE, Local Leaders
2.0	Land acquisition	Community involvement, sensitisation and participation		ANE, Local Administration	ANE, Local Leaders
		Screening of project sites indicating areas of possible resettlement		LGA's/Village Govt.	ANE
		Prepare maps for the affected areas		ANE Consultant	ANE
		Obtain land authorization		ANE	ANE
		Demarcate authorized area to be affected		Village Govt./Cadastre	Local Admin
		Set cut-off date		ANE and Local Leaders	ANE
3.0	Socio-economic Survey	Community involvement, sensitisation and participation		Consultant, District/Village Govt.	ANE
		Identify affected persons, party or homestead and register their names in detail		Consultant / District admin/Village Govt.	ANE
		Estimate the magnitude of the impacts relative to the need for resettlement and/or compensation		Consultant, District admin/Village Govt.	ANE
		Compile land register		Consultant, District admin/Village Govt.	ANE
		Carry out valuation of assets to be compensated		Consultant, District admin/Village Govt.	ANE
		Create a database for comparative analysis at all levels of Government		ANE	ANE

		Report any grievances that require resolution		District Admin	ANE
4	Resettlement /compensation	Community involvement, sensitisation and participation		District/Village Govt.	COREP
		Create fora for identifying social investment opportunities		Consultant, District Administration	ANE
		Identify social investment opportunities as part of the projects activities		Consultant, District admin/Village Govt.	ANE
		Provide information about the valuation and negotiation process		LGA	ANE
		Prepare RAPs		Consultant / ANE	ANE
		Authorization of project and RAPs by GoM		ANE	ANE
		Up-date database for comparative analysis at all levels of Government		ANE	ANE
		Formulate compensation offers and obtain signed agreements with those affected		Consultant District Admin	ANE
		Provide alternative land (if applicable) inclusive of ancillary support services such as transport, housing, crop starter packs and food support		ANE	Local Administration
		Up-date database for comparative analysis at all levels of Government		ANE	Local Administration
5	After Resettlement Activities	Draw up a programme for after resettlement activities		Consultant, PAPs, Village Government, District Administration	ANE
		Provide Resettlement After-care Assistance		ANE	ANE
		Up-date database for comparative analysis at all levels of Government		ANE	ANE
		Carry out monitoring activities		District Administration, ANE, PAPs	

APPENDIX 12.1: Example of Land Acquisition and Resettlement Process Monitoring Plan

Item No	ISSUES / ACTIVITIES TO BE MONITORED	INDICATORS
1	General success/acceptability of the compensation/resettlement process	Outstanding (unsigned) individual compensations/resettlement contracts as a percentage of total compensation/resettlement contracts
		Ratio of PAPs remaining supportive of the project against those not supportive
		Level of public consultation measured as ratio of those that acknowledge to have been consulted vs. those that were not consulted. This ratio can be determined by random sampling. The ratio should be greater than 1.5
		Actual time of completing resettlement compared to planned time
2	Project acceptance (or not) by the community	Number of complaints as a percentage of total PAPs
		Number of grievances successfully resolved as a percentage of total number of grievances
3	Acceptance (or not), of PAPs by host community	Number of conflicts between PAPs and host community
4	Restoration of Mashambas temporarily disrupted by construction	Area of land restored to cultivation as a percentage of total area of land disrupted
5	Replacement of Mashamba /grazing land permanently displaced by access roads and building construction	Area of new land opened up for cultivation/grazing as a percentage of total original land area cultivated/grazed
6	Quality of life compared with that before compensation/resettlement	Number of larger houses of better quality provided as a percentage of total number of houses in the original settlement
		Number of individuals and families able to re-establish their pre-displacement activities, land and crops or other alternative incomes, as a percentage of total PAPs
		Number of impacted locals employed by the RBMMP civil works' contractors
		Pre-project income of vulnerable affected individuals/groups versus their present income
		Number of people participating in project activities compared to total PAPs
		Number of students in school as a percentage of total persons eligible for school
		Trends in environmental diseases such as malaria, diarrhoea, coughs etc

		Trends in respiratory diseases
		Trend in HIV/AIDS statistics in comparison with pre-settlement statistics
		Mortality rates after resettlement compared with pre-settlement rates
		Number of PAPs with access to potable water compared with total PAPs
7	Productivity	Pre- project production versus present production (crop for crop, land for land).
		Post project production per affected household/homestead compared with pre-project income.
		Wildlife conservation and eco-tourism activity on acquired land as per plan,

Note: These are only some of the indicators that could be used. Specific indicators will need to be developed taking into account site specific conditions

APPENDIX 13.1 Contents of a Comprehensive Compensation Budget

#	Item	Costs (in Meticaís)*	Assumptions
1	Compensation for loss of Land	/hectare	For land acquisition purposes, based on cost realized in projects involving similar issues in Mozambique.
2	Compensation for loss of Crops	/hectare of farm lost	Includes costs of labour invested and cost of crop based on average of highest price of staple food crops as per methods described in Appendix 7.2 above
3	Compensation for loss of access to pastoralists	<i>N/a</i>	Those affected will be provided with shared access, or alternate routes (decision agreed through consultation and participation of all)
4	Compensation for loss of access to fishing resources.	/fishmonger	Data provided from revised socio-economic study will determine market values of catch for fish.
5	Compensation for Buildings and Structures		This compensation will preferably be in-kind. The new buildings will be built and then given to those affected. Cost based on basic housing needs for a family of ten, including house with four bedrooms, ventilated pit latrines, outside kitchen and storage.
6	Compensation for Trees	/year/tree	Based on methods described in Appendix 7.4 above.
7	Cost of Relocation Assistance Expenses	/household	This cost is to facilitate transportation, etc.
8	Cost of Restoration of Individual Income	/person	Assumed to be higher than the GDP/capita.
9	Cost of Restoration of Household Income	/household	Through employment in Program Activities.
10	Cost of Training Farmers, pastoralists and other PAPs	/person	This is a mitigation measure, which seeks to involve those affected by the project activities.

* These costs are to be confirmed during the socio-economic study and revised at the time the payments are made

