

**RESETTELEMENT FRAMEWORK**

**FOR**

**ACCELERATING DISTRIBUTED ELECTRICITY AND LIGHTING IN ETHIOPIA  
PROJECT**

**ETHIOPIAN ELECTRIC UTILITY**

**PROJECT PORTFOLIO MANAGEMENT OFFICE**

**JANUARY 2021**

**ADDIS ABABA, ETHIOPIA**

## TABLE OF CONTENTS

<b>Lists of Tables</b> .....	<b>3</b>
<b>Acronyms</b>	<b>4</b>
<b>Executive Summary</b> .....	<b>5</b>
<b>1. Introduction</b> .....	<b>6</b>
1.1 Objectives of the Resettlement Framework .....	8
1.2 Proposed Development Objective(s).....	9
1.3 Components of the Project .....	10
1.4 Resettlement Framework (RF) Methodology .....	10
<b>2. Legal and Institutional Frameworks</b> .....	<b>16</b>
2.1 Ethiopian Legislations Related to Land Acquisition, Compensation and Resettlement.	16
2.2 Institutional Frameworks and their Responsibilities for ADELE Project.....	19
2.3 World Bank ESF ESS5 on Land Acquisition and Resettlement .....	23
2.4 Review and Comparison of the National Policies and the World Bank: WB’s ESF ESS5 and Ethiopian New Proclamation No. 1161/2019.....	27
<b>3. Description of Baseline Social and Environmental Conditions</b> .....	<b>33</b>
3.1 Broader Physical Infrastructure and Social Services .....	35
3.2 Socioeconomic and Environmental Baseline Conditions under the Project Implementation Regions .....	36
<b>4. Socio-Economic Impacts and Mitigation Measures</b> .....	<b>37</b>
4.1 Introduction .....	37
4.2 Potential Positive Socio-economic Impacts .....	37
4.3 Potential Negative Socio-economic Impacts on PAPs and Mitigation Measures.....	38
<b>5. RP Preparation, Review and Approval</b> .....	<b>43</b>
5.1 Preparation of a Resettlement Plan (RP).....	43
5.2 Processes for RP Preparation, Review and Approval .....	44
5.2.1 RP during Project Identification .....	44
5.2.2 Review and Submission of the RP .....	45
5.2.3 RP during Project Implementation .....	46
5.2.4 RP during Monitoring and Evaluation .....	46
<b>6. Valuation Procedures</b> .....	<b>48</b>
6.1 Organizational Procedures for Delivery of Entitlements .....	48
6.2 Method of Asset Valuation .....	48
<b>7. Eligibility Criteria for Affected Persons</b> .....	<b>50</b>
7.1 Eligibility Criteria for Various Categories of PAPs.....	50

7.2	Displaced Persons without Legal Title.....	53
7.3	Compensation for Temporary Losses .....	53
7.4	Cut-Off Dates .....	54
7.5	Relocation.....	55
7.6	Livelihood Restoration.....	55
7.7	Broad Entitlement Categories .....	55
7.8	Voluntary Land Donation Protocol .....	55
<b>8.</b>	<b>Description of Grievance Redress Mechanism.....</b>	<b>63</b>
<b>9</b>	<b>Stakeholders Consultation and Public Disclosure during RF Preparation .....</b>	<b>69</b>
9.1	Introduction .....	69
9.2	Objectives of the Public Consultations .....	70
9.3	Consultations during the Preparation of the RF.....	71
<b>10.</b>	<b>Monitoring and Evaluation Arrangements.....</b>	<b>72</b>
10.1	Internal Monitoring and Evaluation .....	72
10.2	External Monitoring and Evaluation.....	73
<b>11.</b>	<b>Completion Audit .....</b>	<b>75</b>
<b>12.</b>	<b>Estimated Budget .....</b>	<b>76</b>

**ANNEXES i**

## **Lists of Tables**

Table 1:	Sample woredas selected for the Resettlement Framework Study	11
Table 2:	Summary of Main Gaps between Ethiopia Proclamation No. 1161/2019 and WB's ESS5	27
<b>Table 3:</b>	<b>Categories of Project Affected People (PAPs)</b>	<b>39</b>
Table 4:	Entitlement Matrix	58
Table 5:	Types of Verifiable Indicators	74
Table 6:	Auditable Criteria for ESS 5 Land Acquisition and Involuntary Resettlement	76
Table 7:	Indicative Outline of a RP Budget	77

## Acronyms

AC	Alternting Current
ADELE	Accelerating Distributed Electricity and Lightning in Ethiopia
CDD	Community Driven Development
CSA	Central Statistics Authority
DBE	Development Bank of Ethiopia
DRDIP	Development Response to Displacement Impact Project
EEA	Ethiopian Energy Authority
EEP	Ethiopian Electric Power
EEPCo	Ethiopian Electric Power Corporation
EEU	Ethiopian Electric Utility
EFCCC	Environment, Forest and Climate Change Commission
EPA	Enviromental Protection Authority
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assesment
ESMF	Environmental and Social Management Framework
ESS	Enviromental and Social Standard
FDRE	Federal Democratic Republic of Ethiopia
FM	Financial Management
FPIC	Free, Prior and Informed Consent
GDP	Gross Domestic Product
GN	Guidance Note
GOE	Government of Ethiopia
GRM	Grievance Redress Mechanism
GTPII	Growth and Transformation PlanII
LFSDP	Livestock and Fisheries Sector Development Project
LLRP	Lowland Livelihood Resilience Project
M&E	Monitoring and Evaluation
MFI	Micro Finance Institutions
MOWIE	Ministry of water, Irrigation and Energy
NEP	National Electrification Program
OGS	Off-Grid Systems
PAPs	Project Affected Persons
PCDP	Pastoral Community Development Program
PDO	Project Development Objective
PIU	Project Implementation Unit
RF	Resettelement Framework
RP	Resettlement Plan
SACCOs	Savings and Credit Cooperatives
SAs	Social Assessments
SEP	Stakeholder Engagement Plan
SHSs	Stand-alone Home Solar Systems
SMEs	Small and Micro-enterprises
SNNPR	Southern, Nation, Nationalities and Peoples Region
SOE	State of Emergency

## **Executive Summary**

### **Introduction**

The Accelerating Distributed Electricity and Lightning in Ethiopia (ADELE) project is a WB funded project that aims to increase access and services to electricity and lighting for households, social institutions and enterprises services via off-grid and grid solutions as well as stand-alone systems for households, productive use and social institutions. The major emphasis of this project is addressing the electricity power supply shortage of the areas, which are identified as too costly ones to be reached by the national grid in the short-term period. The proposed project complements existing projects in the World Bank's portfolio to support the Government of Ethiopia's (GOE's) Second Growth and Transformation Plan (GTP II). It also supports the GOE's transformation and energy under the goals of the GTP II by contributing to attainment of universal access to energy through improved service delivery and the rollout off an off-grid electrification program.

### **Project Objective and project areas**

The ADELE's Project Development Objective (PDO) emphasizes to increase accesses and services to electricity and lighting for households, social institutions and enterprises in Ethiopia via off-grid and grid solutions as well as stand-alone systems. ADELE project will be implemented in eight regional states except Harari within 121 zones, 190 woredas and 302 kebeles/towns as well as in Addis Ababa and its surrounding.

### **Methodology for RF prperation**

To prepare the Resettlement Framework (RF), in the eight regions and Addis Ababa City Administration (for Grid component), Key Informant Interviews (KII) and document review was conducted. Besides, data collectors were hired at regional and woreda levels to consult the community as per the interview guideline prepared by the consultant. The data collectors had oriented the communities about the purposes of ADELE project, its components, and sub-components. In addition to the primary methods of data collection, secondary materials such as land related rules and regulations of Ethiopia were reviewed. World Bank supported project documents such as LLRP, PCDP as well as the concept stage project document of ADELE were reviewed. Due to the SOE restrictions upon the outbreak of COVID 19 pandemic, communications were made through phone call and email exchange in order to avoid personal contact. Overall, 35 informants were consulted. Stakeholders (17) and community consultations (50-20 females and 30 males) were conducted in Addis Ababa for the grid component in the four districts with corresponding service centers. Overall, 102 participants were consulted for the ADELE project.

### **Project Components**

ADELE project has 5 Components: (1) Network strengthening for improved reliability of supply in urban areas; (2) Solar-hybrid mini grids for rural economic development; (3) Solar home systems for households, small-holder farmers and small businesses; (4) Standalone solar systems for health and education facilities; and (5) Capacity building, technical assistance and implementation support. It is very unlikely that land acquisition and property losses will occur during the implementation of ADELE project.

Project impacts and purpose of the RF Small amounts of land acquisition and property losses may occur when implementing component 1, 2, 3 and 4 of the project. Thus, Environmental and Social Standard 5 is applied. This Resettlement Framework (RF) has been prepared for the purpose of

establishing the principles and procedures to be applied in the event that involuntary resettlement, loss of land or other fixed assets, disturbance affecting livelihood or natural resource limitations leading to nonphysical displacement would arise as a result of the ADELE project implementation. The RF is developed based on the World Bank ESF Standard 5 and the relevant national laws and Proclamation as well as regulations that will form the basis for resettlement planning. The RF seeks to ensure that affected communities are meaningfully consulted, participated in the planning process, adequately compensated to the extent that their pre-displacement incomes have been restored, and the process is in a fair and transparent manner. This Resettlement Framework (RF) outlines overall resettlement objectives and principles as well as funding mechanisms and organizational arrangements for any resettlement operation including the preparation, review, approval and implementation of Resettlement Plan (RP).

### **Grievance Redress mechanism**

The main elements of resettlement activities are the development and implementation of cost effective and accessible grievance handling mechanism. Grievances will be actively managed and tracked to ensure that appropriate resolution and actions are taken. A clear time schedule will be defined for resolving grievances, ensuring that they are addressed in an appropriate and timely manner with corrective actions being implemented and the complainant handled as early as possible to address specific concerns raised by the project-affected persons in timely fashion and in an impartial manner. The approach and procedure for grievance handling for ADELE is included in this RF.

### **Monitoring and Evaluation**

The RF and RP implementation should be monitored and supervised to assess/track whether the objective of the Involuntary Resettlement is achieved and whether the project-affected people have had their livelihoods restored to levels prior to project or improved. This RF also has a provision in doing so and is supplemented by a Social Assessment, which assesses the main socio-economic factors that necessitate consideration; identifies vulnerable and historically underserved groups that may be excluded from the project and be adversely affected as a result, and the necessary impact mitigating measures as well as any potential adverse social impacts of ADELE. The RF is also to determine whether the project is likely to trigger other World Bank social safeguards policies; and recommends in the early stage of project preparation the appropriate measures towards addressing World Bank requirements on social safeguards triggered by the project (ESS 1, 5, 7&10).

The Environmental and Social Management Framework (ESMF) addresses physical environment and social impacts and can be applied together with this RF. The ADELE's implementers are responsible for identifying and implementing investment activities. This RF document is to be used by all implementers of the ADELE in order to ensure that all environmental and social safeguards are adequately addressed and that the relevant capacity and training needs are established in order for the recommended measures are implemented effectively.

## **1. Introduction**

Energy is essential to tackle almost about every major challenge and is an opportunity that the worlds face in recent times. It has both a direct and an indirect impact on broad array of issues including from food production to distribution to consumption, in increasing income, in containing or managing climate change, security, job creation and, broadly speaking access to sustainable energy for all is

essential for transforming economies, reducing poverty and illiteracy, protecting ecosystems and bringing about socio-economic justice. Thus, it follows that developing a balanced strategy and employing an inclusive approach while investing in energy access and service in general and electrification in particular helps to achieve an all-rounded, comprehensive and balanced development of both rural and urban areas.

When we look at the electrification ‘map’ for Ethiopia, it shows that the periurban, rural and deep rural areas are in a huge deficit of access to affordable and reliable electricity supply. This needs to change in order for Ethiopia to attain a relatively evenly distributed development across the nation. Absence or poor provision in modern and diverse electricity options affects peoples’ lives and hinders the provision of basic services delivery. This mainly manifests through poor health care services, arbitrary and uneven economic growth, limited educational access and overall poor human capital development, shrinking of agricultural, industrial and service sector growth as well as lack of safety and diminished capacity in pursuit of happiness among citizens of a nation. Given the fact that we are in the era of information technology, lack of electricity has a far-reaching negative and straining impact on individuals, communities and groups, organizations, institutions and countries on strategic as well as their routine activities.

Ethiopia is one of the few countries in the world that generates almost all of its electricity power from renewable resources (96 percent from hydropower and 4 percent from wind power). Also, Ethiopia is gifted with a huge and yet unharnessed potential for the expansion of renewable energy supply including solar power generation potential of 5 kw/m<sup>2</sup>/day, hydropower development potential upto 30,000 MW, potential for geothermal power of upto 10,000 MW and 5,000 MW of wind power. A closer look at the regional level situation reveals that the level of electrification in sub-Saharan Africa is low, with less than 10 % of the rural households having access to electricity. In Ethiopia, as of 2018, the overall grid access to electricity was estimated 34 percent. Moreover, the rural and urban access to the grid shows extreme variation. With urban areas, the grid access ranges between 80 percent and 90 percent [for instance, in Addis Ababa it is 99.9%]. Nevertheless, in rural areas the grid access ranges from 5 percent in deep rural or non-commercially viable areas to 20 percent in peri-urban areas/commercially viable areas. In order to bridge these gaps and improve access to electricity services, the Government of Ethiopia (GOE) has prepared a second National Electrification Program NEP2.0, which targets for universal electrification by mix of on-and off-grid solutions. The GOE has also a rather ambitious plan to achieve middle-income country status by 2025 and ensure 100 percent electricity access to both rural and urban areas of the country. It is also reported that Ethiopia has 34 percent on-grid and 11 percent off-grid electrification rates, respectively. Currently, it has the second largest energy access deficit in Sub-Saharan Africa-next to Nigeria and is the third in the world.

Ethiopia’s power sector is operated by a power generation and transmission utility (Ethiopian Electric Power) and a distribution utility (Ethiopian Electric Utility). Seven years ago, in 2013, the Ethiopian Electric Power Corporation (EEPCo) was restructured and the decision led to establishment of two separate public enterprises:

1. The Ethiopian Electric Power (EEP), a company which is mandated with a task of power generation and transmission subsectors, and
2. The Ethiopian Electric Utility (EEU), which is assigned with the task of managing power distribution and sales.

The Ministry of Water, Irrigation, and Energy (MoWIE) is responsible for coordination and oversight of the electricity sector in general. Furthermore, the GOE has established a regulatory agency-the Ethiopian Energy Authority (EEA), which is entrusted with the role of developing transparent and effective rules, directives, and standards to promote performance and investment activities in the sector.

The subject of the current assessment and report, the Accelerating Distributed Electricity and Lighting in Ethiopia (ADELE) project, is a WB funded project that aims to increase access to electricity and lighting for households, social institutions and enterprises in Ethiopia. ADELE's development objective will be realized through the delivery of electricity services via off-grid solutions as well as stand-alone systems for households, productive use and social institutions. The major emphasis of this project is addressing the electricity power-supply shortage of the project areas, which are identified as too costly to be reached by the national grid in the short-term period. The proposed project complements existing projects in the World Bank's portfolio to support the GOE's Second Growth and Transformation Plan (GTP II). It also supports the GOE's transformatin and energy sector under the goals of the GTP II by contributing to attainment of universal access to energy through improved service delivery and the rollout off an off-grid electrification program.

### **1.1 Objectives of the Resettlement Framework**

The main objective of the assignment is to prepare a Resettlement Framework (RF) that lays out the foundation to clarify resettlement principles, organizational arrangements, schedules, arrangements for financing the resettlement and procedures that govern the acquisition of land and/or asset loss, valuation principles, compensation procedures, and grievance handling systems. It also aims to address the question how to engage project-affected parties in planning, implementation and follow-up of the resettlement project activities. The development of RF is also meant to ensure systematic and well thought out processes are followed (as against any ad-hoc processes) in addressing social concerns during the different stages of implementation. Moreover, it is imperative to ensure a framework that garantees participation of affected persons, involvement of relevant institutions and stakeholders, adherence to both World Bank and Government of Ethiopia's procedures and requirements, and to outline appropriate compensation for Project Affected Persons (PAPs).

Once the specifics of the project components are defined and the necessary information becomes available, the framework will be expanded into a detailed plan proportionate to potential risks and impacts. This RF will serve as the framework within which a Resettlement Plan (RP) will be developed when the project is certain of the locations and specific land and community related impacts. It is underlined that project activities that will potentially cause physical and/or economic displacement will not commence until such specific plans have been finalized and approved by the Bank. In addition



to finalizing the RP, PAPs should be paid compensation prior to the start of project activities. The ultimate output of the Resettlement Framework will be to advise on the procedures and steps to be taken to address the requirements of the World Bank ESS 5 and ESS 10 are applied by the project early on during project preparations.

### **A. Scope of the Resettlement Framework**

The project will cover the eight (8) regions of Ethiopia, with emphasis in the peri-urban, rural and deep-rural areas through the defined implementation components in which the specific locations will be decided later in the project preparation subsequent phases. The major scope of work attained in this assignment included: thoroughly,

- a) Relevant Ethiopian laws, policies and regulations have been thoroughly reviewed (e.g. FDRE: The House of Peoples Representatives recently ratified a proclamation to determine expropriation of landholdings for public purpose, payments of compensation and resettlement- Proclamation no. 1161/2019 and this has been carefully studied). The review has also covered WB's Environmental and Social Framework and other provisions governing preparation and implementation of resettlement planning of projects and assess their applicability to the project. This process has also considered issues especially those related to underserved/indigenous peoples and Community-Health-and-Safety (EHS) aspects of the affected population.
- b) Identified the key institutions, departments, and stakeholders authorized to carry out land acquisition activities along with their respective mandates, roles and responsibilities. It also outlined the enforcement and institutional capacity in implementing resettlement/land acquisition processes.
- c) Conducted consultations with representatives of all key stakeholders relevant to the proposed project. The detail consultation process and the key stakeholder findings are presented in the complementary SEP prepared for ADELE project.
- d) Reviewed existing grievance redress mechanisms (GRM), community based and/or mandated by law and application of the same in practice and suggest improvements to be implemented to comply with WB guidelines and Ethiopian legislative framework.
- e) Identified potentially disadvantaged or vulnerable individuals or groups that might be disproportionately impacted by resettlement and measures to support them and.
- f) Obtain the Free, Prior and Informed Consent (FPIC) procedure of affected Historically Underserved Communities as described in ESS 7 when involving activities which require FPIC. For more information on the FPIC requirements, please refer the SA prepared for this project.
- g) Designed Grievance Redress Mechanism of the project that is appropriate and accessible for the communities.

### **1.2 Proposed Development Objective(s)**

The Project Development Objective (PDO) is to increase access to reliable electricity for households, social institutions, and enterprises in Ethiopia. The PDO level indicators are as follows, (a) people provided with access to new or improved electricity service (Corporate Results Indicator, Number); (b) enterprises (farmers, commercial and industrial users) provided with new or improved access to

electricity service (Number); and (c) institutions (schools, health centers) provided with access to new or improved electricity service (Number)

### **1.3 Components of the Project**

**The project has five components:** (1) Network strengthening for improved reliability of supply in urban areas; (2) Solar-hybrid mini grids for rural economic development; (3) Solar home systems for households, small-holder farmers and small businesses; (4) Standalone solar systems for health and education facilities; and (5) Capacity building, technical assistance and implementation support. These five components provide a synergetic package of investments to ensure that reliable electricity services are made available to all Ethiopians regardless of their location and economic status. For details of the project component, please refer the ESMF or other project documents.

### **1.4 Resettlement Framework (RF) Methodology**

#### **i. RF/ Study Design and ADELE Project Beneficiaries**

The Resettlement Framework used cross-sectional design with no control group. The key target population for the RF comprised of groups and individuals who will be affected by the proposed components of the ADELE project including the disadvantaged or vulnerable groups who reside in project intervention areas, including those in Addis Ababa, Amhara, Tigray and six Underserved Regions of Ethiopia (Gambella, Afar, Somali, Benishangul Gumuz and parts of Oromia and SNNP regional states). As per EEU's Bank financed projects coordination office, eight regional states are identified to benefit from the upcoming ADELE project in 121 zones, 190 woredas and 302 kebeles/towns, which will be supported through the project's six phases. The total number of people supposed to be reached only from component 3 is 1,126,078 within 227,491 households. Out of the total 1,126, 078, 500,573 people within 84,888 households are from Somali; 306,374 people under 63,300 households will be from Oromia; 105,665 within 27,339 households are from Amhara; and 103,868 people who are found under 28,899 households are from SNNPR. The remaining 109, 598 who belong to 23,065 households are identified from four regional states (19,232 people from 4,312 HHs-Benishangul; 32,410 people from 7,093 HHs-Gambella; 28,585 people within 5,939 HHs-Tigray and 29,371 people from 5,721 HHs-Afar). In addition, Addis Ababa City Administration and its surrounding towns will benefit from the grid component of the ADELE project in network strengthening for improved reliability of supply and quality in urban areas. Activities will focus on rehabilitation and expansion of more than 600 km of medium voltage (MV) lines, and supply of more than 2,100 distribution transformers.

#### **ii. Study Sites**

In order to conduct the Resettlement Framework study, initially the data collection activities were planned to be done in eight regional states (Afar, Amhara, Benishangul Gumuz, Gambella, Oromia, SNNP, Somali and Tigray) and 10 woredas. However, due to COVID-19 pandemic and security problems, specifically in Oromia region, there was security problem and conflicts due to the political situations after the death of Hacalu Hundessa, famous Oromo artist. Thus, the Team was unable to collect data as planned, and the data was collected only from regional level. In the

case of Tigray regional states, the data was not collected following insecurity and the regional level authorities discomfort with the federal government. Because of these reasons, the field data collection was limited to five regions (Afar, Benishangul Gumuz, Gambella, Amhara and Somali) and 4 sample woredas (Dasenech, Kuri, Jor and Janamora). In any ways, in one way or the other, the selected regions and woredas are representative. To carry out the data collection, experienced enumerators were deployed from regions and woreda levels. The consultant managed the federal level data collections. In the selection of the Woredas, purposive sampling, vulnerability, and accessibility were used as a criterion. Woredas were selected by maintaining the balanced representation on the deep rural, rural and peri-urban woredas that are considered in the ADELE project intervention. The following are the woredas selected for the RF study. The sampling of the RF Woredas was done in collaboration with the members of the Project Design Team of EEU.

**Table 1: Sample woredas selected for the Resettlement Framework Study**

S.no		Zone	Woreda
1	Oromia	Bale	Mada walabu
		Jimma	Gera
2	Amhara	North Gondar	Janamora
3	Benishangul	Metekel	Guba
4	Gambella	Anywak	Jor
5	Somali	Fafan	Harshin
6	SNNP	South Omo	Dasenech
		Bench Maji	Maji
7	Tigray	South	Raya Alamata
8	Afar	Zone 1	Kuri
Total	8	10	10

After the data collection is over for the regions and woredas, the EEU and the WB also required adding a grid component, which is about network strengthening for improved reliability of supply and quality in urban areas. The consultant in collaboration with the team organized from EEU have carried out stakeholders and community consultations in Addis Ababa. The team is composed of three consultants and 8 data collectors from EEU (they were selected based on the experience they have on the issue underscrutiny and their levels of educational background). The staff interviewed for this study include environmental and social officers at different levels of the EEU. The consultations were conducted in the four districts of Addis Ababa (North, South, East and West). In the four districts, there are 31 service centers, of these, 4 of them with their corresponding woredas were selected for stakeholders and community consultations. Accordingly, 2 community consultations were conducted in two sub-cities (Kirkos-woreda 07 and Nifas-Silk Lafto-woreda 04) from the Southern District of Addis Ababa. From northern district, Gulele sub-city, woreda 07, one community consultation was conducted. From Western district, Kolfe Keranyo Sub-city, Woreda 12, one community consultation was carried out,

and finally from Eastern district, two sub-cities (Yeka-Kotebe (Yeka) and Bole (woreda 09), two community consultations were done.

Community consultations were carried out with 50 informants (20 females and 30 males). In addition, 9 key informant interviews were conducted with stakeholders from Ethio telecom and Ethiopian Electric Utility serving at different capacities (Service center manager, Distribution Manager & Operator Team leader, Area Manager, Supervisor, Director and Customer Service Manager) in the four districts and service centers. Consultations were also done with 8 key informants working at the EEU and district level experts having the experience in environment and social impact assessment related to grid component. This team also engaged in the data collection process. Generally, 67 individuals were consulted for the grid component of ADELE project.

### **iii. Study Methodology Adopted in Due Consideration to CoVID-19 Situation**

In order to carry out the Resettlement Framework for ADELE, both secondary and primary sources of data were employed using mainly the qualitative approach. This helped to explore and produce cultural descriptions, uncovering multiple realities and complexities of livelihood activities of the ADELE covered regions of Ethiopia. The primary data collection was conducted under the constraints of public consultation due to the current COVID 19 situation, which is also restricted by the State of Emergency (SOE) enacted by the Government of Ethiopia.

Using both sources, the consultant collected baseline information (primary and secondary) relevant to social screening to determine the various social impacts, including those related to land acquisition that may affect the lives of the people and/or habitats in the proposed project area. The social, economic, and demographic profile of the people and communities potentially to be affected by ADELE, such as population, gender, ethnicity, vulnerable groups, etc as well as the spatial distribution of population and growth rates, location and data of cities and villages in the project area were assessed. Moreover, administrative structures of the local administration, mandates and extent of engagement of community groups on local issues/administration; economic activities, employment, income and poverty status of the people and the local economic development trends and ongoing government initiatives for development in the project area were considered.

#### **A. Desk Review**

Due to COVID-19 travel restriction, the preparation of the RF relied on studies (SAs, RPF, ESMF and SEP) carried out for various projects financed by the World Bank in Ethiopia such as DRDIP, PCDP-3, RPLRP, LFSDP and LLRP. Relevant documents and studies were reviewed, National and International Laws and Proclamations, Ethiopian government regulation on underserved peoples and land acquisition and compensation procedures related to land acquisition. The review of the existing social safeguards instruments was conducted in the context of the ADELE proposed project components and the potential social risks. The assignment involved the assessment of any policy/legal frameworks and institutional changes. The relevant policy, legislative and administrative frameworks

of Ethiopia, World Bank Environmental and Social Framework and pertinent International Conventions were specifically reviewed. In addition, comparison was made between the World Bank ESF requirements and the GoE proclamation on land acquisition.

### **B. Phone Interviews and Email Exchanges with relevant stakeholders**

In addition to review of existing data and analysis relevant to the sector and project, the data collection employed a combination of three stages. These are: (i) conducting a Rapid Context Assessment of available data, identifying stakeholders and key issues; (ii) undertaking a gap analysis (additional data or consultations), and (iii) reaching out to the regions and other stakeholders to collect and organize data and information to fill the gap through different means like phone calls and emails as appropriate. With regard to this, the federal and regional level office heads of the MoWIE particularly EEU played an important role in organizing telephone call interviews and exchange of information through email. For this purpose, the consultant prepared interview guides and checklist of questions for key informant interviews. From each region, key informants who have experience relevant to the ADELE project were selected from woredas depending on the number of woredas targeted from each region.

In addition to desk review, through interviews and email, the views and perceptions of people in the project areas of the proposed project were assessed. During the assessment, data on the current land usage and activities that are likely to be affected were collected. Moreover, as deemed relevant, attempt to determine the approximate scale of physical relocation of residential households, public infrastructures, commercial enterprises and other persons/families/households that were directly or indirectly affected because of land acquisition and or execution of the project were done. The assessment considered potential issues associated with land appropriation resulting from the project and potential impacts to those without security of tenure. It also conducted to see the cumulative impacts that the proposed project is likely to cause. Moreover, identification of common/community property and/or resources that may be affected (e.g. pasture/grazing land, water wells, hand pump, schools, community buildings, graveyards etc.); land quality including areas with high agricultural yields, areas of degradation; ownership, and access to and use of natural resources, and local development status were taken into account. Besides, the assessment considered the types of land ownership (private, community owned, etc.), sources of livelihoods and category/type of owners in the project area.

Due to COVID 19, stakeholders' consultations previously conducted in the areas where ADELE project covers were considered and used to inform the current assessment and report. The review of the consultation covers the views, needs and circumstances of different stakeholders, paying special attention to disadvantaged or vulnerable individuals and groups taking into consideration the components of the project. As agreed with the Client, the Consultant conducted consultations with key stakeholders using phone interviews and email exchanges, including with those who may have an interest in the project. This is hoped to contribute to ensuring that the project design courts qualitative data and information on the social concerns, suggestions and recommendations to avoid and minimize potential risks and adverse impacts. The Consultant also analysed the relative vulnerability context

and differentiated risks to be caused by the proposed project activities. This includes the key impacts on different groups of people (such as landowners, small farmers; small businesses, shop keepers, commercial establishments, and women), and communities (common properties, lands). The concerns and suggestions forwarded by stakeholders for consideration by project authorities and technical experts during development of designs were included in the summary. The impacts on the various stakeholders during the pre-construction and construction stage (such as disruption, loss of access, loss of livelihood, impact on host community due to labor influx, health, etc.) were assessed.

**Recruitment and training of enumerators:** given the COVID-19 pandemic, travel restriction and the on-going state of emergency and conflict on the different parts of the country and especially in oromia regional state; the consultant has employed one coordinator and 11 assistant field researchers (5 for regional level and another 4 for woreda level data collection). The data collectors and interview coordinator have prior experience in collecting data for World Bank financed projects such as PCDP III and PSNP IV. The consultant has selected the field team by considering their communication skills in the local languages, ability to discuss on environment and social safeguard topics that have an interest and motivation to work and have relevant technical skills or training in data collection. Particularly, the local enumerators and coordinator are recruited from the selected regions. They have MA degree in the field of Sociology, Social Anthropology, Social Work, Environmental Science, Development and gender studies. For the grid component, individuals were selected from EEU who have a good deal of experience on the issue and half day training was given on how to collect data that are relevant to the resettlement framework including the impacts of the project. The training includes collecting data pertaining to the communities and stakeholders concerns, priorities and interests in light of the grid component of the project.

**Close follow-up and supervision:** the field coordinator and the consultant closely monitored and supervised each enumerator and ensured the quality of the data collected from the community and other stakeholder consultations are maintained. The consultation provided space to capture the views and experiences of these groups in regard to their assumptions and expectations of risk factors, concerns, challenges, benefits and potential community contribution. The consultation was useful at exploring and soliciting feedback from project affected communities on key elements of the RF, particularly, the procedures and implementation arrangement, potential benefits and impacts, socio-cultural context, vulnerable and underserved communities, land tenure system, dispute resolution and grievance procedures, gender equality, natural resources access and control, development priority areas, community engagement as well as monitoring and evaluation processes. When the data collection is completed, the field staffs asked the responsible office to put the official signature and seal on the data collection booklet and it is used as a quality check. Since the purpose of this assignment is to conduct a resettlement framework, emphasis was placed on good quality process using quality assurance mechanisms, which in turn would have ensured good quality outcome i.e. the RF Report. Moreover, the qualitative data results were compared to see if there are any inconsistencies. Once the data collection is over, data was triangulated and analyzed using largely qualitative data analysis techniques. The consultant used the following forms of triangulation in the Resettlement Framework process:

- **Data triangulation:** *the consultant crosschecked the data to ensure the quality of the collected data by triangulating from different sources and methods. The triangulation allowed the consultant to gather quality and reliable data. Quality control also allowed the consultant to overcome potential bias that comes from single informants, single methods or single observations and this helped to ensure the robustness and reliability of the assessment.*
- **Method triangulation:** *comparing the results from different methods that is integrating and substantiating the key informant interviews and desk review.*
- **Source triangulation:** *Comparing information obtained from different sources of data (stakeholders). This entails comparing information from reports and reviews with the secondary data. These triangulation and crosschecking findings are then used in formulating valid conclusions.*

### **C. Stakeholder Consultation**

The implementation of the proposed project will require involvement and participation of several stakeholders at different levels. Thus, stakeholder consultation were made with relevant federal, regional, district sector institutions & community representatives with the objectives to increase awareness about ADELE project, inform & get views about the project, to engage and maintain active participation and support of relevant stakeholders & communities to be involved in various phases of the project. The consultant has used a participatory bottom-up approach that considers the active participation of federal, regional and woreda level officials, sector representatives and experts on one hand and community elderly, religious leaders and community or clan leaders on the other hand. During consultation, more attention was given to the community development interests and priorities, concerns, community's aspiration to ADELE project. Furthermore, mitigation measures on the identified potential risks and impacts, which are derived from the views of the sector and bureau representatives and community members at large, were also captured. For conducting stakeholders' consultation at different levels, guides and key informant interview (KII) & focus group discussion checklist were prepared and used. As a result, at the federal level, stakeholder consultation was conducted with 8 participants from 3 federal institutions (MOWIE, EEU & MOA). At the regional level, at the beginning, it was planned to conduct KII with 8 regional bureaus and 10 sample selected Woredas. However, due to COVID 19 state of emergency, travel restriction and unrest, in some regions, the consultant team was able to manage stakeholder consultation with only five regional state relevant bureaus (Afar, Benishangul Gumuz, Gambella, Amhara & Oromia Regions) & four woredas including Kuri (Afar Region), Dasenech (SNNPRS), Jor (Gambella Region) & Janamora Woreda in Amhara Region. Overall, consultation was made with 10 participants from different regional bureaus and with 17 participants from different woredas. The Profile of sector and community representatives involved in KII and FGD sessions for RF preparation is attached in Annex 5.

## **2. Legal and Institutional Frameworks**

This RF will apply the laws, legislations, regulations, and local rules governing the use of land and other assets in Ethiopia particularly review of relevant proclamations and regulations. Relevant WB's Environmental and Social Framework particularly ESS5 that deal with resettlement, restrictions of land use and involuntary resettlement issues and other provisions governing preparation and implementation of resettlement planning of projects were consulted to assess their applicability to the project. These also included other social issues especially those related to underserved/indigenous peoples and Community-Health-and-Safety (CHS) aspects of the affected population.

### **2.1 Ethiopian Legislations Related to Land Acquisition, Compensation and Resettlement**

This section provides review of the FDRE constitution, laws, legislations, proclamations and regulations that are relevant for this RF.

#### **A. The Constitution of FDRE**

The Constitution of the Federal Democratic Republic of Ethiopia (FDRE) is the highest policy and legal document that presents the basis for all laws and policies in the country. In addition, Proclamation No. 1/1995 contains a number of articles, which are relevant to this RF document. Article 51(5) of FDRE's constitution gives powers to the Federal Government to enact detailed laws regarding land use. The 1995 Constitution of Ethiopia, Article 40(2), 40(4), 40(5) and 40(8) includes provisions that protect the Ethiopian citizen's rights to private property and set conditions for expropriation of such property for state or public interests. The rights to property under Article 40 are enshrined in the following ways:

- Every Ethiopian citizen has the right to the ownership of private property. Unless prescribed otherwise by law because of public interest. This right shall include the right to acquire, to use and, in a manner compatible with the rights of other citizens, to dispose of such property by sale or bequest or to transfer it otherwise.
- "Private property", for the purpose of this Article, shall mean any tangible or intangible product that has value and is produced by the labor, creativity, enterprise or capital of an individual citizen, associations which enjoy juridical personality under the law, or in appropriate circumstances by communities specifically empowered by law to own property in common.
- The right to ownership of rural and urban land, as well as of all natural resources, is exclusively vested in the State and in the peoples of Ethiopia. Land is a common property of the Nations, Nationalities and Peoples of Ethiopia and shall not be subject to sale or to other means of exchange.
- Ethiopian peasants have right to obtain land without payment and the protection against eviction from their possession. The implementation of this provision shall be specified bylaw.
- Ethiopian pastoralists have the right to free land for grazing and cultivation as well as the right not to be displaced from their own lands. The implementation shall be specified bylaw.
- Every Ethiopian shall have the full right to the immovable property he builds and to the permanent improvements; he brings about on the land by his labor or capital. This right shall include the right to alienate and to bequeath. Where the right of use expires, to remove his property, transfer his title, or claim compensation for it, the law shall determine particulars.



- Without prejudice to the right to private property, the government may expropriate private property for public purposes subject to payment in advance of compensation commensurate to the value of the property
- All people shall have the right to receive adequate monetary or other alternative compensation, including transfer with assistance to another locality whenever they are displaced or their livelihoods have been adversely affected because of State programs.

## **B. Expropriation of Land for Public Purposes, Payments of Compensation and Resettlement of Displaced People Proclamation No. 1161/2019**

FDRE Peoples Representatives Council has recently rectified Proclamation No.1161/2019 that deals with “Expropriation of Land for Public Purposes, Payments of Compensation and Resettlement of Displaced People”, and replaced the previously active legislation on the matter i.e. Expropriation of Land and Compensation Proclamation No. 455/2005. The new Proclamation gives priority rights to develop Land for the Landholders when the capacity of the Landholders to develop the land as per the approved land use plan; urban structural plan; or development master plan is presented. It states, “Landholders whose holdings are within the area prescribed to be redeveloped shall have priority rights to develop their lands according to the plan either individually or in a group” (Article 7, sub-article 1-2).

Under Article 16 (sub-article 2), the Proclamation mandates the responsible bodies to establish a resettlement package for the affected persons as follows: “Regional states, Addis Ababa, and Dire Dawa, shall develop resettlement packages<sup>1</sup> that may enable displaced people to sustainably resettle”. The Proclamation gives the affected community the right to purchase shares from the investment under Article 16 (sub-article 4). More to the point, “If the land expropriation for public purpose is for investment, people who are displaced may own shares from the investment”. It is made clear in the Proclamation that people who are displaced and who lost their income shall be beneficiaries of the resettlement package if they do not own shares from the investment.

The decision on expropriation for public purpose will be made by the appropriate Federal Authority, or a Regional, Addis Ababa, Dire Dawa City Administration cabinets on the basis of an approved land use plan; or master plan; or structural plan. The Proclamation further notes that “... a Regional, Addis Ababa, Dire Dawa cabinets may delegate a Woreda or City Administration to decide on land expropriation for public purpose” (Article 5, sub-article 5). The Proclamation indicates, “the budget necessary to cover the costs of compensation and resettlement and the responsible body that shall cover these costs shall be made clear at the time when expropriation for public purpose is decided”.

Regarding the power to clear landholding, the Proclamation states, “The City or Woreda Administration has the power to order evacuation and takeover the land decided to be expropriated for public purpose ....” According to the Proclamation, unless the government needs the land urgently, landholders who are to be displaced shall be consulted at least one year before they handover their land on the type, benefits, and general process of the project; and shall be paid compensation or provided substitute land before displacement (Article 8, sub-article 1(a)).

---

<sup>1</sup> It is also stated that the contents and detail implementation of the resettlement package shall be determined by the regulation to be enacted following the proclamation.

Proclamation No. 1161/2019 Article 9, sub-article 1-3 stated in details the responsibility of the land requiring body that shall submit to the City or Woreda administration. It also states the decision that shows the size and exact location of the land to be expropriated should be communicated at least one year before the commencement of the project and payment of the money required for compensation and resettlement to the respective City or Woreda Administration. Depreciation value of the properties could not be considered during payment of compensation. The Proclamation states, “The amount of compensation for property on the land shall cover the cost of replacing the property anew.” The Proclamation also notes that the minimum compensation payable to a housing unit may not, in any way, be less than the current cost of constructing a house per the standard or based on the objective conditions of each Regional State or City Administration. Compensation for payment of improvement to land shall be equal to the current value of the capital and labor expended on the land. For relocation of the property on the land, the cost of removing, transporting, and erecting, the property shall be paid as compensation (Article 12, sub-articles 1-5). Valuation methods to determine the compensation for various properties and detail prescriptions applicable thereto shall be provided for by a Regulation.

However, in the Proclamation, it is noted that to determine the amount of compensation, a certified private institution or individual consultant valuers shall evaluate the property situated on land to be expropriated based on a nationally approved valuation method (Article 17, sub-article 1). Where there is not certified private institution, it shall be evaluated by an autonomous government organization established for this purpose. If there is no autonomous organization, considering the location of the expropriated land, valuation committee could be established by the relevant City or Woreda administration comprising proper professionals (Article 17, sub-article 1-3). Nevertheless, where the property is state owned infrastructure or utility line, the valuation shall be made by the government entity owning it (Article 17, sub-article 6). The unit price of compensation valuation shall be revised at most every two years.

Regarding resettlement, it is stated that Regional States and City administrations shall establish a fund for compensation payment and rehabilitation. It is noted that regional states and city administrations shall develop resettlement packages that enable displaced people to sustainably resettle (Article 16, sub-article 1-2). The content and detail implementation of the resettlement package shall be determined by a Regulation.

A household who is to be permanently displaced shall get an equivalent substitute land, one (1) year land holding income compensation shall be paid calculated by the current price which is equivalent to the highest annual income he generated in the last three (3) years preceding the expropriation of the land. For permanent land acquisition and in times equivalent substitute land is not available, the landholder shall be paid displacement compensation, which is equivalent to fifteen (15) times the highest annual income he/she generated during the last three (3) years preceding the expropriation of the land. In addition to cash compensation, according to the Proclamation, displaced people shall be compensated for the breakup of their social ties and moral damage they suffer that resulted from the expropriation of their land. However, the details on compensation for social ties breakup and moral damage shall be provided in a regulation to be enacted to implement this Proclamation (Article 13, sub-article 1a-e).

A household whose landholding has been provisionally expropriated shall be paid displacement compensation for lost income based on the highest annual income secured during the last three years preceding the expropriation of the land until the repossession of the land. Moreover, the compensation paid shall take into consideration the amount of additional time necessary for the land to regain its productivity, which shall be determined by the surrounding agricultural institution (Article 13, sub-article 2a&b). The Proclamation also stipulates payment of compensation either for Persons who lost income permanently or temporarily without being displaced because of land expropriation.

Landholders or their agents whose landholding is to be expropriated shall submit landholding certificates or other proofs that shows their holding rights to the Urban or Rural Land Administration Office on the time schedule of the office. Notifying the landholder or his agent is made in writing to handover the land expropriated with the description of the amount of compensation the landholder to be paid; and/or the size and location of the land or house in kind compensation. The landholder who is served with notice to handover his land holding shall take the compensation and replacement plot or house with in thirty (30) days of notice. If he fails to comply with the order within the prescribed time, the compensation payment shall be deposited in the closed bank account of the City or Woreda administration. The landholder may be forced to handover the land within 120 days of payment of compensation (cash or kind), or after the cash is deposited in the bank. If there is no property or crop on the expropriated land, the landholder shall handover with in thirty - (30) - days of notice (Article 8, sub-article 1-7). Where the land expropriated is under illegal occupation, the occupant shall be evacuated without claim for compensation within thirty (30) days of notice (Article, 8, sub-article 8).

The valuation method and manner of payment to permanent and temporary expropriation of communal landholding shall be determined in directives to be issued by Regional States or City Administrations (Article 3).

Generally, the new Land expropriation, compensation payment and resettlement Proclamation, compared with the Proclamation No. 455/2005, has improved a number of issues related to compensation and resettlement, among others, the major improvements are:

- Number of years for permanent loss of farmland has increased from ten (10) years into fifteen (15) years;
- The number of consecutive years of productivity of crops and price considered for compensation estimate is reduced from five (5) to three (3) years of which the best productivity and price of the three (3) years is to be considered;
- Time limit for the landholder to whom compensation is not paid after estimation, can use the land for former purpose is added in the new proclamation (Article 3, sub-article a, b and C);
- Number of days of notice for illegal holders is set to be thirty (30) days (Article 8);
- Displaced People shall be compensated for the breakup of their social ties and moral damage they suffer as a result of the expropriation (Article 4e); and
- Provision on resettlement packages that enable displaced people to sustainably resettle (Article 16, sub-article 2).

## **2.2 Institutional Frameworks and their Responsibilities for ADELE Project**

Ethiopia has federal level government comprising various ministries, authorities and commissions responsible for setting national policy and legislation and regional structures with powers delegated to

the regional government. Several institutions are involved in environmental protection, management and land use i.e, Expropriation of Land holdings for Public Purposes, Payments of Compensation and Resettlement. The key institutional actors involved in resettlement framework will be the local governments of Ethiopia at the woreda, urban administration, and kebele levels. This keeps in line with the Government's policy of decentralization. The responsibilities of the federal and regional governments are confined to the actual project's implementation. Moreover, bureaus related to land administration and use were consulted and ways in which land resettlement and compensation for the physical and economic displacement could be addressed were explored.

At the federal level, the Ethiopian Environmental Protection Authority (EPA) was the main Environmental Protection Organ. A subsequent restructuring has transformed EPA to Ministry of Environment, Forest and Climate Change (MOEFCC) and is recently restructured as Environment, Forest and Climate Change Commission (EFCCC). Ministry of Water, Irrigation & Energy and Ministry of Agriculture are also federal institutions responsible for Water, Irrigation & Energy Sector and land and related issues, respectively. Regional environmental protection agencies, land administration, and use bureaus have also been established, following a decree that each national regional state should establish an independent regional environmental and land administration bureaus and agencies. The following section briefly summarizes relevant institutional arrangement of federal & regional institutions responsible for ADELE Project.

**a. Institutional Arrangement for Environmental & Related Responsibilities**

**A. Environment, Forest and Climate Change Commission (EFCCC):** EFCCC is an autonomous government body established by proclamation No.1097/2018. EFCCC is the key institution at the federal level, which has responsibilities on environmental protection and engages in environmental issues and projects that have a federal, interregional and international scope.

- ✚ **Regional Environmental Agencies/Bureaus:** coordinate and follow-up efforts to ensure public participation in the decision making process, to play an active role in coordinating the formulation, implementation, review and revision of regional conservation strategies as well as to foster environmental monitoring, and protection and regulation.
- ✚ Set up its environmental unit with the responsibilities to coordinate and follow-up to ensure that its activities are in harmony with national efforts to protect and preserve the environment.
- ✚ Provide environmental clearance certificate through reviewing ESIA reports with their respective region

In addition, Proclamation 803/2013 empowers each region to establish its own independent environmental agency/Sectorial Environmental Units with the responsibilities to coordinate and follow-up efforts to ensure public participation in the decision-making process. The proposed project will need to engage with the appropriate authorities/ministries to obtain the required environmental clearance and permits.

**b. Institutional Arrangement for Water, Irrigation & Energy**

**The Ministry of Water, Irrigation and Energy (MoWIE):** is established by proclamation No.1097/2018 and is the lead institution for the Water, Irrigation and Energy Sector. Its responsibilities include resource assessment and development, policy and regulatory and research and development. In the resource assessment and development area, its fields of operation are mainly water, hydropower, wind & solar energy resources.

The following are relevant energy sector institutions accountable to MOWIE:

**A. The Ethiopian Electric Power (EEP):** EEP focuses on project development, the construction and operations of generating plants supplying the national interconnected system, of the transmission network, including the exports to neighbouring countries, and for overall planning and system management,

**B. Ethiopian Electric Utility (EEU):** EEU is responsible for managing, distributing and selling electric energy in accordance with government priorities. It also undertakes study, design and surveys of off-grid electricity generation, and construction and upgrading works of off-grid electricity generation transmission lines and substation upto 66-kilo volt level; and administers, operates and maintains off-grid electricity generation, transmission lines, substation and distribution up to 66-kilo volt level. EEU will facilitate and implement the RF and establish dialogue with stakeholders & community groups to ensure land acquisition concerns related to the project. It also prepares plan for effective project development and management and coordinate the project programs and actions plans and develop the various sub-project activities. Besides, undertakes supervision, monitoring and provides feedback to concerned parties and facilitate and maintain adequate stakeholder engagement and grievance redress mechanism. EEU has an Environment, Social, Health and Safety (EHS) Department comprises of two Units; one for environment and social while the other for health and safety. The EHS team will provide technical support and regular monitoring of identified potential risks and agreed solutions, in accordance to the requirements set out in Resettlement instrument frameworks. EEU is responsible for the implementation of Program activities, particularly for the on grid and off-grid components (stand-alone solar systems and mini grids). EEU is also responsible for the overall management and budget allocation for the resettlement operations, disbursement of compensations and monitoring of all recommended systems and structures are in place for effective implementation of resettlement instruments. In addition, EEU is responsible in carrying out the overall coordination activities of the E&S safeguard implementation among different actors at federal levels. Finally, EEU takes the direct responsibility for the implementation of the RF for ADELE subprojects demanding land acquisition.

**C. The Ethiopian Energy Authority (EEA):** EEA serves as the power sector regulator with functions including licenses/permits, power purchase agreements and tariffs. The Authority is also responsible for energy efficiency and energy conservation in particular to set-up standards, carryout testing and labelling of appliances, industrial and commercial audits. EEA is also responsible for negotiation of tariffs for fully off-grid independent power projects (IPPs). The proposed project will need to engage with the appropriate authorities/ministries to implement the project.

**c. Institutional Arrangement related to land use i.e. Expropriation of Land holdings for Public Purposes, Payments of Compensation and Resettlement**

Proclamation No. 1161/2019 on Expropriation of Land holdings for Public Purposes, Payments of Compensation and Resettlement of Displaced People, provides power and functions for the following federal and regional institutions for the implementation of this proclamation:

**A. Ministry of Urban Development and Construction**

- ✚ Ensure and follow up implementation of provisions of this Proclamation pertaining to Urban in Urban Areas;
- ✚ Support resettlement of displaced people from urban areas;
- ✚ Provide technical and capacity building support to Regional States,
- ✚ Follow up and support the issuance of Directives required for the proper implementation of this Proclamation; and

- ✚ Asses the living conditions of the holders whose land has been expropriated for public purpose for urban development and provide solutions to problems discovered,

#### **B. Ministry of Agriculture**

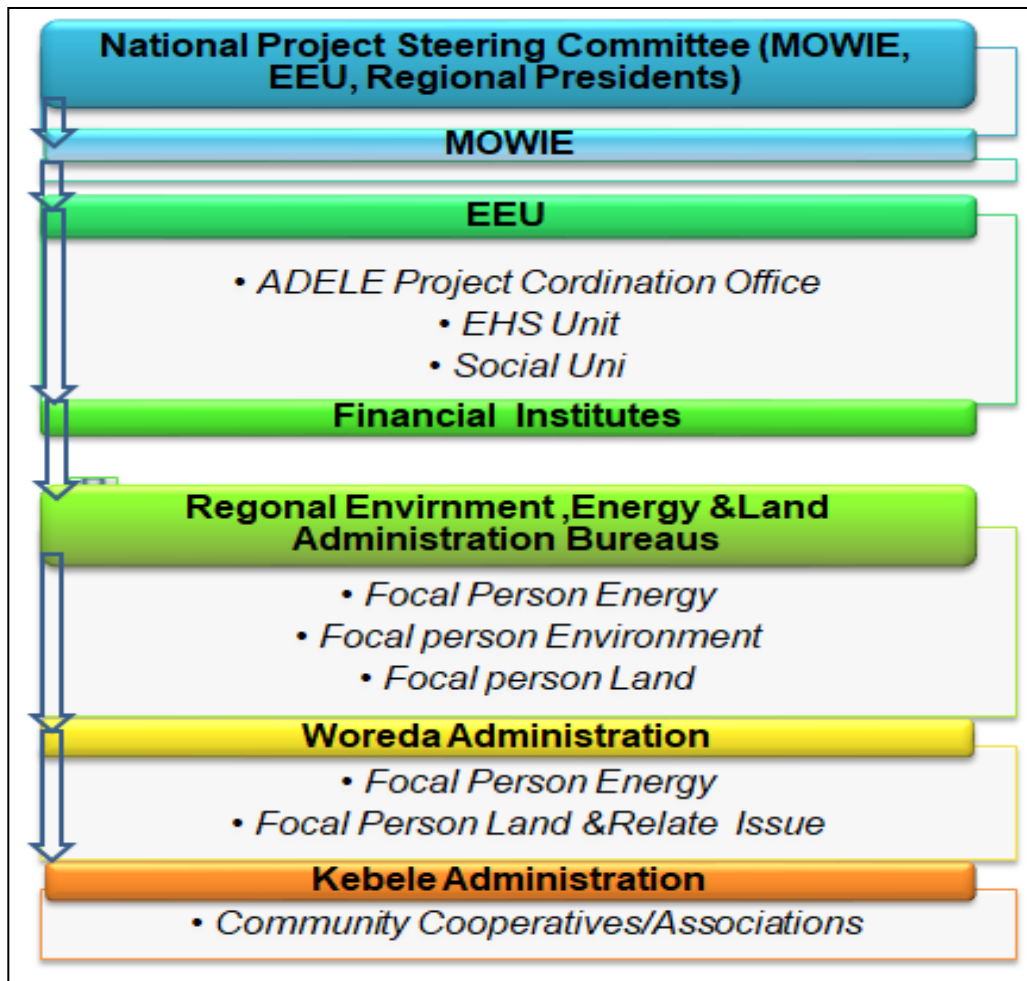
- ✚ Follow up and ensure implementation of the provisions of this proclamation pertaining to rural areas in the Regions.
- ✚ Support resettlement of displaced people from rural areas,
- ✚ Provide technical and capacity building support to Regional States,

#### **C. Regional States**

- ✚ Follow up and ensure the implementation of this Proclamation and the Regulation and Directive enacted under it in Regional States,
- ✚ Develop and implement resettlement packages. An independent entity that implement and govern this framework shall be established or appointed from this institution to bear this responsibility.
- ✚ Provide capacity-building support to Woreda Administrations to enable them implement this Proclamation.
- ✚ Assess the living conditions of the displaced persons and provide solutions to the identified problems,

#### **D. Woreda Administrations**

- ✚ Organize consultative meetings with people that are going to be displaced on the type, benefits, and generally the process of the project;
- ✚ Pay or make others pay the compensation to the landholders whose land holdings are expropriated;
- ✚ Implementing the resettlement packages;
- ✚ Maintain record of the property located on the expropriated land;
- ✚ Support and ensure the improvement of the livelihoods



### 2.3 World Bank ESF ESS5 on Land Acquisition and Resettlement

The World Bank's safeguard policies are designed to ensure that programs/projects proposed for Bank financing are designed and executed in an environmentally and socially sustainable manner. The full list of WB Environmental and Social Framework (ESF) Standards is presented below: <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework>

- ✚ ESS1: Assessment and Management of Environmental and Social Risks and Impacts
- ✚ ESS2 Labor and Working Conditions
- ✚ ESS3 Resource Efficiency and Pollution Prevention and Management
- ✚ ESS4: Community Health and Safety
- ✚ ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement
- ✚ ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources
- ✚ ESS7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities
- ✚ ESS8: Cultural Heritage
- ✚ ESS9: Financial Intermediaries (FIs)
- ✚ ESS10: Stakeholder Engagement and Information Disclosure

The Bank underlines that the application of these standards, by focusing on the identification and management of environmental and social risks, will support borrowers in their goal to reduce poverty

and increase prosperity in a sustainable manner for the benefit of the environment and their citizens. It is also expected that these standards will:

- a) Support borrowers in achieving good international practice relating to environmental and social sustainability;
- b) Assist Borrowers in fulfilling their national and international environmental and social obligations;
- c) Enhance non-discrimination, transparency, participation, accountability and governance; and
- d) Enhance sustainable development outcomes of projects through ongoing stakeholder engagement.

The **ESS 5: Land Acquisition and Involuntary Resettlement** is especially important for this RF and subsequent resettlement plans and operations of the proposed ADELE project, as well as ESS 10 i.e. the Stakeholder engagement aspects and ESS 1 i.e. Assessment and Management of Environmental and Social Risks and Impacts. ESS 7 i.e. Indigenous Peoples is also significant. The main aspect of WB ESS 5 that is applicable to the proposed project financing and is directly linked to this RF, and therefore it is discussed in more details below.

### **ESS 5: Land Acquisition and Involuntary Resettlement**

This standard recognizes that project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons. Project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land or loss of shelter), economic displacement (loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood), or both. The term “involuntary resettlement” refers to these impacts. Resettlement is considered involuntary when affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in displacement.

The major objectives of Standard 5 include the following:

- ✚ To avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives;
- ✚ To avoid forced eviction;
- ✚ To mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by:
  - (a) Providing timely compensation for loss of assets at replacement cost and;
  - (b) Ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected.
- ✚ To assist displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards.
- ✚ To improve living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure.

World Bank ESS 5 designates affected persons may be as those:

- a) Who have formal legal rights to the land or assets they occupy or use;
- b) Who do not have formal legal rights to land or assets, but have a claim to land that is recognized or recognizable under national law; or
- c) Who have no recognizable legal right or claim to the land or assets they occupy or use.



Land acquisition for Accelerating Distributed Electricity and Lighting in Ethiopia (ADELE) project may result in negative impacts to different categories of PAPs. This RF considers PAPs as those who stand to lose, as a consequence of the project activities, all or part of their physical and non-physical assets, including home(s), plots of productive lands, resources such as perennial and non-perennial crops, forests, commercial properties, and income-earning opportunities. Such impacts may be permanent or temporary. This might occur through land expropriation and restricted or reduced access to important livelihood resources. ADELE Project related land acquisition and/or restrictions on land use may result in the physical displacement of people and their economic displacement. As a result, requirements of WB ESS 5 regarding physical displacement and economic displacement apply. This Resettlement Framework applies to all economically and/or physically displaced persons regardless of the total number of affected persons. This means that the severity of impact and whether or not they have legal title to the land (e.g. the RF guidelines apply also to those with ill defined or no title to the land- who may not be protected through Ethiopia's legislation related to land exploration).

World Bank ESS 5 applies to projects, where physical and/or economic displacement results from land and land related transactions. These are land rights or land use rights being acquired through compulsory acquisition in accordance with the legal system of Ethiopia; land rights or land use acquired through negotiated settlements, if failure to reach settlement would result in compulsory procedures; and transactions, which restrict access to land, or use of other resources, including communal property and natural resources. The Standard encourages projects to use negotiated settlements even if legal means exists for compulsory acquisition. More specific details on the requirements of World Bank ESS 5 as it applies to the ADELE project are presented as follows:

- ✚ Feasible alternative Project designs should be considered to avoid or minimize physical or economic displacement, while balancing environmental, social, and financial costs and benefits, paying particular attention to impacts on the poor and vulnerable.
- ✚ When displacement cannot be avoided, the EEU will offer displaced communities and person's compensation for loss of assets at full replacement cost and other assistance to help them improve or restore their standards of living or livelihoods.
- ✚ The Project should engage with Affected Communities, including host communities, through the process of stakeholder engagement described in World Bank ESS 10.
- ✚ The Project implementer/the EEU/MoWIE should establish a grievance redress mechanism consistent with World Bank ESS 10 as early as possible in the project development phase.
- ✚ A census should be carried out to collect appropriate socio-economic baseline data to identify the persons who will be displaced by the Project, determine who will be eligible for compensation and assistance.
- ✚ The Project implementer/the EEU should identify those persons who will be displaced and establish a cut-off date to establish eligibility for compensation.
- ✚ The Project implementer/the EEU/MoWIE have to offer land-based compensation, where feasible, where livelihoods of displaced persons are land-based, or where land is collectively owned.
- ✚ Encourages negotiated settlements to avoid forcible eviction of people.
- ✚ Project implementer/the EEU/MoWIE has to "bridge the gap" between legal requirements of the Ethiopian Government and the requirements of the ESS where necessary.
- ✚ Preparation of a RP clearly demonstrating how displacement will be managed in accordance with the ESS.

- ✦ Standards for compensation to be transparent and consistent within a project, and established with the participation of the PAPs.
- ✦ Project implementer/the EEU/MoWIE must offer displaced persons and communities' compensation for loss of assets at full replacement cost, and other assistance to help them improve or at least restore their standards of living or livelihoods.
- ✦ In the case of physically displaced persons, the project implementer/the EEU/MoWIE should offer the choice of replacement property of equal or higher value, equivalent or better characteristics, and advantages of location and security of tenure, or cash compensation at full replacement value where appropriate.
- ✦ If land acquisition for the project causes loss of income or livelihood, regardless of whether or not the affected people are physically displaced, Project implementer/the EEU/MoWIE is required to promptly compensate economically displaced persons for loss of assets or access to assets at full replacement cost.
- ✦ In cases where land acquisition affects commercial structures, it requires compensating the affected business owner(s) for the cost of re-establishing commercial activities elsewhere. For the lost net income during the period of transition and for the costs of the transfer and reinstallation of the plant, machinery or other equipment, it needs to provide replacement property (e.g. agricultural or commercial sites) of equal or greater value or cash compensation at full replacement cost. This is done for appropriate persons with legal rights or claims to land, which are recognized or recognizable under the national laws.
- ✦ Compensate economically displaced persons who are without legally recognizable claims to land for lost assets (such as crops, irrigation infrastructure and other improvements made to the land) other than land, at full replacement cost.
- ✦ Provide additional targeted assistance (e.g. credit facilities, training, or job opportunities), and opportunities to improve or at least restore their income-earning capacity, production levels, and standards of living to economically displaced persons whose livelihoods or income levels are adversely affected.
- ✦ Provide transitional support to economically displaced persons, as necessary, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living.
- ✦ Identify, review, and abide by all laws of Ethiopia and in compliance with World Bank ESS 5 that are applicable to land acquisition and involuntary resettlement. In cases of differences between the GoE law and World Bank standards, the most stringent shall prevail.

## 2.4 Review and Comparison of the National Policies and the World Bank: WB’s ESF ESS5 and Ethiopian New Proclamation No. 1161/2019

The WB’s ESS5 and the Ethiopian Proclamation No.1161/2019 both cover objectives and principles of land acquisition and involuntary resettlement. There are comprehensive laws and proclamation on land related issues in Ethiopia. Though both the WB’s ESS5 and Ethiopian Proclamation No 1161/2019 have commonalities, there are some gaps and differences in provisions. One gap for example relates to provision, in the Ethiopian Proclamation, about voluntary land donations. The other gap is related to entitlements for payment where rights to compensation are essentially based on the right of ownership, which limits the rights of non-formal occupants like slum dwellers and tenants that the ESS5 recognizes as eligible for compensations. This RF will adhere to the Ethiopian laws and Proclamations as noted above and the ESS5 in its recommendations. In case of gaps and contradictions between the two sets of provisions, the instrument that provides and guarantees greatest benefit to the PAPs will prevail. The details are discussed as follows.

**Table 2: Summary of Main Gaps between Ethiopia Proclamation No. 1161/2019 and WB’s ESS5**

Items with Difference	The Ethiopian Proclamation No. 1161/2019	WB’s ESS5	Measures to Address Differences
Policy Objectives	<p>The Proclamation No. 1161/2019 gives power to Regions, Addis Ababa and Dire Dawa, Woreda or Urban administrations to expropriate rural or urban landholdings for public purpose where it affirms that it should be used for a better development.</p> <p>Proclamation No. 1161/2019, Article 4(1) Expropriation of land for public purposes shall be made only on the basis of approved land use plan; urban structural plan; or development master plan. Under sub-article 2, it states “Compensation and resettlement Assistance Compensation for the expropriated land shall sustainably restore and improve the livelihood of displaced people.” In addition, under</p>	<ul style="list-style-type: none"> <li>✚ WB ESS 5 necessitates that involuntary resettlement should be avoided wherever possible or minimized by exploring alternatives.</li> <li>✚ Resettlement program should be sustainable, include meaningful consultation with affected parties and provide benefits to affected parties</li> <li>✚ Displaced persons should be assisted in improving livelihoods etc. or at least restoring them to previous levels</li> </ul>	<p>WB ESS5 and Proclamation No. 1161/2019 have almost similar measures thus the overall objectives shall be applied to avoid or minimize involuntary resettlement and to ensure consultation throughout the process.</p>

	article 4, it shows “Where land is expropriated for public purpose, the procedure shall be transparent, participatory, fair and accountable.”		
Voluntary land Donations	The proclamation deals with land acquisition and involuntary resettlement and therefore does not provide guidance on voluntary donations.	<p>WB ESS5 is also applicable to cases where affected people choose to voluntarily donate land or assets based on conditions set in footnote 10 of ESS5:</p> <ol style="list-style-type: none"> <li>1. the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them;</li> <li>2. potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation;</li> <li>3. the amount of land being donated is minor and will not reduce the donor’s remaining land area below that required to maintain the donor’s livelihood at current levels;</li> <li>4. no household relocation is involved;</li> <li>5. the donor is expected to benefit directly from the project; and</li> <li>6. For community or collective land, donation can only occur with the consent of individuals using or occupying the land.</li> </ol>	This RF provides guidance in line with ESS5 in times where voluntary donations would be appropriate and the process of carrying out the donations, including documentation.
Displaced persons	According to Proclamation No.1161/2019 Article 2(16), “Displaced People” means a person, households, firms, or public or private institutions that have been living in occupied land, including tenants, employed and self-employed persons on the land for public benefit.” The details will be in the Regulation.	<p>Displaced persons may be classified as persons:</p> <ol style="list-style-type: none"> <li>i. Who have formal legal rights to the land or assets they occupy or use;</li> <li>ii. Who do not have formal legal rights to land or assets, but have a claim to land that is recognized or recognizable under national law;</li> <li>iii. Who have no recognizable legal right or claim to the land or assets they occupy or use?</li> </ol>	<p>The National legislation is silent on land users without recognizable legal right to the land they occupy. Whereas, WB PS-5 states that, for people who do not have use rights over the land they occupy, WB PS-5 requires that non-land assets be retained, replaced, or compensated for; restorative relocation takes place with security of tenure; and lost livelihoods.</p> <p>RF document acknowledges in an event where there is a conflict between the national law and WB ESS 5 guidelines, the WB ESS prevails as resettlement framework and compensation for assets will be</p>

			provided to all PAPs (including those without legal title).
Livelihood restoration and assistance	Article 4(2) of 1161/2019 states Compensation and resettlement Assistance for the expropriated land shall sustainably restore and improve the livelihood of displaced people. Article 13(3a) also states compensation for communal landholding shall be based on the use of the communal land or the lost benefits and livelihood of the displaced People. Article 25 (2) mentions support for and ensuring the improvement of the livelihood of displaced farmers and pastoralists.	Provision of livelihood restoration and assistance to achieve WB ESS5 objectives to assist displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards.	Income Restoration Program would be provided in order to re-establish sources of livelihoods for those affected people who have permanently lost their sources of livelihood. Livelihood restoration programs are robust and can accurately meet the livelihood restoration objectives in line with WB ESS5.
Eligibility Criteria for Compensation	It is the Constitutional right in Ethiopia that if one's property is acquired, the individual will be compensated for any land acquired. Any person whose right of occupancy or recognized longstanding occupation or customary use of land is revoked or otherwise interfered with to their detriment by the State is entitled to full, fair and prompt compensation. According to the law, those with no legal rights or claims to land are not eligible for any form of compensation. According to Proclamation No. 1161/2019 Article 14(1) a person who lost economic benefit either permanently or temporarily without being displaced as a consequence of land expropriation shall be paid compensation; the person entitled for the compensation, type and amount of compensation shall be determined by the Directives issued by a Regional	Those with formal rights, informal rights and users without any form of right but with a claim on land are eligible.	The national legislation does not provide clear guidance on how claimants without possession of proof of ownership will claim for compensation. Whereas, World Bank Environmental and Social Standard 5 states that for people who do not have use rights over the land they occupy, it requires that non-land assets be retained, replaced, or compensated for; restore relocation take place with security of tenure; and lost livelihoods.  World Bank Environmental and Social Standard 5 entitle compensation for assets to all affected individuals regardless of landholding rights to land titles (including squatter settlements). Thus, the ESS5 includes additional groups who are eligible for compensation for loss of land and assets on the land notably those without legal claim to the land. As such, tenants, squatters and land users will need to be provided with compensation in line with ESS5.

	State in question.		
Cut-off date	<p>According to The Civil Code Proclamation No. 165/1960, buildings or improvements on land made after the issuance of the expropriation order will not be considered for compensation. This implies that the issuance of the expropriation order marks the cut-off date. In line with the Civil Code, grievances are first preferred to be settled amicably whenever possible in the presence of elders, local administration representatives or any influential persons in the locality. If the PAPs are not satisfied with what has been proposed by the amicable means, then the litigation is referred to the formal courts.</p>	<p>WBG Guidance Note 5, GN 32 defines the cut-off date as the date of completion of the census and assets inventory. The Borrower will establish a cut-off date for eligibility. Information regarding the cut-off date will be well documented and disseminated.</p>	<p>According to the national legislation, the expropriation order/notification is expected to be issued at least 1 year prior to the expropriation. In line with Performance Stanard 5 guidance, ADELE projects will use the date of the completion of the census and assets inventory. This will be publicized and communicated to the community and PAPs. Upon commencement of valuation, a person shall not add or improve anything to the land or such premises, except where it can be demonstrated that such post-cut-off date improvements are needed to maintain the livelihoods of the affected person during the period between the cut-off date and displacement e.g. as a result of delays in project implementation.</p>
Compensation	<p>Compensation for payment of improvement to land shall be equal to the current value of the capital and labor expended on the land. For relocation of the property on the land, the cost of removing, transporting, and erecting, the property shall be paid as compensation (Article 12, sub-articles 1-5).</p> <p>Depreciation value of the properties could not be considered during payment of compensation. The Proclamation states, “The amount of compensation for property on the land shall cover the cost of replacing the property anew.” The Proclamation also noted that the minimum compensation payable to a housing unit might not, in any way be less than the current cost of constructing a house per the standard or based on the</p>	<p>WB PS 5 Guidance Note, GN 22: The rate of compensation for lost assets shall be calculated at full replacement cost, (i.e., the market value of the assets plus transaction costs).</p>	<p>The WB requirements and the new Ethiopian proclamation for compensation must be followed as per WB PS 5 and Proclamation No. 1161/2019. Thus, ADELE project will follow the compensation of lost assets at full replacement cost in line with the objectives of the stated ESS 5 and the Proclamation, and in so doing meet replacement cost standard or exceed the market value (which would be lower if the asset has been subject to depreciation).</p>

	objective conditions of each Regional State or City Administration.		
Timing of compensation payments	Proclamation No. 1161/2019 (Article 9, sub-article 1-3) indicated the Responsibility of the land requiring body that shall submit to the City or Woreda administration and the decision that shows the size and exact location of the land and to be expropriated at least one year before the commencement of the project and pay the money required for compensation and resettlement to the respective City or Woreda Administration	GN23: Compensation for lost land and assets shall be paid prior to the client taking possession of this land or assets and where possible people shall have been resettled at, their new sites and moving allowances paid to them.	Payment of compensation and support for displaced person should always be effected before the land is handedover, as per the requirements of WB PS 5 and Proclamation No. 1161/2019. To ensure that all compensations are paid prior to possession of the expropriated property, ADELE project shall institute accessible, objective, systematic and empowered grievance management mechanisms that will allow for swift handling and conclusion of all grievances.
Resettlement instruments	The Proclamation No. 1161/2019, Article 16 (1,2,&3) states establishing fund for compensation payment and rehabilitation, developing resettlement packages that enable displaced people to sustainably resettle and shall have the duty to resettle the People displaced on the basis of the resettlement package and allocated budget	Requires a resettlement instrument in form of a resettlement action plan, resettlement policy framework or livelihood restoration plan (in case of economic displacement).	This document together with the database detailing the persons and property affected and any additional plans for livelihood restoration prepared by the developer shall together form the equivalent of a resettlement plan/livelihood restoration plan for ADELE project.  Based on WB PS 5 GN43, a Resettlement Plan should be prepared for any project that results in physical displacement. EEU undertaking projects that entail land acquisition but require no physical displacement of people will prepare a Livelihood Restoration Plan. The scope and level of detail of the RP will vary with the magnitude of displacement and the complexity of the measures required to mitigating adverse impacts. In all cases, the RP and LRP will describe the manner in which the objectives of Enviromental and Social Standard 5 will be achieved.

<p>Grievance Redress Mechanisms</p>	<p>Proclamation No. 1161/2019, Articles 18, 19, 20 and 21 provides the structure and details on the operating guidelines and procedures of an effective functioning of Grievance Redress Mechanisms.</p>	<p>Annex 1 of ESS10 includes details of administrative and judicial process on Grievances Redress Mechanisms to handle grievances/complaints under all ESS.</p> <p>Participation in resettlement planning and implementation, including in developing appropriate Grievances Redress Mechanisms that are useful and accessible to local people. Grievance mechanisms for the Project will be instituted as early as possible to address concerns in a timely fashion. Where possible such mechanisms will use existing mechanisms.</p>	<p>There will be consultations with PAPs at various stages. Prior to the preparation of the RP, consultation is carried out to confirm eligibility criteria and discuss entitlement matrix, as well as to introduce GRMs.</p> <p>In addition, the copies of the Guidelines for GRM are translated into local language, are distributed and explained in detail to the PAPs during the public consultation process.</p>
<p>Consultations and Stakeholder Engagement</p>	<p>The EEU details out number of steps to carry out consultations at various stages of the land acquisition and resettlement process and compensation.</p> <p>EEU provides for stakeholder engagement in respect of land acquisition and involuntary resettlement.</p> <p>The EEU provides for disclosure of the RF to the stakeholders and public before the approval of the project.</p>	<p>ESS10 requires that stakeholder engagement with affected and interested stakeholders will be ensured throughout the project cycle in line with the project's Stakeholder Engagement Plan (SEP), including ongoing consultations and document disclosure.</p> <p>Decision making processes related to resettlement and livelihood restoration will include options for people to choose. Consultation will take place during consideration of project design, planning, implementation and monitoring and evaluation process, livelihood restoration activities and relocation process. Women's perspectives should be considered in the consultation process. Additional consultations are needed with Vulnerable Groups (ESS7)</p>	<p>Meaningful consultations according to WB ESS10 have to be done with particular attention to ensuring it is a two-way process, that allows for feedback from affected persons and they are kept informed on how their feedback was incorporated.</p>
<p><i>N.B. In instance of differences between the Ethiopian Legislation and World Bank Environmental and Social Standard 5, the once that provides greatest benefit to PAPs will prevail.</i></p>			



### **3. Description of Baseline Social and Environmental Conditions**

Since the project will be carried out in the country's eight regions, and Addis Ababa City Administration, it is necessary to identify their basic environmental and social conditions. Ethiopia has a total population of more than 99 million (World Bank, 2016), and the majority of the country's population lives in rural areas. The following description of the environmental and social baseline situation deals with country overview on social and economic issues as well as regional level description on the environmental and social baseline conditions

#### ***a. Social and Economic Context***

The agricultural sector plays a central role in the nation's economic and social life, and is an industrial pillar. Much of the country's population is engaged mainly in rural agricultural practices (farming and animal husbandry). The majority of the urban population generates its income in small-scale trade and industry, in informal industries such as the selling of food and local drinks, the marketing of agricultural produce, etc. Since the majority of the population is rural and about 85 % of the population depends on a land-based economy (mainly crop farming), the activities proposed under this project are expected to be limited. Relocation, unless it is pursued carefully in a way that it maintains pre-relocation settlement pattern and such other considerations, it disrupts social/neighborhood networks and therefore is likely to have serious social consequences.

Culture reflects the socio-economic condition of a society/community, and in Ethiopia, various cultural practices exist and could influence the socio-economic development of the society positively and negatively. Religion is also another important social activity, which plays an important part in a given community/society's existence. Christianity and Islam are the two main religions, which are widely practiced in Ethiopia. All religions play a significant role in people's lives. Traditional religion and Judaism are among the other religions practiced in Ethiopia. In terms of ethnic composition, the country is divided into various ethnic groups, estimated at more than 80. The most known ethnic groups are the Oromo, Afar, Amhara, Sidama, Wolayita, Somali, Gurage, Kembata, Hadiya, and Tigraway, etc. It is estimated that the Oromo and Amhara comprise over 50 per cent of the total population of the country. In terms of language, Amharic, followed by Oromiffa, is the most commonly spoken language. The Federal Government's working language is Amharic, with its own script. Similar to the number of ethnic groups it is estimated that the number of languages and dialects is greater than 80.

#### ***b. Land Use***

In Ethiopia, most people live in rural areas, and about 85 per cent of the population depends on land-based economic activities, mainly crop farming. In Ethiopia, the specific patterns of land use include agricultural land, mainly for crop (cereal and cash crops). Cereal crops are the main cultivation type in Ethiopia and occupy the largest share of agricultural land. Agriculture takes the greatest share, and

this is an expression of the fact that the sector is dominant in the economic sphere of the country. Agricultural land is extremely fragmented, and the average land tenure size for farm households is less than 2.5 hectares. This also occupies a significant proportion of pastureland, particularly in rural areas. Forest areas occupy less than 4 per cent of the land area of the country. Industrial zones and settlements (urban and suburban) occupy a very small proportion of the land area of the country. In urban areas, land is used primarily for the construction of various types of private and public service buildings.

### *c. Economic Activities*

Economic activity includes the production for consumption and sale of goods and/or services for sale or trade, and the processing of other products. The economic activities carried out in rural areas are mainly agriculture and livestock keeping. Given that agriculture is the main source of livelihood for the majority of the Ethiopian population, this sector involves people in rural areas. Agricultural practices include primarily planting and cattle rearing that is called mixed farming. This activity is commonly performed in the country's middle and highland regions. On the other hand, in the lowland areas cattle rearing are the most important livelihood for the pastoralists.

Cereal crop production, such as teff, maize, sorghum, millet, wheat, and barley, accounts for the biggest share of output in agriculture. The second biggest agricultural production is cash crops, such as coffee, chat (*khata edulis*) and various fruit types. Urban residents in the project areas are primarily engaged in different forms of small business and industry and are employed in both public and private enterprises. In some cases, people living in the periphery of towns / cities in particular supplement their income with animal rearing, dairy farming, vegetable farming, and trees growing.

### *d. Housing Condition*

Housing conditions (standard and quality) are one of the manifestations that show a country's economic growth, as it has a direct relationship to a nation's economic development and wealth. The rising population of Ethiopia and the rapid urbanization rate has been exerting tremendous pressure on housing. The challenges for lower income households to purchase their own home are twofold: lack of affordable housing stock, high quality housing stock, and the difficulty of securing funding for housing. Over the past decades, the government has made efforts to provide housing in urban areas for the population. The government has introduced a highly subsidized Integrated Housing System to increase private ownership of homes, thereby generating job opportunities to demolish the slums and improve the aesthetic beauty of urban areas amongst others. Houses in rural Ethiopia are of a very low quality and standards. The type and quality of building materials used to build houses varies from place to place depending on the availability of building materials, the climatic condition of the region, the size of the plot, the design accepted, etc. In rural areas, most houses are constructed from wood and mud and covered with thatched/grass roof. After identifying the exact location for the program implementation, ADELE requires to ensure that the affected households are identified and necessary measures are taken as applicable based on The Ethiopian Expropriation of Land Holding for Public

Purposes and Payment of Compensation Proclamation 1161/2019 and the World Bank ESS5 pertaining to Land Acquisition and Involuntary Resettlement.

### **3.1 Broader Physical Infrastructure and Social Services**

#### *i. Road Infrastructure*

In Ethiopia, the road network has improved and expanded over the past few years. In 2009/2010, Ethiopia had a total road length of 48,800 kms, which increased to 63,604 km at GTP I that ended in 2014/2015. In this regard, at the end of GTP I June 2015, the overall road length of the country increased to 110, 414 km, with improvements in accessibility to all weather roads (National Planning Commission, 2008 E.C.). With such achievement, nearly 76 per cent of the country's rural Kebeles have all the weather highways, among others.

#### *ii. Telecommunications*

Ethiopia's government has made various efforts to improve the country's telecommunications infrastructure and services, with higher quality and coverage. Mobile phone subscriber/owner numbers grew from nearly 7.7 million in 2009/2010 (2002 E.C.) to 38.8 million in 2014/2015 while cell phone users grew from 6.7 million to 38.8 million in the same period (National Planning Commission, 2008 E.C.). In the same timeframe, telecommunications service beneficiaries in rural kebeles in the 5kms radius exceeded 97 percent in 2014/2015 compared with 62.1 percent in 2009/2010.

#### *iii. Water Supply*

The coverage of drinking water supply in rural areas in 2014/2015 was 82%, while in urban areas it was 91%, with overall country coverage of 84% of drinking water supply. According to the 2016 Demographic and Health Survey, sources of drinking water supply in urban areas of the country and rural areas increased to 97.3 per cent and 56.5 per cent respectively from improved water sources (USAID, et al 2016).

#### *iv. Education*

The participation rate of education before regular education, primary education and secondary education (9-10) reached 39 percent, 96.9 percent, and 40.5 percent in 2014/2015, respectively. There were also numerous attempts made to enhance the standard of the country's education. Trained primary (1-8) and secondary (9-12) teachers have reached 71.37 per cent and 87.3 per cent respectively in this regard. In addition, the government made extensive efforts to improve and expand TVET and higher education training.

v. *Health Services*

A number of health posts and health centers were established within GTP I period according to the standard collection. Health coverage reached 98 per cent in Ethiopia in 2014/15 and consumers of family planning services reached 42 per cent compared to 15 per cent in 2009/2010 (Commission on Regional Planning, 2015). This has implications for improving the health of children and mothers and for reducing overall mortality rate.

### **3.2 Socioeconomic and Environmental Baseline Conditions under the Project Implementation Regions**

Ethiopia is a country where many nations, nationalities and people are living with diverse geographies, languages, and cultures. Administratively, the country is divided into nine regions and two city administrations. The Accelerating Distributed Electricity and Lighting in Ethiopia (ADELE) project will be implemented in eight regions and Addis Ababa City Administration except Dire Dawa City Administration and Harari Region. Thus, it is important to have a clear picture of the locations, livelihood activities, ethnic and religious compositions of the people living in the project implementation regions. These helps to recognize the beneficiary profile, which are quite diverse comprising a number of sub-groups identifiable on the basis of their differential endowment, gender, ethnicity, different economic groups and other regional features. A brief overview of socioeconomic and environmental conditions of the eight regions and Addis Ababa City Administration is presented below. In each region and Addis Ababa, sampled woredas are also briefly described. For detail description of the socioeconomic and environmental baseline conditions of the ADELE project area and people, please refer the SA and ESMF of this project

## **4. Socio-Economic Impacts and Mitigation Measures**

### **4.1 Introduction**

This section of the RF provides information on the potential impact and likely project affected persons that could be displaced or affected in the course of accelerating distributed electricity and lighting in Ethiopia in the project targeted areas of the the eight regions. The ADELE project is designed to finance to increase access to new and improved electricity services for households, small-holder farmers, commercial and industrial users, and social institutions in urban, peri-urban, rural and deep-rural areas through on-grid, off-grid and mini grid solutions by leveraging public and private delivery modalities. . These components are designed to be implemented under the supervision of Ethiopian Electric Utility (EEU) in collaboration with Ministry of Water, Irrigation and Energy (MoWIE).

The actual implementation sites of these sub-projects are not yet known. In this regard, the potential impacts described below are those anticipated at this time and indicative to serve as a guideline for a thorough assessment of environmental and social issues, and to develop a relevant and responsive plan. Given the nature and scale of the sub-projects and the respective activities, there will be both positive and negative impacts associated with the mentioned sub-projects. Considering the potential sub-project activities and small area required within beneficiaries homestead except for the mini-grids, the project could be generally characterized as small scale in nature with minimum environmental and social impacts that generate on biophysical and social environment.

### **4.2 Potential Positive Socio-economic Impacts**

The nature of the proposed project is expected to be environmentally friendly and socially acceptable. It will benefit the whole nation in general and the target community members in particular. The following are some of the major socioeconomic impacts/benefits of the project:

- ✚ Provides people with access to electricity through mini grid and off-grid solutions;
- ✚ Provides enterprises (farmers, business, commercial, industrial users) with access to electricity through mini grid and off-grid electricity solutions;
- ✚ Improves engagement in education by permitting more evening study time for students providing standalone solar system for institutional users include schools (primary and secondary);
- ✚ Health benefits-Improved access to reliable lighting for health services (health post, health centers and hospitals) as well as other public institutions;
- ✚ Create direct or indirect, local or regional job opportunities; thereby create income generation means for respective communities and support the development of high value skills;
- ✚ Improves social interaction for instance families can spend more time together even when the sun goes down and have longer time to use charged mobile phones interacting with others;
- ✚ Improves local market opportunities and living conditions of the community;
- ✚ Women has reduced burden for fuel wood gathering;
- ✚ Income benefits from access to electricity through new opportunities of work and increase productivity in new home businesses especially in nonfarm activities;

- ✚ Access to domestic benefits of watching/listening TV/radio with implications on enhancing income particularly for those who will engage in certain businesses.
- ✚ Enhance electric power reliability, quality and power supply capacity that in turn partially satisfy the ever-increasing power demands through grid solution.

#### **4.3 Potential Negative Socio-economic Impacts on PAPs and Mitigation Measures**

Minimum social impacts are anticipated to affect the nearby community during the implementation of ADELE project construction and operational activities. Considering the nature of the intended components of the project, the impacts that are expected to be generated from the construction and operation phase will be mitigated or avoided through implementation of appropriate means and best practice methods.

##### **A. Categories of Project Affected People (PAPs)**

During the mini-grid and off-grid project implementation, there could be land expropriation as well as others, and these may bring negative impacts to different categories of PAPs. This Resettlement Framework considers project affected people as those who stand to lose because of the project implementation, all or part of their physical and non-physical assets, including homes, productive lands, and resources such as perennial and non-perennial crops, forests, commercial properties, and income-earning opportunities. To corroborate, when land, even in times not owned by the affected people was previously cultivated by them and provided with a livelihood or affected people have established a structure, is triggered. Such impacts may be permanent or temporary. This might occur through land expropriation and restricted or reduced access to important livelihood resources. This implies that the RF applies to all economically and/or physically displaced persons regardless of the total number of affected persons, the severity of impact, and whether they have legal title to the land or not. Particular attention will be paid to the needs of vulnerable groups among those economically and/or physically displaced especially those below the poverty line, the landless, the elderly, women and children or other economically and/or physically displaced persons who may not be protected through Ethiopia's legislation related to land expropriation.

Until the exact implementation locations are determined, it is not possible to estimate the likely number of people who may be affected because of project activities. However, the likely displaced (economically or physically) persons can be categorized into four groups namely: Project affected individuals, project affected households, project affected communal land users and vulnerable groups.

**Table 3:** Categories of Project Affected People (PAPs)

No.	Categories	Description
1	Project affected individuals	These are individuals who risks losing assets, investments, land, property and/or access to natural and/or economic resources because of project activities.
2	Project affected households	These are groups of PAPs in one household and where one or more of its members are directly affected by the project. These include members like the head of household, male, and female members, dependent relatives, tenants, etc.
3	Project affected communal land users in the underserved regions	Given some of the proposed and potential solar power development plant locations are in developing national regional states (underserved people), the land use right holdings in these areas are communal. Thus, the projects under this program may potentially acquire communal lands, which will be addressed based on the regional communal tenure systems for setting out entitlements and compensation payment.
4	Vulnerable groups	From these households the project will separately identify the vulnerable members, such as those who are too old or too ill; children including orphans; families affected and/or infected by HIV/AIDS; vulnerable women; unemployed youth; people with disability; etc. Households headed by women that depend on sons, brothers, and others for support is especially vulnerable.

## **B. Negative Socio-economic Impacts and Mitigation Measures**

The negative socio-economic impacts that might result from the implementation of the project are related to land acquisition, either temporary or permanent loss of assets and properties, social conflicts on claims to project ownership and impacts to vulnerable groups are described below with the mitigation measures.

### **1. Impacts related to land Acquisition**

The expected impact during the implementation of the proposed ADELE project is temporary or permanent expropriation of land for stores, installation of equipment, construction of mini-grid structures, off-grid and core work area.. Due to land being taken, the farmers and urban dwellers may lose their crops, houses and other properties and their livelihood might be affected because of the loss of assets and location change/involuntary resettlement. Since exact amount of land that would be taken cannot be determined now, appropriate planning and implementation is essential.

The PAPs to be impacted by any land loss are likely to be heterogeneous groups; the risks underlined in this RF differentially affect various categories of people. Hence, avoidance is the primary considerations to risks. Recognizing risks upfront and their financial implications is often a powerful

stimulus to search for an alternative that eliminate the need for displacement or cuts down its size. Thus, during implementation of the project, the findings of the social impact assessment will be operationalized to identify the areas or sites likely to have impact because of resettlement due to land acquisition or restriction of access to resources.

At that point, if the impact is unavoidable, WB Environmental and Social Standard 5 calls for the preparation of separate stand-alone Resettlement Plans (RPs) consistent with the guidelines provided in this RF. To mitigate any potential negative social impacts, EEU should work closely with the relevant stakeholders to ensure implementation of the following:

- ✚ Preparation of sub-project specific RP, as necessary;
- ✚ Project affected people should be consulted and be involved in decision-making at different stages of the program;
- ✚ Compensation for properties and land replacement should be implemented as per Proclamation No. 1161/2019, the RPs and WB ESS5;
- ✚ Compensation shall be paid prior to the start of the construction works; and
- ✚ Selection of project specific installation/implementation sites with minimum effect on the biophysical and socioeconomic environment will be done early on.

Along with compensation for their asset losses, the project will prepare Livelihood Restoration Plan for PAPs that include the following:

- ✚ Provision of capacity building training on businesses which they want to engage;
- ✚ Provision of technical support in business plan preparation, and implementation of the businesses
- ✚ Facilitate Micro-finance support (savings and credit), and other small business development activities,
- ✚ Follow up, supervision and monitoring the implementation of business

## **2. Social Conflicts**

The possible social impacts that may lead to conflict might result from high demand and lack of fairness in prioritizing households for services, equity of decision-making process in use of off-grid and failure to consider the local work force during the construction of the structures and installation. Hence, to minimize the expected social conflicts, it is worthwhile to encourage and consider the employment of local labor for semi-skilled and unskilled people including women, ensure that criteria is set for prioritization of likely beneficiary households including poor and female headed ones where there is more demand. Moreover, raising awareness of the target community on effective use of off grid and mini-grid systems for the benefit of all household members and on the expected role of the community/households members in management of the project at their level is essential.



### **3. Lack of Sense of Project Ownership**

Although the proposed sub projects are integrated with the individual beneficiaries, it is essential to consult stakeholders including all the community members that reside within the core project area at the outset. Awareness of the community on the benefits, negative impacts, expected roles, management of the sub-projects to be implemented at household level and in their villages

The level of participation of all relevant stakeholders during project planning and designing has of paramount importance as a buy-in process. This improves that the level of relevant stakeholder participation ultimately would enhance the sense of ownership of the project by the locals in general and beneficiaries in particular. It is quite evident that usually poor participation of stakeholders in preparation and implementation of projects would result in absence of sustainability of projects.

### **4. Impacts on vulnerable groups**

Historical underserved Traditional Local Communities and Vulnerable groups include women headed households, child headed households, households made up of the aged or handicapped and whose members are socially stigmatized (because of traditional or cultural bias) and economically underserved or disadvantage or social status may be more adversely affected by resettlement than others may. They may also be limited in their ability to claim or take advantage of resettlement assistance and related development benefits. Vulnerable people potentially eligible for specific assistance under this Resettlement Framework are those who are affected by the Project land acquisition, compensation and resettlement activities. Details of the description of vulnerable groups is covered in the complementary project ESMF and the SA.

### **Mitigation Measures for Vulnerable Group/PAPs**

The income restoration measures will also target the vulnerable persons to ensure that they are reasonably assisted to overcome potential economic shock from the project, and maintain the quality of life not less than their pre-project state because they are at higher risk than others based on their vulnerability status. The resettlement committee in consultation with PAP will identify the type of livelihood restoration suitable to each PAP. As minimum indicator to be considered, PAPs level of education, age and present means of livelihood should be assessed. Provided that the ADELE has a positive impact on the vulnerable people and women in various aspects, impacts related to gender and other sources of vulnerability require the development of appropriate approaches. Thus, the following actions will be considered:

- ✚ Include women and create employment opportunity;
- ✚ Ensure the existence of joint property title for spouse and husband during resettlement compensation settlement;
- ✚ Deposit women's cash compensation in individual bank accounts in their names during resettlement planning;
- ✚ Provide livelihood trainings to women groups organized in Medium Small Enterprise's with special attention to female headed households;
- ✚ Special attention will be given to the impact of resettlement on women and other vulnerable groups during monitoring and evaluation of the RP, if prepared.

The identification of vulnerable people, the cause and impacts of their vulnerability is important. The identification mechanism should be devised and implemented by the beneficiary community. This step is critical because often times vulnerable people do not participate in community meetings, and their disability/vulnerability may remain unknown. Assistance may take the following forms, depending upon requests and needs:

- ✚ Assistance in the compensation payment procedure (e.g. specifically explain the process and procedures, make sure that documents are well understood);
- ✚ Assistance in moving: providing vehicle, driver or other appropriate transportation facility and assistance at the moving stage, assist the person in identifying his/her resettlement plot;
- ✚ Assistance in building: providing materials, workforce, or building houses;
- ✚ Assistance during the post-resettlement period, particularly if the solidarity networks that the vulnerable person was relying on have been affected.

Moreover, the project may have reflection impact, pollution from improper disposal of solar batteries and access road interruption. Mitigation measures for these impacts among other should include:

- ✚ Selection of proper site for setting up solar systems,
- ✚ Undertaking detail study during site selection,
- ✚ Avoiding setting up of solar systems on agricultural land and forest areas,
- ✚ Collecting and recycling of solar batteries,
- ✚ Providing support to the local community as per their needs and priorities such as construction of social institution, implementation of livelihood and restoration.

## **5. The danger of falling of peoples and animals on dug holes**

Since the proposed project passes through densely populated settlement areas, the danger of falling of peoples and animals on dug holes might occur where pole erection and subsidiary holes are dug and left uncover. Thus, the project owner supervisors should take care and supervise the project execution and the teams needs to mitigate the impact properly by covering the dug holes regularly and barricade the construction sites.

## 5. RP Preparation, Review and Approval

### 5.1 Preparation of a Resettlement Plan (RP)

The RP is the most essential instrument to be undertaken for a successful resettlement. RP should assess the number of PAPs, propose alternative locations for sub-projects where possible, identify eligibility criteria, include compensation and assistance provisions, and address the means by which the project will be monitored and evaluated to ensure that the PAPs receive compensation, and that their grievances are heard and addressed secure the required budget and clearly indicate institutional set up for its implementation. Feedbacks and comments outlined in the mitigation measures and compensation requirements in the RP will be disclosed to the PAPs.

Once the project activities identified, EEU in collaboration with MoWIE should screen them and determine whether they will require the involuntary resettlement of people within the determined project area, and they will be responsible of the application of the ESSs, including ESS5. Where RP is needed, the relevant EEU will prepare a RP with near support and follow-up from the WoWIE. The RP will be prepared in consultation with the affected parties, in particular with regard to the eligibility, cut-off date, disturbances to livelihoods and income-earning activities, valuation methods, compensation payments, potential assistance and timetables. EEU will undertake supportive supervision on implementation of the RPs.

The full RP description of this RF is attached in annex 2. To avoid unnecessarily difficult processes, the level of detail and extent of the RP has to be related to the extent of the impact of the resettlement and The RP should be proportional to expected risks and impacts. Whether the resettlement activities have minor or substantial effects on the land and livelihood of a person, a broader and more comprehensive RP will be needed. The key feature of a RP process is that it has followed a clear, auditable procedure that is relevant to the impacts and that allows consultation during the project implementation. The major elements or contents of a RP design criteria are summarized below:

- ✚ A description of the sub-project and a discussion of how the displaced will maintain or upgrade their living standards
- ✚ Identification of potential impacts
- ✚ Objectives of RP
- ✚ Site selection for new settlement, along with relocation risks and reconstruction;
- ✚ A census survey of displaced persons and valuation of assets
- ✚ Relevant findings of the socio-economic study
- ✚ Legal framework
- ✚ Institutional framework
- ✚ Eligibility criteria and eligible Project Affected Persons
- ✚ Valuation and compensation for losses
- ✚ Services offered after relocation (e.g. employment to restore their livelihoods, electricity, etc.) based on an assessment of their needs
- ✚ Resettlement measures
- ✚ Site selection, site preparation, relocation, provision of services (facilitation of relocation)
- ✚ Housing, infrastructure, and social services

- ✚ Environmental protection and management
- ✚ Community participation
- ✚ Integration with host populations
- ✚ Grievance procedures
- ✚ Organizational responsibilities and timetable (what institution is responsible for implementation of the relocation)
- ✚ Implementation schedule
- ✚ Costs and budget
- ✚ Monitoring implementation and outcomes
- ✚ Evaluation

## **5.2 Processes for RP Preparation, Review and Approval**

RP is required if land is to be acquired in such a way that people are displaced from land or productive resources or when a sub-project is expected to cause physical and economic resettlement. To direct the relocation of related sub-projects, the RP would need to be as detailed as possible. Displacement can result in relocation, loss of shelter, loss of assets or access to production-related assets; loss of income or livelihood sources; or loss of access to locations that provide higher income or lower expenditure for business or individuals. The steps to be undertaken for each individual RP include a screening process followed by a socioeconomic census, land asset inventory of the area and identification of the investment Project Affected Persons (PAPs). It is implemented by developing a Resettlement Plan (RP). Moreover, it requires the reviewing, approving, implementing and monitoring of the progress and success of the RPs.

### **5.2.1 RP during Project Identification**

#### **a. The Screening Process**

During the screening phase, gathering information about land ownership, structures and uses of the land that would be directly affected by the works, either temporarily or permanently might be involved. This information shall be verified by a qualified consultant who shall provide written and visual records and enumerate all economic, residential or other ownerships and uses of the land that would be affected, along with an estimation of the number of people affected by this type of impact. This same phase should also include conducting introductory meetings with communities, including PAPs and vulnerable groups, in order to inform them about the project and to disseminate the prepared RF and inform people about their rights and entitlements. The screening process involves the following steps:

1. Identify the intervention (sub-project)
2. Identify the exact sub-project location (defined area)
3. Screen each sub-project in relation to defined area based on the proposed sub-project activity through, for instance, mobilization/creation of awareness on the project in all intervening communities, joint walk through with potentially impacted people consultation/participatory process inclusive of affected persons for identification of impacts, mitigation and design enhancement measures.

4. Classify the impact based on its social impact, fill the social screening questionnaire - does the sub-project involve the acquisition of land? Will there be displacement or restriction of access? If the answer to the questions is yes, then the resettlement framework is triggered. Triggering of the resettlement framework will require further preliminary determination of whether the sub-project should be proposed or not, based on an assessment of the intensity of the impact and on the mitigation measures that will need to be developed and proposed.

## **ii. Preparation of the Socioeconomic Survey**

Following the identification of the project component, which may require involuntary resettlement, the next step will be to prepare a socio-economic assessment in which baseline data is collected within the target areas of the project.. This would analyze the essence of the impacts; the socio-economic and cultural environment, local institutions, social risks, overall land holdings and assets affected, as well as indicators that will ensure that people impacted by the project at least restore or, preferably, enhance their former quality of life.

The information will be collected from the PAPs and related household members or dependents. Such information will be documented in writing, used to prepare the RP and to assess the necessary compensation and assistance for each person/household affected. The goals of the socioeconomic study are the following:

- ✚ Introduce the project to the PAPs
- ✚ Collect census data to identify PAPs on individual and household levels
- ✚ Description of the affected households including information about livelihoods, production and labor systems, standards of living, an analysis of their legal rights and informal entitlements, and any issues of potential conflict
- ✚ Collect census data to identify vulnerable and severely affected PAPs
- ✚ Collect census data on the overall socio-economic environment of the affected communities
- ✚ Statement of the magnitude of the expected loss (total or partial) of assets and the extent of physical or economic displacement
- ✚ Identify stakeholders
- ✚ Identify impacts of the sub-project on the livelihoods of the PAP (i.e. property, structures, income, etc.)
- ✚ Identify any concerns or worries the PAPs may have
- ✚ Identify the resettlement preferences of the PAPs

The key design criteria set out above should be considered in preparing the RP.

### **5.2.2 Review and Submission of the RP**

After the EEU or Consultant completes the RP for a sub-project, it shall be submitted to the WB for review. Following WB's review and feedback, the EEU will in effect submit review and approval to the Bank. The RP must consider the magnitude of the impacts of the sub-project on the people affected and prepare for bank approval in a manner consistent with this framework before the sub-project for bank financing is accepted. The resettlement and compensation plans must include measures to ensure that displaced persons are:

- Informed about their options and rights pertaining to resettlement and compensation;

- Consulted on, offered choices among, and provided with technically and economically feasible resettlement and compensation alternatives;
- Provided prompt and effective compensation at full replacement cost for losses of assets and access, attributable to the project; and,
- Enabled to restore but preferably, to improve upon their pre-project living standards and conditions.

The approved RP needs to be reviewed at Woreda, Regional and Federal levels authorities by the relevant agency and then sent to the Bank for final approval. The RP shall include the suggested mitigation measures, which will help to make a decision as to whether or not to execute the proposal. The prepared RP shall take into account the needs and expectations of the communities posed during the socio-economic survey process.

### **5.2.3 RP during Project Implementation**

- ✚ Prior to the project implementation, PAPs that have been determined to be identified as eligible for compensation should be compensated in accordance with the Ethiopian Legislation and Proclamation No. 1161/2019, which will be updated upon the Regulation enacted and WB ESF-ESS5 as detailed in this RF.
- ✚ A cut-off date will be set as the time at which the census begins. Individuals who invade the area after the cut-off date have no right to compensation or any other form of resettlement assistance. Affected individuals, households, and communities identified earlier as part of the socio-economic survey will be consulted regarding their preferences for compensation.
- ✚ In the presence of at least one public official, the PAPs must be officially notified by written or verbal notification (in the event that any of the PAPs are uneducated). A contract specifying the acquired land plots and/or partially or fully affected structures and the related compensation forms (i.e. cash or in kind) would be expected to be signed by PAP. The signature of the compensation contracts as well as the actual payments and in-kind transfers are to be made in the presence of at least one elected official from the local authorities. Fingerprint stamps should substitute written signatures in the case of illiterate PAPs, and additional witnesses should be present. The contracts would also include contracts on future transitional or developmental assistance and income restoration initiatives that will be given to the PAPs.
- ✚ To enable the PAPs to voice their concerns, complaints, or dissatisfaction with any part of the compensation process and seek redress, a grievance mechanism should be established. The grievances should be addressed to local mechanisms or special committees that could be established as an independent instrument for receiving and responding to grievances in order to ensure that grievances from PAPs are treated fairly and promptly. The committee should collect and review grievances on a monthly basis (in coordination with the local public official) and EEU/MoWIE should play a role in facilitating the response to those grievances. The vulnerable groups will receive particular attention. It is also critical for the committees to ensure that all complaints are adequately reported and addressed within the timeframe allotted for responding to complaints within twenty working days. If it is not possible to resolve grievances or other disputes through administrative action, the PAPs may initiate legal proceedings in accordance with woreda or regional and national law, but this should be maintained as a last option.

### **5.2.4 RP during Monitoring and Evaluation**

Monitoring and Evaluation (M&E) are key components of the RP and have the following objectives:

- ✦ Monitoring of specific situations or difficulties arising from implementation and how it complies with the objectives and methods set out in the RP;
- ✦ Verifying that project activities have been effectively completed with respect to quantity, quality and time;
- ✦ Evaluation of medium and long-term impacts of resettlement on the livelihood, environment, local capacities and economic development of the affected households

The vulnerability issues will be considered in carrying out all activities relating to monitoring, evaluation and supervision. During the monitoring process, the various vulnerable groups referred to above should be consulted to ensure their concerns are handled fairly. Regular monitoring of the implementation of the RP will be carried out both internally, by the EEU and externally by an independent monitoring agency.

### **Guidelines for Monitoring Indicators**

The main indicators that will be monitored regularly are as follows:

- ✦ Check that the screening activities have been carried out to determine the need for the preparation of a RP
- ✦ Payment of compensation to PAPs in various categories, according to the compensation standard described in the RP; with special focus on the vulnerable groups and avoiding discrimination based on gender, ethnic backgrounds or any other factors
- ✦ Delivery of income restoration and social support entitlements
- ✦ Dissemination of public information and consultation procedures
- ✦ Committing to grievance procedures and outstanding issues requiring management's attention and equity of access
- ✦ Attention given to the priorities of PAPs regarding the proposed alternatives
- ✦ Coordination and completion of resettlement activities and award contracts of civil works

The RP should include a time schedule; it requires review and clearance by the WB, and approval. When resolving the negative impacts of resettlement in a manner consistent with the applicable plan and criteria outlined in this document, implementation of an RP shall be deemed completed. The RP will provide a comprehensive estimate for all compensation costs.



## **6. Valuation Procedures**

### **6.1 Organizational Procedures for Delivery of Entitlements**

Organizational procedures for granting entitlements demonstrate the procedures to be followed when granting PAP entitlements. As per FDRE Proclamation No. 1161/2019 and World Bank ESS5 Performance on involuntary resettlement, the EEU must promote organizational procedures for the provision of entitlements. Replacement cost principle is based on market rates and transaction costs would be added for compensation of the asset and property impacted by the project.

The procedures of the land expropriation for the benefit of the public must be determined based on the plan and approved by an appropriate federal body or by the Regional, or the Council of the Lower Governors. If the appropriate federal body or region Cabinet questions the public interest of the land to be released, the Woreda or City Administration shall discuss the information obtained about the development with stakeholders and the owners. This is done before deciding whether the land should be released for public use, and the decision to allow the land to be released for public use may be upheld or amended based on the information in the discussion. Thus, the regions, Woreda or City Administrations will provide and facilitate all administrative and organizational procedures for the delivery of entitlements for PAPs in consultation with the EEU. EEU will undertake monitoring and evaluation on the implementation. Compensation payments will be either made in cash or transferred to their account following agreement to be made with individual PAPs. Disbursements will be ensured by the project office and will take place in the presence of the compensation committee.

### **6.2 Method of Asset Valuation**

According to Proclamation No. 1161/2019 Article 2(8), “Valuation is defined as a means of a common compensation valuation method used to calculate the value of property on expropriated land.” Land valuations are often done at Wereda and urban administration levels. The previous Proclamation (No. 455/2005) states that the local governments establish valuation committees to value private properties. In the new Proclamation No. 1161/2019, it states that valuation methods will be prescribed in detail in the regulation. Thus, the valuation methods of the asset will be updated upon the publication of the Regulation although review was made on the basis of the Draft Regulation. Compensation for permanent improvement to land shall be equal to the current value of capital and labor expended on the land as stated in Proclamation No. 1161/2019, Article 12 sub-article 4. Compensation for Agricultural Land, Urban Land and Houses and Other Structures will be considered and updated depending on the Regulation and directives that will be published by the regions.

### **Compensation Approach**

The compensation of lost assets and properties is based on the willingness of owners of a resource to give up their rights to that resource. In general, the issue of compensation will address four questions: What to compensate for? (e.g., land, structures, business, fixed improvements or temporary impacts, lost income), How to compensate? When to compensate? How much to compensate?

Compensation for land structures, business, fixed improvements and other temporary impacts are based on, among other things, market valuation, productivity valuation, negotiated settlements,



material and labour valuation, disposition of salvage materials and other fees paid. All PAPs regardless of having legal title will get compensation. If there is a need to relocate business, or project activities deny access to customers of the PAP in question, the lost income needs to be compensated. In addition, workers losing employment in the process of relocating should get transitional income support. Compensation for temporary impacts should include but not be limited to the following: (a) compensation equivalent to lost income required for the duration of impact; (b) compensation equivalent to lost income required for loss of access; and, (c) physical restoration of assets (or access) required prior to return.

In addition, PAPs will be entitled to transitional assistance, which includes moving expenses, temporary residence (if necessary), employment training and income support.

## 7. Eligibility Criteria for Affected Persons

The purpose of deciding on eligibility requirements in the RF is to ensure that PAPs experiencing a complete or partial loss of land, crops, trees, and properties or access are specifically identified and recognized as eligible for any kind of assistance regardless of their legitimate land rights. To determine the eligible person for compensation, EEU shall take into account the stated National Proclamation and Regulations. In practical terms, determining eligibility is not always an easy exercise in areas where informal occupants have no documents establishing their land use rights, which is often the case in some areas. However, eligibility for compensation is well presented in Article 44(2) of the 1995 FDRE Constitution and Proclamation No 1161/2019. Although the proclamation excludes those without legal titles, the WB ESS 5 paid attention to them and will be evoked. The details for eligibility criteria are assessed as follows.

### 7.1 Eligibility Criteria for Various Categories of PAPs

The involuntary taking of land results in relocation or loss of shelter; and loss of assets or access to assets or loss of income sources or means of livelihood, whether or not the PAPs must move to another location or not. Meaningful consultations with the affected persons, local authorities and community leaders will therefore allow for establishment of criteria by which displaced persons will be deemed eligible for compensation and other resettlement assistance. The FDRE Constitution of 1995, under Article 44(2) and Proclamation No. 1161/2019 give entitlement only to those who have formal legal rights over their holdings (properties). They will only qualify for the compensation if they occupy the project area prior to a cut-off date established by the Compensation and Resettlement Committees. To ensure the interest of PAPs and mitigating the negative impacts of the ADELE project, this RF will be based on the existing national laws on expropriation and compensation payments and World Bank ESS 5, for land acquisition, restrictions on land use and involuntary resettlement. Land acquisition for sub-projects may result in negative impacts to different categories of PAPs. Until the exact sub-project locations are determined, it is not possible to estimate the likely number of people who may be affected. However, physical and economic displacements are explained in the following ways.

#### Displacement

Displaced persons may be classified as persons: (i) who have formal legal rights to the land or assets they occupy or use; (ii) who do not have formal legal rights to land or assets, but have a claim to land that is recognized or recognizable under national law; or (iii) who have no recognizable legal right or claim to the land or assets they occupy or use.

The census will establish the status of the displaced persons. Project-related land acquisition and/or restrictions on land use may result in the *physical displacement* of people as well as their *economic displacement*. Consequently, requirements of World Bank Environmental and Social Standard ESS 5 in respect of physical and economic displacement may apply simultaneously.

#### Physical Displacement

In the case of physical displacement, EEU will develop a Resettlement Plan that covers, at a minimum, the applicable requirements of World Bank Environmental and Social Standard ESS 5 regardless of the number of people affected. This will include compensation at full replacement cost for land and other assets lost. The Plan will be designed to mitigate the negative impacts of displacement; identify

development opportunities; develop a resettlement budget and schedule; and establish the entitlements of all categories of affected persons (including host communities). Particular attention will be paid to the needs of the poor and the vulnerable. EEU will document all transactions to acquire land rights, as well as compensation measures and relocation activities. If people living in the project area are required to move to another location, EEU will:

- i. Offer displaced persons choices among feasible resettlement options, including adequate replacement housing or cash compensation where appropriate; and
- ii. Provide relocation assistance suited to the needs of each group of displaced persons. New resettlement sites built for displaced persons must offer improved living conditions. The displaced persons' preferences with respect to relocating in preexisting communities and groups will be taken into consideration. Existing social and cultural institutions of the displaced persons and any host communities will be respected.

### **Economic Displacement**

In the case of subprojects involving economic displacement only, EEU will develop a Livelihood Restoration Plan to compensate affected persons and/or communities and offer other assistance that meet the objectives of World Bank Environmental and Social Standard ESS 5. The Livelihood Restoration Plan will establish the entitlements of affected persons and/or communities and will ensure that these are provided in a transparent, consistent, and equitable manner. The alleviation of economic displacement will be considered complete when affected persons or communities have received compensation and other assistance as per the requirements of the Livelihood Restoration Plan and World Bank Environmental and Social Standard 5, and are believed to have been provided with adequate opportunity to reestablish their livelihoods.

If land acquisition or restrictions on land use result in economic displacement defined as loss of assets and/or means of livelihood, regardless of whether or not the affected people are physically displaced, the EEU will meet the requirements of World Bank ESS 5, as appropriate. Economically displaced persons who face loss of assets or access to assets will be compensated for such loss at full replacement cost. In addition, as required by the World Bank Environmental and Social Standard 5, economically displaced persons whose livelihoods or income levels are adversely affected will also be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living. Transitional support should also be provided as necessary to all economically displaced persons based on a reasonable estimate of the time required to restore their livelihood.

#### **A. Eligibility for Land**

According to World Bank Environmental and Social Standard 5 and national Proclamation No. 1161/2019, land for land compensation will be applied to project affected persons who might lose their land and those whose livelihoods are based on agriculture/land based livelihoods. This is done only for those who have formal legal rights over the land as per WB ESS5. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. Project Affected Persons who are entitled to compensation under the Ethiopian legislation and World Bank Standard 5 (in case of differences between the Ethiopian laws and World Bank Environmental and Social Standard, the most stringent will prevail) will be compensated for the improvements and assets on the land they lose, and other assistance ensuring that they are:

- ✚ Informed about their options and rights pertaining to resettlement,
- ✚ Consulted and provided with technically and economically feasible resettlement and

- ✚ Provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project.

## **B. Eligibility for Community Compensation**

Eligibility can be claimed communally, when the assets lost are of communal property or use. Individuals or families can claim individual eligibility for loss of assets of a private nature to that individual or household. Communities on communal land that permanently lose land and/or access to assets and/or resources under statutory or customary rights will be eligible for compensation. Example of community compensation could be for public toilets, market places, schools buildings and health centers, religious institutions, or access to alternative source of natural resources to restore their livelihoods. The rationale for this is to ensure that the pre-project socio-economic status of communities where adversely impacted, is also restored.

Proclamation No 1161/2019, Article 13 clearly stated Displacement Compensation for Communal Landholding although “the valuation method and manner of payment to permanent and temporary expropriation of communal land holdings shall be determined in a directive to be issued by Regional States, Addis Ababa, Dire Dawa City Administrations.” This shall consider the following:

- (a) Valuation of displacement compensation for communal landholding shall be based on the use of the communal land; or the lost benefits and livelihood of the displaced People.*
- (b) Members of the community using the communal land shall be clearly identified.*
- (c) Private and communal property on the expropriated communal land shall be identified.*
- (d) The method of allocating the displacement compensation money or the use of it in kind to all members of the communal landholding community shall be clearly determined.*

In addition, provisions of World Bank Environmental and Social Standard 5 is applicable, in case of differences between the Ethiopian laws and WB ESS 5, the most stringent will prevail. Thus, EEU who will be involved in proposed ADELE activities should closely work with Woreda Administration and the Regional Land Use and Administration Bureau. The mandate of a Woreda and Urban administration in this regard provided for in article 25 (1-6) of Proclamation No.1161/2019 is as follows:

- 1. Organize consultative meetings with people that are going to be displaced on the type, benefits and generally the process of the project;*
- 2. Pay the compensation to the landholders whose land holdings are expropriated.*
- 3. Implementing the resettlement packages.*
- 4. Maintain record of the property located on the expropriated land.*
- 5. Support and ensure the improvement of the livelihood of displaced farmers and pastoralists.*
- 6. Maintain record and evidences relating to the displaced.*

## **C. Eligibility for Loss of Property/Assets**

This includes loss of houses, crops and trees, structures, fixed improvements, businesses that should be compensated at full replacement cost, i.e., the market value of the assets plus transaction costs. PAPs that lose their property or assets will be compensated as per the following national legislations and WB ESS 5:

- ✚ *Proclamation No. 1161/2019 Expropriation of Land for Public Purposes, Payments of Compensation and Resettlement of Displaced People which establishes the legal principles*

*and framework for expropriation, payments of compensation and resettlement. Regulations and directives will further be in place for the implementation of the proclamation*

- ✚ *Requirements made on WB ESS 5, for Land Acquisition, Restrictions on Land Use and Involuntary Resettlement.*
- ✚ *In case of differences between the Ethiopian laws and WB ESS, the later will prevail.*

According to *Proclamation No. 1161/2019 and WB ESS 5*, for PAPs who lose their property, will be compensated for the property they lost including for permanent improvements he/she made to such land. The amount of compensation for property situated on the expropriated land shall be determined based on replacement cost of the property. The cost of removal, transportation and erection shall be paid as compensation for a property that could be relocated and continue its service as before. Displacement cost will also be compensated for the property situated on the expropriated land.

### **7.2 Displaced Persons without Legal Title**

In accordance to WB ESS 5, persons with no recognizable legal right or claim are not entitled to compensation for land, but they should be compensated for the structures that they own and occupy (such as dwellings, crops, irrigation infrastructure, etc.), and for any other improvements to land at full replacement cost. In addition, they should be offered resettlement assistance sufficient to restore their standards of living at a suitable alternative site. Options for resettlement assistance should be generated through consultation with such displaced persons and reflect their priorities and preferences. In this basis, the EEU will provide relocation assistance sufficient for them to restore their standard of living at an adequate alternative site. These provisions apply to persons who are occupying the project area prior to the cut-off date. The EEU is not required to compensate or assist opportunistic settlers who encroach on the project area after the cut-off date for eligibility.

In cases where project-related land acquisition results in loss of livelihoods or income of those without any legal title or legally recognized or recognizable claim to land, they are normally entitled to a range of assistance, including compensation for lost assets and any structures on land, as well as targeted assistance and transitional support. The nature and extent of such assistance will in part depend on whether the livelihood of those affected is land-based, wage-based, or enterprise-based. Land-based compensation in these circumstances does not necessarily mean title to land, but may include continued access to land under similar tenure arrangements to enable the affected people to maintain their land-based livelihoods. It will be necessary to tailor compensation and entitlement options to the needs of the displaced.

In order to ensure that displaced persons who do not have legal title are not adversely affected by ADELE activities, they will be enabled to maintain their livelihood and can be assisted in such a way as:

- ✚ Capacity building training on different technologies, and technical support to participate/engage on different livelihood activities;
- ✚ Participate on different income generating/livelihood activities that the project will create;
- ✚ Create access to finance/credit to participate/engage on different livelihood activities.

### **7.3 Compensation for Temporary Losses**

Regarding compensation, for temporary losses, *Proclamation No. 1161/2019, Article 13 (2a-f)* states that,

- a) *a rural landholder whose landholding has been provisionally expropriated shall be paid displacement compensation for lost income based on the highest annual income secured during the last three years preceding the expropriation of the land until repossession of the land.*
- b) *Displacement compensation paid under paragraph (a) of this sub article shall take in to consideration the amount of additional time necessary for the land to regain its productivity which shall be determined by the surrounding Agricultural Institution.*
- c) *If the land fails to to serve as before,it shall be considered as expropriated permanently and pursuant to sub article 1 of this article, either a displacement compensation or substitute land shall be given to the land holder.*
- d) *The displacement compensation paid for temporary expropriation under sub-article (1) of this Article, shall be deducted from payment of compensation paid for the land considered as permanently expropriated and the difference shall be paid to the landholder.*
- e) *Displacement compensation for temporary expropriation shall not in any way exceed to the amount of compensation payable to permanent displaced compensation.*
- f) *The detail implementation of this sub-article shall be provided in a regulation to be enacted to implement this Proclamation.*

#### **7.4 Cut-Off Dates**

The cut-off date is the time when the affected persons and their properties are assessed. No person will be eligible for houses built and crops sown in the project area after the census and inventory of assets. It is important to set a cut-off date to avoid opportunistic invasions/rush migration into the chosen land areas for the project implementation thus posing a risk. The setting of a cut-off date is therefore of critical importance. This RF has applied a cut-off-date procedure in line with international standards, which is defined as the date of completion of census and asset inventory of PAPs who will be affected by ADELE project activities. Once the sub-project has been legally approved and a permit has been issued, a RP will be prepared for the sub-project (if necessary) which may result in Involuntary Resettlement. As part of the RP, a census will be conducted to determine the cut-off-date for resettlement and compensation eligibility. To record the cut-off date used, the site-specific RP to be established for the projects under ADELE is required. It is therefore critical that this date be clearly communicated to all potential PAPs in the affected project area, with sufficient time for these individuals to ensure that they are eligible for the Census. The cut-off-dates will be set by the directives and regulations and will be updated. The potential PAPs will be informed by both formal written notification and verbal notification given in the presence of the community leaders or their representatives.

The potential PAPs will be notified in the presence of the community members or their representatives through both formal written notification and verbal notification provided. As stated in World Bank ESS 5, it is not appropriate for the ADELE to compensate or assist opportunistic settlers who invade the project area after the eligibility cut-off date. Nevertheless, the ADELE should accommodate individuals or groups not present at the time of registration but with a legitimate claim to membership of the affected community. These groups may include absent members of the family engaged in migrant wage labour, or pastoralists who use seasonal local resources. The followings are the procedures for determining cut-off dates and property valuation.

- ✚ Identification of ADELE Project Area
- ✚ ADELE project reviewed and approved
- ✚ The Committee decide on the cut-off dates

- ✚ Affected person communicated properly through
  - Community elders,
  - Woreda Office of Agriculture, DA, and Kebele Council
- ✚ Identification of land users/property owners
- ✚ Valuation of affected assets

### **7.5 Relocation**

PAPs would ideally be moved to their own land holdings or to areas near the location in which they lived. The RP will resolve the residential parcel condition and be enforced with the full involvement of PAPs and the community. The RP will tackle the residential parcel requirement and will be enforced by offering relocation options:

- ✚ Option 1: PAPs can choose to relocate themselves, compensating for their structures and associated assistance, and
- ✚ Option 2: On the appropriate site, the Project Unit/the related EEU could find access to resettle PAPs.

### **7.6 Livelihood Restoration**

World Bank safeguard principle states that where people are affected by land take, the aim of resettlement should be that the PAPs should be “no worse-off if not better off” after the resettlement has taken place. Where impact on land use is such that people may be affected in the sustainability of their livelihoods, preference will be given to land-for-land solutions rather than cash compensation, in consistency with the Constitution of Ethiopia and World Bank ESS 5. This applies to people who are not necessarily physically displaced but who are affected by a land loss that affects their sustainability. Where relocation or loss of shelter occurs, the RF requires that measures to assist the displaced persons be implemented in accordance with the Resettlement Plans and where necessary, affected people will be monitored in the rehabilitation of their livelihood.

### **7.7 Broad Entitlement Categories**

Based on the predicted impacts and the broad entitlement framework, the affected persons in each project would be entitled to the following types of compensation and assistance:

- Compensation for loss of land, crops/trees;
- Compensation for structures (residential/commercial) and other immovable assets;
- Assistance for loss of business/wage income;
- Assistance for relocation and resettlement;
- Rebuilding and/or restoration of community resources/facilities.

### **7.8 Voluntary Land Donation Protocol**

In some cases, communities may agree to voluntarily provide land in exchange for desired community benefits. The Policy for Involuntary Resettlement does not apply if people or communities make voluntary land donations in exchange for benefits or services related to the ADELE. Land donations can be voluntary only if the infrastructure is not location specific. That is, a school or clinic can be sited in a different location if the landowner objects. But, in case of

location specific infrastructure such as a dam or reservoir, voluntary donation is precluded, since objectors can be coerced into acceptance. Thus, if the location of the proposed infrastructure cannot be changed, the policy would generally apply. Further, arrangements for voluntary resettlement are expected to involve no physical displacement or significant adverse impacts on incomes (or they are expected to include community-devised mitigation mechanisms acceptable to those affected). It can be defined as “minor impacts” as loss of less than 10 percent of an individual’s holdings. Because determining informed consent can be difficult, the following criteria are suggested as guidelines:

- The infrastructure must not be site specific.
- The impacts must be minor, that is, involve no more than 10 percent of any holding and require no physical relocation.
- The land required to meet technical ADELE subproject criteria must be identified by the affected community, not by line agencies or Program authorities (nonetheless, technical authorities can help ensure that the land is appropriate for subproject purposes and the Program will produce no health or environmental safety hazards).
- The land in question must be free of squatters, encroachers, or other claims or encumbrances.
- Verification (for example, notarized or witnessed statements) of the voluntary nature of land donations must be obtained from each person donating land.
- If any loss of income or physical displacement is envisaged, verification of voluntary acceptance of community-devised mitigation measures must be obtained from those expected to be adversely affected.
- If community services are to be provided under the Program, land title must be vested in the community, or appropriate guarantees of public access to services must be given by the private titleholder.
- Grievance mechanisms must be available. Basic Features and Guiding Principles to be considered in Voluntary Land Donation Protocol: For cases where communities and/or individual landholders have offered to donate their land for ADELE activities/subprojects, because it is of benefit to the broader community, the World Bank’s Voluntary Land Donation Protocol should be followed. EEU’s staffs involved in such instances need to exercise their best judgment where voluntary land is offered to avoid adverse impacts and reputational risks. Donations are based on the premise that the project benefit will offset or outweigh the loss of the land donated. Voluntary donation of land is only suitable for community driven subprojects/activities where the landowner and/or community wish to ‘gift’ land parcels or small areas for small-scale community infrastructure that will be of direct benefit to the donor’s community. Voluntary donation of land by beneficiary household/s is acceptable where:
  - It should be verified that the donation does not result from any form of coercion or manipulation and is offered in good faith;
  - The donation does not severely affect the living standards of the community and/or individual landholder responsible for the donation (i.e. impacts are marginal based on percentage of loss and minimum size of remaining assets);
  - Alternatives and the viability of other locations or sites have been considered;
  - The donation does not result in the displacement of households or cause loss of income or livelihood;
  - The landholder/s making the donation will directly benefit from the project;



- Consultation has been conducted in an open and transparent manner and to a degree that the landholder/s can make an informed choice;
- The land is free from disputes regarding ownership or tenure;
- Land transactions are supported through the transfer of titles;
- Full and proper documentation of all consultations, meetings, grievances and actions taken to address grievances has been reviewed and made available;
- Where impacts are minor.

As an indicative procedure to consider in voluntary donation of land, the following points provide guidance on the process:

- Verify the requirements of the donation and the formalization of the donation;
- Carry out due diligence on the owners and users of land donated;
- Ensure appropriate consultation and disclosure;
- Establish informed consent of the person donating the land;
- Sign written agreement; and
- Establish grievance redress mechanism.

An inventory of all affected assets located within the coverage of the project implementation areas shall be undertaken. Based on this, only affected assets identified during the census will be eligible for compensation. The project entitlement matrix based on Ethiopian laws and the World Bank ESF ESS5 is discussed in the following Table.

**Table 4: Entitlement Matrix**

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
Agricultural land	<ul style="list-style-type: none"> <li>✚ Less than 20% of landholding affected</li> <li>✚ Land remains economically viable.</li> </ul>	Title holder	✚ Cash compensation for affected land equivalent to replacement value
		Tenant/lease holder	✚ Cash compensation for the harvest or product from the affected land or asset, equivalent to fifteen times the annual income s/he secured during the best three years productivity and price preceding the expropriation of the land.
	<ul style="list-style-type: none"> <li>✚ Greater than 20% of land holding lost</li> <li>✚ Land does not remain economically viable.</li> </ul>	Farmer/Title holder	<ul style="list-style-type: none"> <li>✚ Land for land replacement where feasible, or compensation in cash for the entire landholding according to PAP's choice.</li> <li>✚ Land for land replacement will be in terms of a new parcel of land of equivalent size and productivity with a secure tenure status at an available location, which is acceptable to PAPs. Transfer of the land to PAPs shall be free of taxes, registration, and other costs.</li> <li>✚ Relocation assistance (costs of shifting + assistance in re-establishing economic trees + allowance while short- term crops mature)</li> </ul>
		Tenant/Lease holder	<ul style="list-style-type: none"> <li>✚ Cash compensation equivalent to fifteen times the best annual income s/he secured during the three years in productivity and price preceding the expropriation of the land.</li> <li>✚ Relocation assistance (costs of shifting + allowance).</li> </ul>
Commercial land	Land used for business partially affected Limited loss	Title holder/ business owner	<ul style="list-style-type: none"> <li>✚ Cash compensation for affected land</li> <li>✚ Opportunity cost (or tax records from comparable business, or estimates where such records do not exist).</li> </ul>
		Business owner is lease holder	✚ Opportunity cost compensation (or tax records from comparable business, or estimates where such records do not exist)
	<ul style="list-style-type: none"> <li>✚ Assets used for business severely affected</li> <li>✚ If partially affected, the remaining assets become insufficient for business purposes</li> </ul>	Title holder/ business owner	<ul style="list-style-type: none"> <li>✚ Land for land replacement or compensation in cash according to PAP's choice. Land for land replacement will be provided in terms of a new parcel of land of equivalent size and market potential with a secured tenure status at an available location, which is acceptable to the PAP.</li> <li>✚ Transfer of the land to the PAP shall be free of taxes, registration, and other costs.</li> <li>✚ Relocation assistance (costs of shifting plus allowance)</li> <li>✚ Opportunity cost compensation (or tax records from comparable business, or estimates)</li> </ul>
		Business person is lease holder	<ul style="list-style-type: none"> <li>✚ Opportunity cost compensation (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher.</li> <li>✚ Relocation assistance (costs of shifting)</li> <li>✚ Assistance in rental/ lease of alternative land/ property to reestablish the business.</li> </ul>

Residential land	<ul style="list-style-type: none"> <li>✚ Land used for residence partially affected, limited loss</li> <li>✚ Remaining land viable for present use.</li> </ul>	Title holder	<ul style="list-style-type: none"> <li>✚ Cash compensation for affected land</li> </ul>
		Rental/lease holder	<ul style="list-style-type: none"> <li>✚ Cash compensation for lease/rental fee for the remaining period of rental/lease agreement (written or verbal)</li> </ul>
		Title holder	<ul style="list-style-type: none"> <li>✚ Land for land replacement or compensation in cash according to PAP's choice.</li> <li>✚ Land for land replacement shall be of minimum plot of acceptable size under the zoning law/s or a plot of equivalent size, whichever is larger, in either the community or a nearby resettlement area with adequate physical and social infrastructure systems as well as secured tenure status.</li> <li>✚ When the affected holding is larger than the relocation plot, cash compensation to cover the difference in value.</li> <li>✚ Transfer of the land to the PAP shall be free of taxes, registration, and other costs.</li> <li>✚ Relocation assistance (costs of shifting plus allowance)</li> </ul>
	<ul style="list-style-type: none"> <li>✚ Land and assets used for residence severely affected</li> <li>✚ Remaining area insufficient for continued use or becomes smaller than minimally accepted under zoning laws</li> </ul>	Rental/lease holder	<ul style="list-style-type: none"> <li>✚ Refund of any lease/rental fees paid for time/use after date of removal</li> <li>✚ Cash compensation for lease/rental fee</li> <li>✚ Assistance in rental/lease of alternative land/property</li> <li>✚ Relocation assistance (costs of shifting plus allowance)</li> </ul>
Buildings and structures	<ul style="list-style-type: none"> <li>✚ Structures are partially affected</li> <li>✚ Remaining structures viable for continued use</li> <li>✚ Entire structures are affected or partially affected</li> <li>✚ Remaining structures not suitable for continued use</li> </ul>	<p>Owner</p> <p>Rental/lease holder</p>	<ol style="list-style-type: none"> <li>1. Home indemnity is calculated by specifying a current square meter or unit price to replace a demolished home.</li> <li>2. Compensation of building value: <ul style="list-style-type: none"> <li>✚ Calculate the current market value of replacement property and the current professional and labor cost required to build a similar home on the replacement site;</li> <li>✚ Calculate the current market value of the building required for the construction of the building and adornment, porch, septic tank, and other buildings;</li> <li>✚ Increase the cost of demolishing, lifting, rebuilding, installing, and re-connecting service lines constructed as a result of the building;</li> <li>✚ Calculate the cost of the materials that are being demolished if it is not currently available on the market;</li> <li>✚ If the demolished home is on leasehold land and does not take a replacement position, you will be reimbursed for the remainder of the lease period.</li> </ul> </li> </ol> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <ul style="list-style-type: none"> <li>✚ Building compensation= current cost of construction + cost of permanent improvements + remaining lease payment</li> </ul> </div>

Crop and/or Vegetable Income	<ul style="list-style-type: none"> <li>Crop and/or vegetable income affected by land acquisition or temporary acquisition</li> </ul>	PAP (whether owner, tenant, or squatter)	<ul style="list-style-type: none"> <li>The crop or plant may be collected and transported within the prescribed time limit if the crop is available at the time of release.</li> <li>If the site is urgently needed and there is not enough time to harvest the crop and/or vegetables, the one-year yield of the same plant in the area is calculated at the current local market price.</li> <li>In order to calculate income from crops and/or vegetables, the crop and vegetable production should be based on the current local market price. <ul style="list-style-type: none"> <li>If the crop is not harvested, the compensation payable will be based on the amount of produce available and/or the amount of produce that the produce could produce if the crop had arrived. The cost of the property owner's deduction will be deducted until the crop or vegetable is harvested.</li> </ul> </li> <li>Revenue from crop surplus will be determined based on current market prices of the leftover produce.</li> <li>If one crop is produced more than once in a year, the amount of the crop per year will be the sum of the produce produced during the year</li> </ul> <div style="border: 1px solid black; padding: 5px;"> <p><b>Crop Revenue</b> = (area of the land per hectare x current market price of crop per Quintal x yield from 1hectare per Quintal)</p> <p><b>Revenue from surplus crop product</b> = (area of the land per hectare x yield from 1hectare per Quintal x current market price surplus of crop product)</p> </div>
Impacts on perennial plant yielding fruit	<ul style="list-style-type: none"> <li>Perennial plant yielding fruit</li> </ul>	Owners	<ul style="list-style-type: none"> <li>If the permanent plant begins to bear fruit, the fruit may be collected from the business at the given time, if the fruit is at the time of release. In this case, the cost of trimming is compensated.</li> <li>The cost of delivering a permanent plant on the land to be released shall be calculated at the current local market price.</li> <li>If the site is urgently needed and is not given enough time to harvest the produce, the one-year production rate from the same permanent plant in the area.</li> </ul> <div style="border: 1px solid black; padding: 5px;"> <p>Permanent Plant Starting Fruit = (Fruit Rate per Tree X Price per kg of Market Price per tree) + Cost to Spread Plant.</p> </div>
Impacts on Fruitless perennial plant	<ul style="list-style-type: none"> <li>Fruitless perennial plant</li> </ul>	Owners	<ul style="list-style-type: none"> <li>The owner of an unproductive plant or tree may be collected and released at the prescribed time.</li> <li>The cost of cutting and associated expenses when picking up the tree shall be paid and not compensated for the tree.</li> <li>If the site is urgently needed and there is not enough time to lift the tree, the current market value of the area will be calculated and compensated.</li> <li>Tree compensation is calculated based on the value of the current single square meter of the tree.</li> <li>If the tree is not in service, the cost of delivering the tree to the level it is paid will be calculated by calculating the local market price.</li> </ul> <div style="border: 1px solid black; padding: 5px;"> <p>Compensation of Fruitless Plant/Tree = (large tree in number x local current price of one tree)+(medium tree in number x local current price of one tree)+(small tree in number x local current price of one tree)+(number of seedling/unripe tree x local current price of one seedling unripe tree)</p> </div>
Impacts on Fence	<ul style="list-style-type: none"> <li>Fence</li> </ul>	Owners	<ol style="list-style-type: none"> <li>Fence compensation is calculated by calculating the price of the existing square meter or cubic meter required to build a new fence that is equivalent to the fenced fence.</li> </ol>

			<p>2. If the construction material of the fence cannot be estimated per square meter or cubic meter, it can be calculated at a single price.</p> <p>3. Based on number 1, it is possible that the reimbursement shall be made as the property to be relocated shall be payable.</p> <p>4. If there are walls and fences with better technology, if the owner wants to take them, the compensation will be reimbursed based on the compensation calculation of the property.</p> <p><b>Fence Compensation</b> = amount of fence in square/cubic meter x single price of fence per square/cubic meter</p>
Impacts on breakup of social ties and moral damage	<ul style="list-style-type: none"> <li>breakup of social ties and moral damage</li> </ul>		<ul style="list-style-type: none"> <li>Compensation for termination of social ties and compensation for psychological damage will be paid only once.</li> <li>Compensation for termination of social networking and compensation for psychological damage may be paid from a sum of 25,000 to 60 thousand birr;</li> <li>Discontinuation of social ties and compensation for psychological damage is paid to development activists who live more than 3 km from their place of residence.</li> <li>If the survivors of a neighborhood are excluded from their possession, they may be compensated for by the disruption of social ties and psychological compensation.</li> <li>The Directives of the psychology shall determine the time and place for the formation of social networks.</li> </ul>
Temporary acquisition	<ul style="list-style-type: none"> <li>Temporary acquisition</li> </ul>	PAP (whether owner, tenant, or squatter)	<ul style="list-style-type: none"> <li>Cash compensation for any assets affected (e. g. boundary wall demolished, trees removed)</li> </ul>
Impacts on cemetery	<ul style="list-style-type: none"> <li>Loss of cemetery located in the ADELE project implementation site.</li> </ul>	Head of household of affected grave	<ul style="list-style-type: none"> <li>The compensation paid for burial may include the costs for the removal of the cemetery, the preparation of an alternative burial site, the relocation and rehabilitation of the cemetery, and the implementation of the religious and cultural order in connection with it.</li> <li>Where the cemetery is intended for public use, the cemetery owner should be made available in an accessible manner within a reasonable time limit.</li> <li>If the cemetery owner does not raise the cemetery within the timeframe provided, the body that cleared the ground may be properly lifted and placed in an alternate location.</li> <li>There shall be no compensation for psychological damage in respect of the cemetery.</li> </ul> <p>cemetery compensation= cost of corpse pick up+ burial ground preparation cost+ cost of corpse transfer and relocation+ cost of religious and cultural ceremonies.</p>
Impacts on Vulnerable Persons, Households and Groups	<ul style="list-style-type: none"> <li>Vulnerable groups, associated with land acquisition for the Project, identified during the development of the RP.</li> </ul>	Identified vulnerable groups in agreement with WB definitions.	<ul style="list-style-type: none"> <li>Special measures for effective participation, compensation, assistance and livelihood restoration will be defined in the RP. This is to ensure food security during this transitional period. Additional assistance will also be offered to particularly vulnerable individuals and households during and after relocation.</li> </ul>

Impacts on Livelihoods	<ul style="list-style-type: none"> <li>Loss of sources of income and livelihoods from loss of land and/or loss or disruption of business income.</li> </ul>	<p>Owners or users of land affected by the Project whose income or livelihood is impacted by Project land access.</p>	<ul style="list-style-type: none"> <li>Depending on the severity of impact on the livelihoods of the affected households, livelihood restoration interventions will be designed to ensure that affected persons are not worse off in the end, and if possible have improved livelihoods and standards of living. Measures will be designed in close consultation with PAPs and stakeholders at different levels (Woreda to Federal). The RP document will provide further details on the planned livelihood restoration measures once the impacts on household's livelihoods are assessed and appropriate support measures identified. EEU will assist in the provision of materials, training for alternative livelihood options, provision of crop seeds and seedlings for economic trees, etc as per the requirement of WB PS 5, and this RF framework.</li> </ul>
Impact on Grass	<ul style="list-style-type: none"> <li>Loss of grasses</li> </ul>	<p>Owners or users of grasses affected by the Project</p>	<ul style="list-style-type: none"> <li>If the grass on the land being cleared is ready to be harvested, it may be collected at the time specified by the developer. The cost of picking up the grass should be covered.</li> <li>If the site is urgently needed and there is not enough time to harvest the grass, the estimate of the grass is calculated at the current local market price and compensation.</li> </ul> <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> <p>Compensation of Grass= area coverage of the grass with meter square x the yield of grass with current local price per meter square.</p> </div>

## 8. Description of Grievance Redress Mechanism

### a. Introduction

Grievance redressing mechanisms have to be designed in view of the fact that project activities may upset the existing balance of relationships and exchanges in society. The affected people will be given many opportunities to review the survey results and compensation policies during the process of resettlement planning and implementation. However, during implementation, various issues might be encountered if there are adverse social impacts induced by the project. Resettlement and compensation related issues of grievances and disputes during implementation of the project might be as follows:

- + Disagreement on plot boundaries, either between the affected person and the expropriation agency or between two neighbors;
- + Disputed ownership of a given asset (two or more affected people claim that the affected asset is theirs) and asset valuation;
- + Successions, divorces, and other family issues resulting in disputed ownership or disputed shares between inheritors or family members,
- + Where affected people opt for a resettlement-based option, disagreement on the resettlement package (the location of the resettlement site does not suit them, proposed housing or resettlement plot characteristics/agricultural potential are not adequate in their view),
- + Disputed ownership of businesses and business related assets (quite usually, the owner and the operator of a business may be distinct individuals, which give rise to disputes in the event of compensation).

A grievance redress mechanism will be established in order to resolve concerns effectively and timely. This mechanism will be notified for the affected people before the resettlement implementation and thus grievances will be actively managed and tracked to ensure that appropriate resolutions and actions are taken. The grievance procedure does not replace existing legal processes. Based on consensus, the procedures will seek to resolve issues quickly in order to expedite the receipt of entitlements, without resorting to expensive and time-consuming legal actions. If the grievance procedure fails to provide a result, complainants can still seek legal redress.

### b. Grievance Redress as per Proclamation No. 1161/2019

#### A. Establishing Complaint Hearing Body and Appeal Council

According to Proclamation No. 1161/2019, article 18 (1) “Regional States, Addis Ababa and Dire Dawa City Administrations shall establish Complaint Hearing Body and Appeal Hearing Council which shall have jurisdiction to entertain grievances arising from decisions under this Proclamation”. Under sub-article 2, “Regional States, Addis Ababa and Dire Dawa City Administrations may establish Complaint Hearing Body and Appeals Hearing Council in some of their towns as deemed necessary.” Under sub article 3, “The structure, powers and duties of the Complaint Hearing Body and

Appeal Hearing Council shall be determined in a Regulation that shall be enacted to implement this Proclamation.” According to the draft regulation,

- 1 Any person who claims to have a right or interest in the property ordered or released on the foreclosure order may lodge the complaint within 30 days of receipt of the order, to the hearing officer established under Article 18 (1) of the Proclamation;
- 2 The complainant referred to in sub-paragraph (1) of this Article shall make a written complaint to the complainant in writing within 30 days of making its decision.
- 3 The complainant, in accordance with subsection 2 of this Article, may file a grievance to the Appeals Council within 30 days of receiving the decision;
- 4 The Appeals Conference shall render a decision within 30 days from the date the complainant is made.
- 5 The appealing party may appeal the decision to the High Court within 30 working days from the date of receipt of the written decision.

Organizing of the appeals conference as stated above under number 4 needs to take the following issues into consideration:

1. The Appeals Council shall have its own office and be established by the State. Each area can be set up in different regions of the state for ease of operation and access to the conference.
2. The Conference shall have at least 5 members from appropriate bodies, of which at least two shall be jurists.
3. The responsibility of the Conference shall be to the appropriate Regional Council.
4. The Regional Council shall determine the term of office of members of the assembly.
5. The Assembly shall be free of any influence.

## **B. Complaints**

Proclamation No. 1161/2019, Article 19 (1) regarding complaints states that, “Any person who received an order of expropriation of his landholding; or who has an interest or claim on the property to be expropriated may file an application within 30 (thirty) days of service of the order to the Complaint Hearing Body”. Further, sub-article 2 indicates that after investigating the complaint submitted to it, the complaint hearing body, shall make its decisions within 30 (thirty) days of the filing of the application and notify in written to the parties.

## **C. Appeal**

Article 20 (1) of Proclamation No. 1161/2019, states that “A party who is aggrieved with the decision given under Article 19 sub-article 1 of this proclamation shall file an appeal to the Appeal Hearing Council within 30 (thirty) days of the receipt of the written notice of the decision thereof.” Under sub-article 2, “The party who is dissatisfied with the decision has the right to continue his claim; however, for the continuance of the development, he has to surrender his land holdings.” Moreover, under sub-article 3 of the proclamation “If the land holder faces economic loss due to the expropriation and is unable to file an appeal, the government shall arrange for free legal services.”

## **D. Taking Over Land under Complaint**

As per the Proclamation No. 1161/2019 sub-article 1, “If the person who received an order of evacuation of his landholding filed a Complaint application as per this Proclamation, the Woreda or City administration may take over of the land only where:



- ✚ The appeal is affirmed as per article 19 sub-article 1 of this proclamation and failed to make an appeal on that decision; or
- ✚ The landholder failed to make an appeal as per Article 20 sub-article 2 of this proclamation.

Furthmore, the Proclamation No. 1161/2019 sub-article 2 noted that “Notwithstanding to sub-article 1 of this Article where Land under complain is illegally occupied land, the Woreda or Urban Administration may takeover of the land after removing the property, demolishing building on the land.”

### **E. Proposed Grievance Redress Mechanism for the ADELE Project**

The Greivance Redress committee will be established at Woreda and *Kebele* level. The committee will constitute of three to five members varying at *Kebele* and woreda levels. The Woreda Committee will be drown from the different Offices of including from office of Women, Children and Youth Affairs and the *Kebele* GRM committee members will be drawn from *Kebele* Cabinet members and representative of PAPs. Special considerations will be given for women and persons with disability in the composition of the committee.

The functions of each GRM Committee are as follows:

- a) Woreda GRM:
  - ✓ Receive responses of complaints from *Kebele* GRM;
  - ✓ Accept/receive grievance, complaints and discontents from PAPs;
  - ✓ The GRM committee will look at the scene/spot or investigate any available data to give fair decision; and
  - ✓ Give response within one week.
- b) *Kebele* GRM

Complaints of PAPs provided on any aspect shall first be lodged either in writing or orally to the committee, which will be resolved by using customary rules and existing grievance resolution mechanisms. The Grievance Resolution Committee will try as much as possible to arrive at a compromise for the complaints raised. This will be obtained through series of consultations, mediations and negotiations exercises conducted with the PAPs. If the grievance is not resolved, the case will be forwarded to Woreda GRM. The seat of the *Kebele* GRM committee will be at *Kebele* administration.

Both, Woreda and *Kebele* GRM committee will follow the following procedures:

1. Registration of grievance: an aggrieved party registers a grievance at the *Kebele* office or with project liaison officer using “Grievance Registration Form” and within seven days the committee meeting is convened by the chair. The secretary of the committee will log in the Grievance into the Grievance Register and the aggrieved person is informed of the scheduled hearing. A maximum of 7 days shall be given between the date the case is recorded and the date when the hearing is held;
2. The committee will be meeting on a weekly basis to deal with emerging cases. At these meetings, hearings with the affected persons and related witnesses will be held;

3. The committee will communicate its judgment to the affected persons within 7 days;
4. If the PAPs will dissatisfy with the *Kebele* GRM committee judgment, the committee chairperson deliver the decision to Woreda within 7 days;
5. If the PAP is still not satisfied with the judgment of Woreda GRM committee, he or she will be allowed to move his case to the next formal court.

### **Grievance Resolution Process**

The grievance procedure will be simple and administered as far as possible at the local levels to facilitate access, flexibility and ensure transparency. All the grievances will be managed through the Grievance Resolution Committees. Complaints will be received in writing or orally and will be filled in a Grievance Registration Form by the committee.

The Steps for grievance redress are as follows:

*First step:* Registration of the grievances with the Grievance Resolution Committee at *Kebele* level as discussed above. The committee will seek to eliminate nuisance claims and engage with legitimate claimants endeavouring to reconcile the aggrieved PAP(s) concern or depending upon the issue to negotiate for a resolution. Where the complaint and grievance cannot be resolved by the committee, the complaint is referred to the Woreda GRM Committee.

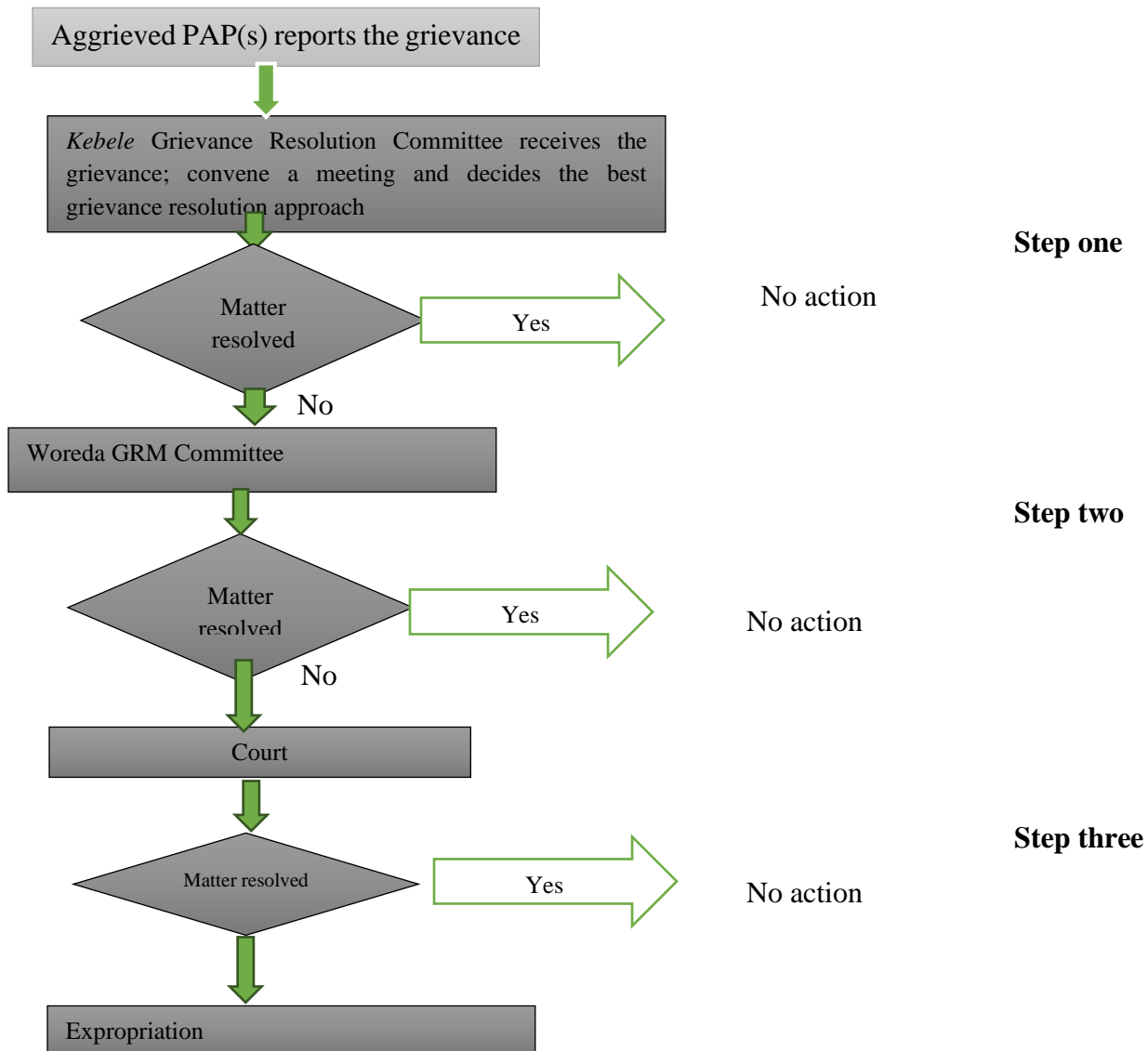
*Second step:* The Woreda GR committee receives grievance forwarded by the *Kebele* GRM committee concerning the aggrieved PAP(s) to negotiate and forward possible resolution. The Woreda GRM Committee having heard the concern, the meeting will respond to the aggrieved PAP(s) within one week of the date of the meeting.

*Third step:* In instances where the project, in this case ADELE is unable to resolve the matter, the same will be referred to the Courts for settlement. The aggrieved PAP(s) have the right to pursue the matter up to the Supreme Court if necessary.

The Woreda GRM committee will give all the necessary documents and information to the aggrieved PAPs, who are dissatisfied with the committee decision.

*Fourth step:* Expropriation of land will be used as a last resort when either all the above procedures have failed or caused extensive delays to the project are foreseen with the deposition of the compensation amount in the closed account opened on his/her behalf. The decisions of the action to be taken will be communicated to all involved parties mainly in Grievance resolution form.

All measures will be undertaken to ensure that the grievance is solved amicably between the concerned parties and the courts will be the last resort. Efficiency in solving of the grievances will be of paramount importance. The above steps are summarized in the Figure below.



**Figure:** Proposed Procedures for Grievance Redress

**Appeal to Court:** Whenever misunderstandings and disputes arise between the principal parties (e.g. local government bodies and affected parties) involved in the resettlement and compensation process, the preferred means of settling disputes is through arbitration (*Proclamation No.1161/2019*). The number and composition of the arbitration tribunal may be determined by the concerned parties. Though *Proclamation No. 1161/2019* provides for appeals from valuation decision, such action will not delay the transfer of possession of land to the proponent. Courts of law shall be considered as a “last resort”, which in principle should only be triggered where first instance amicable mechanisms (which has similar role with the GR committee but formally established by government) have failed to

settle the grievance/dispute. However, the Constitution allows any aggrieved person the right of access to court of law.

**c. World Bank Group (WBG) Grievance Redress Service**

According to World Bank Grievance Redress, communities and individuals who believe they are adversely affected by a Bank-supported project may submit complaints to existing project-level grievance redress mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed to address project-related concerns and impacts. Project affected communities and individuals may submit their complaint to the Bank's Independent Inspection Panel, which determines whether harm occurred, or could occur, because of the Bank's noncompliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the Bank's attention and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's corporate GRS, see <http://www.worldbank.org/GRS>, and Bank's Inspection Panel, see [www.inspectionpanel.org](http://www.inspectionpanel.org)

## 9 Stakeholders Consultation and Public Disclosure during RF Preparation

### 9.1 Introduction

The constitution of Ethiopia recognized that citizens have a right to full consultation and expression of their views in the planning and implementation of environmental policies and projects that directly affect them. Likewise, the World Bank Environmental & Social Standards (ESSs 10) recognizes the importance of open, transparent and effective stakeholder engagement plan to improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation. The World Bank’s Environmental and Social Framework and Expropriation of Landholdings for Public Purpose, Payments of Compensation and Resettlement Proclamation No. 1161/2019 recognizes the importance of early and continuing engagement and meaningful consultation with all stakeholders. One among the eligible category is the communities living in the project catchment area who are historically underserved, vulnerable and marginalized groups. The other unit of interest of the stakeholder engagement deliberation includes the key stakeholders, which have a significant contribution to the successful project design, implementation and monitoring and evaluation activities. These stakeholders include main implementing agencies or government offices; financial intermediary; private sectors in the off-grid sector and civil society organization.

The World Bank Environmental and Social Framework (ESF) Policy for Investment Project Financing states that, *“the borrower (FDRE) is required to engage with stakeholders including communities, groups, or individuals affected by the proposed projects, and with other interested parties, through information disclosure, consultation, and informed participation in a manner appropriate to the risks to and impacts on affected communities.”* Similarly, the FDRE’s Proclamation No. 1161/2019<sup>2</sup> under article (8)-procedure of the landholding handover states that *“the city or Woreda administration shall consult who are to be displaced at least one year before they handover their holdings on the type; benefits and general process of the project.”* The overall moral of the stakeholder consultation and participation activities is in order to understand the concerns of affected people, and how the Borrower (FDRE) in project design and mitigation measure is in accordance with ESS10 to address such concerns. The same activity is used also to obtain Free, Prior and Informed Consent (FPIC) of the affected Indigenous Peoples and this is related with ESS7 (the indigenous peoples found in the project area needs to be consulted about, and have opportunities to actively participate in, project design and the determination of project implementation arrangements).<sup>3</sup> Hence, as part of the comprehensive Resettlement Framework, the stakeholder consultation –particularly the community consultation is to assess the various social concerns and issues, which enable to understand the views and opinions of various community members. This is because the nature of the project could result an adverse impacts on

---

<sup>2</sup> The Federal Democratic Republic of Ethiopia (2019). Proclamation to amend the proclamation No. 455/2005 of the “Expropriation of Land holdings for Public Purposes and Payment of Compensation . Proclamation No. 1161/2019. Federal Negarit Gazette. Addis Ababa.

<sup>3</sup> Communities in Gambella, Afar, Somali, Benishangul and parts of Oromia and SNNPR Regional States will fulfill the criteria by which ESS7 defines Historically Underserved Communities.

land and natural resources subject to traditional ownership or under customary use or occupation in areas of Gambela, Afar, Somali, Benishangul Gumuz and part of Oromia and Somali

Apart from the above-mentioned documents, the National Social Protection Policy<sup>4</sup> clearly indicated that inclusiveness is one of the nine principles in implementing social protection affiliated projects and interventions. The same policy document also states that; the various government and international organization (the World Bank) financed projects should be implemented in a way it “*protects poor and vulnerable individuals, households, and communities from adverse effects of projects*” and “*increase access to equitable and quality basic services (like energy and electricity power and light supply).*”<sup>5</sup> This should go in line with the aspiration to achieve SDGs agenda of ‘*leaving no one behind.*’ The various World Bank, other international organizations and government financed projects implemented at the Historically Underserved and Traditional Local Communities-Afar, Benishangul Gumuz, Gambella, Somali, and parts of Oromia and SNNP (which are also incidentally some of the most deprived areas of the country) are experiencing disproportionate barriers to implementation.<sup>6</sup> Therefore, this community consultation activity is tuned in a way that captures the multi-faceted socio-cultural contexts, views, opinions and concerns of the Historically Underserved and Traditional Local Communities during the different stages of the ADELE project’s life span.

In line with the requirements of the ESS7, paragraph 20, component (a) indigenous people’s representative bodies and organizations (e.g., clan leaders, community leaders, religious leaders and development council members) needs to be involved. Accordingly, community leaders, clan leaders, religious leaders and community development leaders in the 4 sample woredas were consulted. Due to the community consultation constraint resulted from the COVID-19 pandemic; community consultation with women, youth and other potentially vulnerable communities had not been conducted. The likely gap that may result due to this is complemented by the secondary data collected from other World Bank financed projects (ELEAP, DRDIP, PCDP, LFSDP and LLRP) which are implemented on the target areas within a different scope and scale. For the Grid component, discussion with the stakeholders and community representatives were made in Addis Ababa.

## 9.2 Objectives of the Public Consultations

The objective of the public consultation is to provide a plan to achieve effective stakeholder participation and promotes better awareness. Accordingly, it helps the project to effectively implement within budget and on time to the satisfaction of all concerned parties. It is also to provide EEU and MoWIE:

- ✚ Status of implementation of the identified measures;
- ✚ A sense of the concerns, priorities and aspirations of the stakeholders and implementing parties as they implement the measures;

---

<sup>4</sup> FDRE’s Ministry of Labor and Social Affairs (2012). National Social Protection Policy of Ethiopia: Addis Ababa.

<sup>5</sup> Generally there are six major areas of emphasis of the National social Protection Policy of Ethiopia such as; protecting the poor and the vulnerable, increase access to social insurance, guarantee a minimum level of employment for long term unemployed and underemployed, increase access to equitable and quality basic and social welfare service, enhance the realization of social and economic rights of the excluded and the marginalized, and ensure the different levels are taking responsibilities the various policy components.

<sup>6</sup> Fre, Z. and Dixon, N. (2017). *Social protection among the Afar pastoral and agro-pastoral communities in Ethiopia: Critical Reflections on the multi-partner efforts, achievements, challenges and some lessons learnt, SPIDA Working Paper Series ADU/PENHA/DPUUCL SPIDA/WPS/104/2017.*

- ✦ Information to shape the project as it progresses; whenever possible, to recommend and implement specific recommendations and proposals;
- ✦ Provide the participating regions including Woredas with a forum to interact constructively and make progress towards solutions and actions; and feedback from EEU and MoWIE on information received and steps to follow.
- ✦ Allowing the community members to influence project design and Project Appraisal Document.
- ✦ Obtain comprehensive local knowledge and integrating it with ADELE.
- ✦ Increase community confidence and trust on ADELE Improve transparency and accountability in decision-making process in association with ADELE.
- ✦ Reduce conflict that likely created in relation to the project implementation process of ADELE.

EEU that will be involved in project implementation shall establish a platform for coordination among stakeholders to strengthen and improve the efficiency and transparency of the execution of the planned project activities, which is supported by the Constitution and other proclamations of the country. It is also a plan within proposed implementation, to improve consultation for the most vulnerable groups and their communities so that they could benefit even more from the project activities. More use that is effective can be made of women's groups, youth groups and community conversations targeting women, traditional leaders, and other vulnerable groups. Involving these groups, with meaningful representation and participation in public forums will be endorsed as part of project implementation. Generally, public and stakeholders' consultation anticipates attaining the following:

- ✦ Develop and maintain avenues of communication between the project and stakeholders to ensure that their views and concerns are incorporated into project design and implementation with the objectives of reducing or offsetting negative impacts and enhancing benefits from the project;
- ✦ Inform and discuss about the nature and scale of adverse impacts and to identify and priorities of the remedial measures for the impacts in a more transparent and direct manner;
- ✦ Include the attitudes of the community and officials who will be affected by the project so that their views and proposals are mainstreamed to formulate mitigation and benefit enhancement measures;
- ✦ Create a sense of the concerns, priorities and aspirations of the stakeholders and implementing parties as they implement the proposed measures and actions;
- ✦ Increase public awareness and understanding of the projects and ensure its acceptance; and inform relevant authorities of the impacts, solicit their views on the project and discuss their share of the responsibility for the smooth functioning of the overall project activities.

### **9.3 Consultations during the Preparation of the RF**

This section presents the detail discussion finding made with stakeholders and community consultations at federal, regional, Addis Ababa, woreda and community levels during the preparation of RF. The detail findings of the discussion and consultation is well reflected in the SA and the ESMF of the project. Please refer both documents for the detail.

## 10. Monitoring and Evaluation Arrangements

Monitoring and evaluation will be a continuous process. In order to establish effective resettlement activities, monitoring and evaluation procedures for the RP should be designed as deemed necessary. With this, it is possible to identify problems and successes as early as possible. Monitoring involves checking period to ascertain whether activities are going according to the plan or not and provides the feedback that is necessary for the project management. It is also directly to consider project-affected persons with timely, concise, indicative information on whether compensation, resettlement and other impact mitigation measures are on track to achieve sustainable restoration and improvement in the welfare of the affected people, or that adjustments are needed. On the contrary, evaluation is basically a summing up at the end of the project assessment of whether those activities actually achieved their intended aims or not.

In short, Monitoring validates the following issues:

- ✚ Actions and commitment for compensation, resettlement, land access, and development in the RP are implemented fully and on time;
- ✚ Eligible project affected people receive their full compensation on time, prior to the start of the main project activities;
- ✚ RP or actions and compensation measures have helped the people who sought cash compensation in restoring their lost incomes and in sustaining/improving pre-project living standards;
- ✚ Compensation and livelihood investments are achieving sustainable restoration and improvement in the welfare of the PAPs and communities;
- ✚ Complaints and grievances are followed up with appropriate corrective action and, where necessary, appropriate corrective actions are taken; if necessary, changes in RP/procedure are made to improve delivery of entitlements to project affected people;
- ✚ Vulnerable groups are tracked and assisted as necessary.

Internal and external monitoring are working with the impacted communities by EEU project office, the former as an integral part of its management, while the latter is with assisting hired consultants. Internal and external monitoring is discussed as follows.

### 10.1 Internal Monitoring and Evaluation

Relevant experts of the EEU will carry out the internal monitoring and the concerned local administration will also conduct its own monitoring in collaboration with the EEU. The internal monitoring must be carried out simultaneously with the implementation of the RP. The purposes of internal monitoring are plan daily operations, management, implementation, operational trouble shooting, and feedback. The periodicity of internal monitoring could be daily or weekly depending on the issues and level of resettlement. The project relevant experts of the EEU shall supervise all aspects of internal monitoring and evaluation. Regular process report will be prepared and submitted. The internal monitoring considers inputs, processes, and outcome of compensation/resettlement or other impact mitigation measures. Input monitoring will establish if staff, organization, finance, equipment, supplies and other inputs are on schedule, in the requisite quantity and quality. Process monitoring will:



- ✦ Assess resettlement program implementation strategies and methodologies and the capacity and capability of program management personnel to effectively implement and manage the planned tasks; and
- ✦ Document lesson learned and best practices and provide recommendations to strengthen the design and implementation of RP.

Outcome monitoring will establish if agreed outputs are realized on time for:

- ✦ Communication with the affected communities;
- ✦ Agreed resettlement and compensation policies, procedures and rates;
- ✦ Compensation for crops, buildings, and lost business;
- ✦ Construction and occupation of infrastructure and housing;
- ✦ Livelihood program delivery and uptake;
- ✦ Grievance resolution;
- ✦ Attention to vulnerable people.

## 10.2 External Monitoring and Evaluation

This should be seen in the eyes of compliance and impact monitoring. For compliance monitoring, the EEU will appoint a consultant to work closely with the PAPs to track the progress of RP implementation. The Independent consultant (s) will be a person (s) with deep experience in the conduct of resettlement, hands on experience in monitoring and evaluation, no previous involvement in the supposed project, and proven ability to identify actions that improve implementation and mitigate negative impact of resettlement. The consultant (s) will provide support in the proper implementation of resettlement program. It should also bring the difficulties faced by the PAPs to the notice of the EEU project office to help in formulating corrective measures. An external monitoring focuses on processes and outcomes. It uses the findings of internal monitoring and is based on separate and external investigations. External monitoring consists of periodic monitoring, and completion audits for each successive phase of resettlement or compensation. EEU will hire an external social auditor with relevant experience in resettlement to carry out an annual review assessing compliance with commitments contained in the RP, in line with Ethiopia legislative framework, WB ESS and this RF.

### Compliance monitoring will:

- ✦ Determine compliance of RP implementation with the stated resettlement objectives and procedures;
- ✦ Determine compliance of RP implementation with the laws, regulations and applicable policies;
- ✦ Determine RP impacts on standard of living, with a focus on the “no worse-off if not better-off” objective;
- ✦ Determine international best practices;
- ✦ Verify results of internal monitoring;
- ✦ Assess whether the resettlement objectives have been meet; specifically, whether livelihood programs have restored the livelihood of PAPs and their living conditions have improved;
- ✦ Assess the resettlement efficiency, effectiveness, impact and sustainability, drawing lessons for future resettlement activities and recommending corrections in the implementation process;

- ✚ Ascertain whether the resettlement entitlements are appropriate to meet the objectives, and whether the objectives are suitable to PAPs conditions;
- ✚ Assess grievance records, to identify implementation problems and status of grievance resolution;
- ✚ Ensure RP implementation complies with applicable World Bank ESS 5 and the national legal requirement and if there is implementation gap the monitoring compliance will propose remedial action.

Impact Monitoring/simultaneous evaluation will be carried out all together with the monitoring. For Simultaneous Impact Evaluation, the concerned monitoring and evaluation body who should have resettlement and social development experience shall:

- ✚ Verify whether the objective of resettlement have been realized, particularly in the changes in the living standards;
- ✚ Impact assessment is to be compared with the baseline values for key socioeconomics as given in the RP;
- ✚ To assess whether the compensation is adequate to replace the lost assets;
- ✚ Assess the level of satisfaction of the various assets provided as part of the RP implementation;
- ✚ Based on the impact assessment, suitable remedial measures are to be proposed for any shortcomings; and
- ✚ Remedial measures, if PAPs are not able to improve their living standards.

Impact monitoring will cover issues such as:

- ✚ Economic status of PAPs: livelihood restoration and enterprise, employment, land holdings, non-agricultural enterprise;
- ✚ Cost of market of essentials including rental accommodation;
- ✚ Employment: on the project and in the impact area.

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.

**Table 5: Types of Verifiable Indicators**

Monitoring (of issues)	Evaluation (of impacts)
Consultations and reach out	<ul style="list-style-type: none"> <li>• Number of people reached or accessing information</li> <li>• Information request, issues raised, etc</li> <li>• Number of local CBOs participating</li> </ul>
Compensations and re-establishment PAPs	Physical Progress of Compensation and Assistance <ul style="list-style-type: none"> <li>• Number of PAPs affected (building, land, trees, crops, etc.)</li> <li>• Number of PAPs compensated by the type of loss</li> <li>• Amount compensated by type and owners</li> <li>• Number of replacement asset recovered</li> <li>• Compensation disbursement to the correct parties</li> </ul>
Socioeconomic changes	<ul style="list-style-type: none"> <li>• Level of income and standard of living of the PAPs</li> <li>• Number of income restored, improved or declined from pre-displacement levels</li> </ul>
Number of compensation (and valuation) contracts not completed	<ul style="list-style-type: none"> <li>• Outstanding individual compensation or resettlement contracts.</li> </ul>

Monitoring (of issues)	Evaluation (of impacts)
	<ul style="list-style-type: none"> <li>• Changes (+/-) in PAPs conditions during transition process</li> <li>• Training / Transformation or life skills/</li> </ul>
Number of subprojects unable to settle compensation after 2 years	<ul style="list-style-type: none"> <li>• Changes (+/-) in PAPs income and livelihood conditions</li> </ul>
Grievances redress Mechanism	<ul style="list-style-type: none"> <li>• Quality of grievances or disputes resolved (qualitative)</li> <li>• Number of cases referred to GRC</li> <li>• Number of cases settled by GRC/CRC</li> <li>• Number of cases pending with GRC/CRC</li> <li>• Average time taken for resettlement of cases</li> <li>• Number of GRC/CRC meetings</li> <li>• Number of PAPs moved court</li> <li>• Number of pending cases with the court</li> <li>• Number of cases settled by the court</li> </ul>
Pre-project production and income (year before land acquisition) versus present production and income of resettled PAPs who earn income from affected property (e.g. shops, kiosks, market stall, MSEs)	<ul style="list-style-type: none"> <li>• Affected individuals and/or households compensated resettled in first year who have maintained their previous standard of living at final evaluation.</li> <li>• Amount of improved production/household</li> </ul>
Livelihood restoration Projects Completed	<ul style="list-style-type: none"> <li>• Changes (+/-) in affected households income levels;</li> <li>• Training provided / number of trainees</li> <li>• Successful transformation to new sector</li> <li>• PAPs graduated to higher investment</li> </ul>
Overall management	<ul style="list-style-type: none"> <li>• Effectiveness of compensation delivery system</li> <li>• Timely disbursement of compensation</li> <li>• Census and asset verification/quantification procedures place</li> <li>• Coordination between local community structures and implementing agencies.</li> </ul>

## 11.Completion Audit

Based on the scale of displacement, World Bank ESS 5 could require the EEU to undertake an evaluation by an independent third party to assess whether the outcome of the RP complies with the World Bank ESS 5 Land Acquisition and Involuntary Resettlement. The main objective of this external evaluation, or completion audit, is to determine whether the EEU's efforts to restore the living standards of the PAPs have been properly conceived and executed. The audit should verify that all physical inputs committed in the RP have been delivered and all services provided. Furthermore, the audit should evaluate whether the mitigation actions prescribed in the RP have had the desired effect or not. The socioeconomic status of the PAPs, including the host population, should be measured against the baseline conditions of the population before displacement, as established through the census and socioeconomic studies.

The timing of the audit thus enables the sponsor to undertake corrective action, if any, as recommended by the auditors before the project is complete. In the majority of cases, the completion audit should bring

to closure the EEU’s liability for resettlement, compensation, livelihood restoration, and development support. The following table describes auditable criteria against the World Bank ESS 5-Land Acquisition and Involuntary Resettlement.

**Table 6: Auditable Criteria for ESS 5 Land Acquisition and Involuntary Resettlement**

No.	Items	Auditable Criteria
1	Compensation and Benefits for Displaced Persons	✚ Has the EEU provided opportunities to displaced persons and communities to derive appropriate development benefits from the project?
2	Consultation and Grievance Mechanism	✚ Has the EEU disclosed all relevant information, consulted with affected persons and communities and facilitated their informed participation in the decision-making process relating to resettlement? ✚ Has EEU established an effective grievance redress mechanism?
3	Resettlement Planning and Implementation	✚ Has EEU considered alternative designs to avoid or minimize economic and physical displacement? ✚ Has EEU identified persons to be displaced by the Private Sector Activity and those eligible for compensation and assistance through a baseline census with appropriate socio-economic baseline data? ✚ Has the census established the status of displaced persons according to their legal rights or claim to land? ✚ Has cut off date for eligibility been established or disseminated? 1) Has EEU prepared RP or resettlement framework (if physical displacement) that mitigates negative impacts of displacement, identifies development opportunities and establish entitlement for all affected persons? 2) Has the EEU (if economic but not physical displacement) developed procedures to offer compensation or other assistance that will establish entitlement for affected persons or communities? 3) Has EEU established M & E mechanism?
4	Physical Displacement	✚ Has the EEU offered displaced persons choices amongst resettlement options, relocation assistance, and/or compensation according to their status and entitlements as described by the WB PS5?
5	Economic Displacement	✚ Has the EEU provided replacement property, compensation, targeted assistance and/or transitional support in accordance with World Bank ESS 5 requirements?
6	Private Sector Responsibilities under Government-Managed Resettlement	✚ Has EEU supplemented government actions and bridged the gaps (if applicable) between the government-assigned entitlements and procedures and the requirements of this WB ESS 5?

## 12. Estimated Budget

According to the Constitution of FDRE, project affected people due to development have the rights to be compensated and resettled wherever the condition requires. This forms the bottom line for the commitment of the Government towards compensation and resettlement/rehabilitation. Since the specific places or locations of subproject sites have not yet been determined, and the number of PAPs cannot be identified, it is impossible to provide an estimated budget for the total costs of resettlement that may be associated with the implementation of the sub-project mini-grid, and off grid.

EEU will ensure that budget is allocated for the implementation of compensation payment for the expropriated property for mini-grid and off grid subprojects implemented. The EEU will update the compensation estimate in consultation with property valuation committees that is to be established per

Proclamation No. 1161/2019 and depending on the Regulation that will be published and pay compensation before the construction of Project components.

Once the budget is finalized, it will be subject to approval by the regional or delegated city or woreda land administration in coordination with the EEU Finance and Legal team. The Finance Division of the EEU is responsible for processing the estimated fund and finally the compensation payment will be disbursed through the relevant woredas' offices. Thus, since specific sites, number of Subprojects and number of PAPs is unidentified; it is impossible to state the comprehensive budget for the RP. Once the budget is finalized based on the site and sub-project specific information for the RP implementation, it will be approved by World Bank. The following table shows indicative outline of RP budget.

**Table 7: Indicative Outline of a RP Budget**

Description	Unit	Quantity	Estimated Cost		Agency Responsible
			Unit Cost	Total	
<b>Asset acquisition</b>					
Land					
Structure					
Crops and economic trees					
Community infrastructure					
<b>Land Acquisition and Preparation</b>					
Land					
Structures					
Crops areas and others					
Community infrastructure					
<b>Relocations</b>					
Transfer of possessions					
Installation costs					
<b>Economic Rehabilitation</b>					
Training					
Capital Investments					
Technical Assistance					
Monitoring					
<b>Number</b>	<b>Item</b>	<b>Costs</b>	<b>Assumptions</b>		
<b>1</b>	Compensation for loss of Land	/hectare	For land acquisition purposes, based on Ethiopian average market cost, or from similar projects		
<b>2</b>	Compensation for loss of Crops	/hectare of farm lost	Includes costs of labor invested and average of highest price of staple food crops and Ethiopian market prices		

<b>3</b>	Compensation for loss of access to pastoralists	If applicable	Those affected would be provided with shared access, or alternate routes (decision agreed through consultation and participation of all)
<b>4</b>	Compensation for loss of access to fishing resources.	If applicable	Data provided from the revised socioeconomic study will determine market values of catch, fish products etc.
<b>5</b>	Compensation for Buildings and Structures	If applicable	This compensation may be in-kind or cash. Costs for basic housing needs should include ventilated pit latrines, outside kitchen, and storage.
<b>6</b>	Compensation for Trees	/year/tree	Includes costs of labor invested and average of highest price of trees (and tree products) and Ethiopian market Prices
<b>7</b>	Cost of Relocation Assistance/Expenses	/household	This cost reflects the moving and transportation allowance and any associated administrative costs if relevant
<b>8</b>	Cost of Restoration of Individual Income		Assumed to be higher than the GDP/capita in Ethiopia
<b>9</b>	Cost of Restoration of Household Income		These costs reflect the livelihood restoration program of the RP
<b>10</b>	Cost of Training Farmers, pastoralists and other PAPs		This is a mitigation measure involving capacity building and involves PAPs and affected communities

## **ANNEXES**

### **Annex 1: PROCLAMATION NO.1161/2019, Expropriation of Land holdings for Public Purposes, Payments of Compensation and Resettlement of Displaced People**

**WHERE AS**, it is necessary that government needs to use land for development works it carries out for public services;

**WHEREAS**, land expropriation has become necessary to address the steadily growing urban population which requires more land for building houses, infrastructure; and for redevelopment of the urban slums to invigorate investment and other services; and for development activities in rural areas;

**WHEREAS**, it is essential to determine the types of compensable properties and lost economic interests and the principles thereof and establish the methods of valuation in order to pay land holders whose landholdings and property are expropriated or damaged or lost their economic interests in the process of expropriation fair and equitable compensation;

**WHERE AS**, it is necessary to identify and define the powers and responsibilities of authorities which are in charge of property valuation; payment of compensation and resettlement;

**WHEREAS**, it is necessary to rectify and fill gaps envisaged in the former law and to include other provisions to make the system of expropriation of land holdings and payment of compensation more effective;

**WHERE AS**, it is necessary to determine the decision making process and grievances procedure related with the expropriation and payment of compensation;

**WHEREAS**, it is necessary to enact detailed laws to implement the general powers given to the Federal Government under the Constitution of Federal Democratic Republic of Ethiopia to enact laws regarding land use under Article 51(5); and Expropriate of Private property for Public Purposes and payment of fair and equitable compensation to the expropriated land holders under Article 40(8) and provide support to resettle displaced people under Article 44 (2);

**NOW, THEREFORE**, in accordance with Article 55 (2) (a) of the Constitution of the Federal Democratic Republic of Ethiopia, it is hereby proclaimed as follows;

#### **1. Short Title**

This Proclamation may be cited as the “Expropriation of Land holdings for Public Purposes, Payments of Compensation and Resettlement Proclamation No. 1161/2019”.

#### **2. Definition**

Unless the context requires otherwise, in this Proclamation:

1/ “Public Purpose” means decision that is made by the cabinet of a Regional State, Addis Ababa, Dire Dawa or the appropriate Federal Authority on basis of approved land use plan or; development plan or; structural plan under the belief that the land use will directly or indirectly bring better economic and social development to the public; 2/ “Property Compensation” means, payment to be made in cash or in kind or in both to a person for his property or permanent improvements situated on his expropriated landholding;

3/ “Displacement Compensation” means payment to be made to a land holder for the loss of his use right on the land as a result of expropriation;

4 / “Displacement Assistance” means payment to be made, in addition to property and displacement compensations, for a landholder who permanently or temporarily displaced in order to help him adjust

to the new place; 5/“Economic Loss Compensation” means payment to be made to those who are not displaced but who suffer loss of employment, trade; or rentals, or similar activities as a consequence of expropriation of land for public purposes;

6/“Social Ties Discontinuance and Moral Damage Compensation” means payment to be made to displaced people for the breakup of their social ties and moral damage suffered;

7/“Resettlement” means support provided to people who are not physically displaced but lost their economic benefit due to expropriation of land for public purposes and so as to enable them generate sustainable income.

8/“Valuation” means a common compensation valuation method used to calculate the value of property on expropriated land;

9/“Permanent Improvement” means improvements made permanently to the land like clearing, leveling and terracing the land, including the costs of water reservoir and other agricultural infrastructure and urban courtyard floors and other decoration works.

10/“Resettlement package” means work program to people whose landholding is expropriated for public purpose so as to enable them generate sustainable income;

11/“Communal landholding” means land which is neither state owned nor individually held; and which is held and used by communities for grazing, forestry, and other social services, etc;

12/ "Region" means any region referred to in Article 47(1) of the Federal Democratic Republic of Ethiopia Constitution;

13/“Urban administration" means an organ to which urban administrative powers and duties have been given by law;

14/“Infrastructure” means road, railway, airport, telecommunication, electric power, irrigation, water supply line or sewerage line found on or below the ground and includes other related constructions.

15/ "Utility line" means water, sewerage, electric or telephone line existing on or under a land to be expropriated for public purpose;

16/“Displaced People” means a person,households,firms,or public or private institutions who has been living in occupied land,including tenants,employed and self-employoyed persons on the land for public benefit,

17/” Complaint Hearing Body” means the body that deals with and resolves complaints about the implementation of this Proclamation.

18/”Appeal body” means a body that reveiws the decision g iven by a compliant hearing body and pass its decision. 19/”Recognized Evaluator” means an evaluator that has been accredited by the appropriate body for the estimation of fixed assets.

20/Urgent Development” means a development which does not be implemented by the normal schedule and which the government ensures it as costly or potentially costly.

21/ Complex Infrastructure” means infrastructure which can not be done as usual, can not be done by the country’s professionals, where goods are not stored, requires purchasing abroad, and a similar act proved by an infrastructure expert and approved by the Head of Infrastructure Institution and is type of infrastructure that needs more time.

22/”Development of National or Regional Significance” means a development that is intended to bring great change on the bases of development projects or creat better relations with other countries through development projects or activities to promote change in Ethiopia.

23/”Person” meanS any natural or legal person.

24/Any expression in the Masculine gender includes the Feminine.



### **3. Scope of Application**

This Proclamation shall apply throughout the country in rural and urban centers in matters relating to land expropriation; payment of compensation; and resettlement of landholders whose land is expropriated for public purpose.

### **4. Principles**

1/ Expropriation of land for public purposes shall be made only on the basis of approved land use plan; urban structural plan; or development master plan.

2/ Compensation and resettlement Assistance Compensation for the expropriated land shall sustainably restore and improve the livelihood of displaced people.

3/ The amount of compensation to be paid at Federal, or Regional or Addis Ababa or DireDawa level for similar properties and economic losses in the same areas shall be similar.

4/ Where land is expropriated for public purpose, the procedure shall be transparent, participatory, fair and accountable.

## **Part II Procedure to Expropriate Land**

### **5. Decision on Expropriation for Public Purpose**

1/ The appropriate Federal Authority, or a Regional, Addis Ababa, Dire Dawa cabinet shall decide on the basis of an approved land use plan; or master plan; or structural plan whether the expropriated land directly or indirectly brings better development and is beneficial to the public.

2/ The Master Plan; referred under sub article 1 of this Article shall have detailed action plan.

3/ The budget necessary to cover the costs of compensation and resettlement and the responsible body that shall cover these costs shall be made clear at the time when expropriation for public purpose is decided.

4/ Land holders may file objections on the public purpose decision where their land is expropriated in the absence of the fulfillment of the requirements provided under sub articles (1) and (2) of this Article.

5/ Not with standing to sub article 1 of this Article, a Regional, Addis Ababa, Dire Dawa cabinet may delegate a Woreda or City Administration to decide on land expropriation for public purpose.

### **6. Powers to Clear Landholdings**

The City or Woreda administration has the power to order evacuation and takeover land decided to be expropriated for public purpose under Article 5 of this proclamation.

### **7. Giving Priority Rights to Develop Land for the Landholders**

1/ Landholders whose holdings are within the urban area to be redeveloped shall have priority rights to develop their land according to the plan either individually or in a group.

2/ Rural landholders for Agricultural use shall have priority rights to develop their landholdings according to land use plan either individually or in groups.

3/ Priority Rights to develop Land as per sub Article 1 and 2 of this Article will be preserved for the Landholders, when the capacity to develop the land as per the plan is presented.

4/ The details of the the right to develop first and the extent of the capacity to develop, and the time frame shall be determined by a Regulation.

## **8. Procedure of the Landholding Handover**

1/ The City or Woreda Administration shall follow the following orders when land holders hand over their lands:

- a) Shall consult land holders who are to be displaced at least one year before they handover their holdings on the type; benefits and general process of the project.
- b) notwithstanding to paragraph (a) of this Article, land holders who are to be displaced may be consulted on the type; benefits and general process of the project in less than one year if the concerned Federal or Regional State decides that the land is required urgently for investment.
- c) Collect landholding rights and conduct inventory, amount and size of all compensable properties from displaced people or their legal representatives whose landholdings are determined to be expropriated. Properties added after the expropriation notification is given to the land holder are not compensated.
- d) Decide the legal rights of the holders by checking the authority of the documents collected as sub article 1 (c) of this article, calculate, determine, and pay the amount of the compensation and other related rights,
- e) Notify the land holder or his agent in writing to hand over the land expropriated for public purpose with the description of the amount of compensation the landholder shall be paid; and/or the size and location of the land or house in kind compensation.
- f) Where the building is state owned the order for handing over shall be given to the Housing Administration Authority and to the lessee.
- g) Pay compensation or provide substitute land before the displacement of people from their landholding.
- h) The details of expropriation of landholdings procedure shall be provided in a Regulation to be enacted to implement this Proclamation.

2/ Landholders or their agents whose landholdings are to be expropriated shall submit landholding certificates or other proofs that show their landholding rights over the lands that is decided to be expropriated to the urban or rural land administration office on the time schedule of the office.

3/ As of the date of notification in writing on the amount of compensation, the landholder may: a/ Plant seasonal crops and start other activities on the land other than perennial crops and buildings where the compensation is not paid within three months of the notice on the amount of compensation.

b) Begin developing any kind of activity approved by the plan and does not affect the government's ongoing cost of development of the site where compensation is not paid within six months of the notice on the amount of compensation. c) Property developed or any change made under sub articles (a) and (b) of this Article shall be included in the valuation for compensation.

4/ Land holder who is served with notice to handover his landholding shall take the compensation and replacement plot or house within 30(thirt) days of notice.

5/ Where the land holder who is served with notice fails to comply with the order within the time prescribed under sub article 4 of this Article, the compensation payment shall be deposited in the closed bank account of the city or Woreda Administration.

6/ The land holder may be forced to handover the land within 120 (one hundred and twenty) days of the payment in cash or in kind compensation; or after the cash is deposited in the bank.

7/ Where there is no permanent property or crop on the expropriated land, the land holder shall hand over his landholding within 30 (thirty) days of the payment of compensation to the City or Woreda Administration.

8/ Where the land expropriated is under illegal occupation, the occupant shall evacuate without claim for compensation within 30 (thirty) days of notice.

9/Where the landholder fails without justifiable reason ,to hand over his landholding within the time prescribed under sub articles 6 and 7 of this article, the City; or Woreda Administration can take over the expropriated land directly, and as may be necessary,may ask cooperation of the police force.

### **9. Responsibilities of the Land Requiring Body**

1/ Land Requiring Body shall submit to the City or Woreda Administration the decision that shows the size and exact location of the land to be expropriated at least one year before the commencement of the project.

2/ Pay the money required for compensation and resettlement to the City or Woreda Administration, when it is decided that compensation and resettlement payment shall be made to the displaced people.

3/City or Woreda Administration shall not require handing over of the land until payments are made to landholders who may be displaced as per sub-article 2 this Article.

### **10. Procedure for Removal of Utility Lines**

1/ The City or Woreda Administration shall request in writing utility line owner organizations to reply if they have utility lines over or under ground on the land to be expropriated.

2/ The organization that has utility lines on the expropriated land shall estimate the value of the utility line to be affected and send it with evidence to the City or Woreda Administration that requested it under sub article 1 of this Article within 30 (thirty) days of receiving the request.

3/The city or Woreda Administration shall pay the compensation within 30 (thirty) days of receiving the estimated cost of the utility lines to the owner organization under sub article 2 of this article.

4/ The utility line owner shall remove utility lines and clear the land within 60(sixty) days after the payment has been made.

5/ Notwithstanding to sub Article (4) of this Article, the utility line owner shall remove complex utility lines and clear the land within 120 (one hundred and twenty) days after the payment has been made.

6/ If the development is not cleared with in the time frame set pursuant to sub article 4 and sub article 5 of this Article, it shall be cleared and expropriated as per sub Article 9 of Article 8. The Institution of the Infrastructure that failed to discharge its responsibility shall be liable for the damage incurred due to this. The details shall be determined by a Regulation.

## **PART III: Determination of Compensation, Substitution and Resettlement**

### **11. COMPENSATION TO BE PAID TO LAND HOLDERS WHERE LAND IS EXPROPRIATED FOR PUBLIC PURPOSE**

Where land is expropriated for public purposes compensation for the property and displacement shall be paid to the landholders.

### **12. Property Compensation**

1/ The landholder whose land is expropriated shall be paid compensation for the property on the land and the permanent improvement made on the land.

2/The amount of compensation for the property on the land shall cover the cost of replacing the property anew.

3/ Without prejudice to sub article 2 of this Article, the minimum compensation payable to a housing unit, may not, in any way, be less than the current cost of constructing a house per the standard or on the basis of the objective conditions of each Regional State, Addis Ababa and Dire Dawa City Administration.

4/Compensation for permanent improvement to land shall be equal to the current value of capital and labor expended on the land.

5/Where the property on the land can be relocated and continue its service as before, the cost of removing, transporting, and erecting the property shall be paid as compensation.

6/ Valuation methods to determine compensation for various properties and detail prescriptions applicable thereto shall be provided for by a Regulation.

### **13. Displacement Compensation and Land Substitution**

1/ Displacement compensation and land substitution for Rural Landholders permanently displaced:

- a) landholder who is to be displaced permanently shall be substituted for a reasonable proportion of the land taken from the area, shall be given a substitute land if it is available.
- b) Where equivalent substitute land is given as per paragraph (a) of this sub article, calculated by the current price the land holder shall be paid a one year landholding compensation income which is equal to the highest income he annually used to generate in the last three years preceding the expropriation of the land.
- c) Where equivalent substitute land as per paragraph (a) of this sub article is not available, the land holder shall be paid displacement compensation which is equivalent to fifteen times the highest annual income he generated during the last three years preceding the expropriation of the land.
- d) Where the landholder is to be displaced from his residence, land for building houses shall be given; and displacement assistance determined by Directives to be issued by Regional States, Addis Ababa and Dire Dawa City Administrations shall be paid.
- e) The amount of compensation given to the temporarily displaced people shall not be greater than the amount of compensation given to permanently displaced people.
- f) Implementation of this sub article shall be determined by a Regulation to be enacted to implement this Proclamation.

2/ Displacement compensation for temporarily displaced Rural landholders:

a) a rural landholder whose landholding has been provisionally expropriated shall, be paid displacement compensation for lost income based on the highest annual income secured during the last three years preceding the expropriation of the land until repossession of the land.

b) Displacement compensation paid under paragraph (a) of this sub article shall take in to consideration the amount of additional time necessary for the land to regain its productivity which shall be determined by the surrounding Agricultural Institution.

c) If the land fails to to serve as before, it shall be considered as expropriated permanently and pursuant to sub article 1 of this article, either a displacement compensation or substitute land shall be given to the land holder.

d) The displacement compensation paid for temporary expropriation under sub-article (1) of this Article, shall be deducted from payment of compensation paid for the land considered as permanently expropriated and the difference shall be paid to the land holder.

e) Displacement compensation for temporary expropriation shall not in any way exceed to the amount of compensation payable to permanent displaced compensation.

f) The detail implementation of this sub-article shall be provided in a regulation to be enacted to implement this Proclamation.

### **3/Displacement Compensation for Communal Landholding**

The valuation method and manner of payment to permanent and temporary expropriation of communal land holdings shall be determined in a directive to be issued by Regional States, Addis Ababa, Dire Dawa City Administrations and shall take the following into consideration:

a) Valuation of displacement compensation for communal landholding shall be based on the use of the communal land; or the lost benefits and livelihood of the displaced People.

b) Members of the community using the communal land shall be clearly identified.

c) Private and communal property on the expropriated communal land shall be identified.

d) The method of allocating the displacement compensation money or the use of it in kind to all members of the communal landholding community shall be clearly determined.

#### **4/ Displacement compensation and substitute land for Urban Landholders Permanently Displaced**

Where urban landholders are permanently displaced as a consequence of land expropriation, the valuation of the displacement compensation and substitute land given to them shall be as follows:

a) Landholders permanently displaced shall be provided with substitute land for building houses; or an arrangement shall be made to let them purchase housing units;

b) Where substitute land is provided, a residential house shall be given to the displaced for two years free of charge until he constructs his residential housing or displacement compensation equal to two years housing rentals estimated on the basis of the rental market comparable to the house of the displaced shall be paid;

c) Where a substitute house is provided, the displaced shall be paid a one year displacement compensation equivalent to current rental price of the demolished house;

d) Displacement compensation payable under paragraph (b) and (c) of this sub-article shall not be less than the amount necessary to lease the lower standard housing in the area.

e) Displaced People shall be compensated for the breakup of their social ties and moral damage they suffer as result of the expropriation. The amount of compensation shall be determined by the regulation to be enacted to implement this Proclamation.

f) Where the expropriated land is under leasehold, the substitute land to be given shall be equivalent to the expropriated land in standard and size. If it is not possible to do this, the alternative operating situations shall be determined by a directive depending on the situation of the cities.

g) Provision of substitute land or house, displacement compensation and related matters shall be determined in directives that may be issued by Regional States, Addis Ababa and Dire Dawa City Administrations.

#### **5/Displacement Assistance to Temporarily Displaced Urban Landholders:**

a) Urban land holders' temporarily displaced shall be provided with substitute housing or compensation to lease a house equivalent to the current rental market of the expropriated house for the period till they displaced.

b) Urban land holders shall be paid compensation for the economic loss they suffer due to temporary displacement.

c) The details of this sub-article shall be determined by a Directive to be issued by Regional States, Addis Ababa, and Dire Dawa City Administrations.

#### **14. Compensation paid for Economic Loss of Income**

1/ a person who lost economic benefit either permanently or temporarily without being displaced as a consequence of land expropriation shall be paid compensation; the person entitled for the compensation, type and amount of compensation shall be determined by the Directives issued by a Regional States.

2/ Incomes generated from employment, rentals, business and the like net annual income except that of the income generated from agriculture may be considered for determination of the type and amount of compensation as per sub article 1 of this Article.

#### **15. Residential Housing for Peri-Urban Landholders Incorporated in to Towns**

1/A peri urban rural land holder whose residence is removed shall be entitled to not more than 500 sq. meters of land for building per the standard of the urban as it is decided by cabinet of the Regional State, Addis Ababa and Dire Dawa City Administrations.

2/ Child of the displaced, peri urban landholder the age of 18 and above shall be provided with the minimum size of land per the standard of the town or city provided he lives with his parent.

3/ Notwithstanding to sub article 1 of this article, the total land size that is given to him shall not exceed the total residential area of the displaced landholder.

4/ Residential area under sub article 3 of this Article includes the area within the perimeter fence of the displaced land holder.

5/ The details shall be determined by a Directive to be issued by the Regional State, Addis Ababa and Dire Dawa City Administrations.

#### **16. Resettlement**

1/Regional States, Addis Ababa and Dire Dawa City Administrations shall establish fund for compensation payment and rehabilitation.

2/Regional States, Addis Ababa and Dire Dawa City Administrations shall develop resettlement packages that enable displaced people to sustainably resettle.

3/ Urban or Woreda Administrations shall have the duty to resettle the People displaced on the basis of the resettlement package and allocated budget.

4/ If the land expropriation for public purpose is for investment, the people who are displaced may own shares from the investment.

5/ People who are displaced from urban or rural areas and who lost their income as a consequence of land expropriation for public purpose, and who do not own shares from the investment, economic incentives shall be devised by the beneficiaries, the investor and Administration. The details shall be determined by a Regulation.

6/ The contents and detail implementation of the resettlement package shall be determined by a Regulation.

#### **17. Valuation of Property**

1/ Compensation for the Property situated on land to be expropriated shall be evaluated by Certified Private Institution or individual consultant valuers on the basis of a nationally approved valuation method.

2/ It shall be evaluated by an Autonomous Government Organization established for that purpose where there is no private certified property valuation organization or individual consultant.

3/ Where the organizations under sub articles 1 and 2 of this article do not exist, it shall be, considering location of the expropriated land evaluated by valuation committee established by the relevant Urban or Woreda Administrations comprising proper professionals.

4/ The working procedures of the valuation committee established under sub article 3 of this article shall be determined by the Directive issued by Regional State, Addis Ababa and Dire Dawa City Administrations.

5/ Notwithstanding to sub-article 1,2 and 3 of this article, where the property assessed requires special expertise, the valuation may be made by a relevant Government or Private Organization.

6/ Where the property is state owned infrastructure or utility line; the valuation shall be made by the government entity owning it.

7/ The unit price of compensation valuation shall be revised at most every two years.

## **18. Establishing Complaint Hearing Body and Appeal Council**

1/ Regional States, Addis Ababa and Dire Dawa City Administrations shall establish Complaint Hearing Body and Appeal Hearing Council which shall have jurisdiction to entertain grievances arising from decisions under this Proclamation.

2/Regional States, Addis Ababa and Dire Dawa City Administrations may establish Complaint Hearing Body and Appeal Hearing Council in some of their towns as deemed necessary.

3/The structure, powers and duties of the Complaint Hearing Body and Appeal Hearing Council shall be determined in a Regulation that shall be enacted to implement this Proclamation

## **19. Complaints**

1/Any person who received an order of expropriation of his landholding; or who has an interest or claim on the property to be expropriated may file an application within 30 (thirty) days of service of the order to the Complaint Hearing Body which is established as per sub-article 1 of Article 18 of this proclamation.

2/The body mentioned under sub article 1of this article, after investigating the complaint submitted to it; shall make its decisions within 30 (thirty) days of the filing of the application and notify in written to the parties.

## **20. Appeal**

1/ A party who is aggrieved with the decision given under Article 19 sub article 1of this proclamation shall file an appeal to the Appeal Hearing Council within 30 (thirty) days of the receipt of the written notice of the decision thereof.

2/ A party aggrieved with the decision of the Appeal Hearing Council may file an appeal to the Regional High Court in case of Addis Ababa and Dire Dawa city, Federal First Instance Court within 30 (thirty) days of the receipt of the decision in writing.The party who is dissatisfied with the decision has the right to continue his claim, however, for the continuance of the development, he has to surrender his land holdings.

3/If the land holder faces economic loss due to the expropriation and is unable to file an appeal, the government shall arrange for free legal services.

## **21. Taking Over Land under Complain**

1/ If the person who received an order of evacuation of his landholding filed a Complaint application as per this Proclamation, the Woreda or City administration may take over of the land only where:

a) The appeal is affirmed as per article 19 sub-article 1of this proclamation and failed to make an appeal on that decision; or

b) The land holder failed to make an appeal as per Article 20 sub-article 2 of this proclamation.

2/ Notwithstanding to sub-article 1 of this Article where Land under complain is illegally occupied land, the Woreda or Urban Administration may takeover of the land after removing the property, demolishing building on the land.

## **Part IV Miscellaneous Provisions 22. Powers and Functions of Federal Institutions**

Without prejudice to powers and functions given to the Ministry under other Laws:

1/ Ministry of Construction and Urban Development shall:

- a) Ensure and follow up implementation of provisions of this Proclamation pertaining to Urban in Urban Areas;
- b) Support resettlement of displaced people from urban areas;
- c) Provide technical and capacity building support to Regional States, Addis Ababa, and Dire Dawa City Administrations;
- d) Follow up and support the issuance of Directives required for the proper implementation of this Proclamation; and
- e) Asses the living conditions the holders whose land has been expropriated for public purpose for urban development and provide solutions to problems discovered.

### **2/ Ministry of Agriculture shall**

- a) Follow up and ensure implementation of the provisions of this proclamation pertaining to rural areas in the Regions.
- b) Support resettlement of displaced people from rural areas.
- c) Provide technical and capacity building support to Regional States, Addis Ababa and Dire Dawa City Administrations to enable them implement this Proclamation.

## **23. Powers and Functions of Regional States, Addis Ababa and Dire Dawa City Administrations**

- 1/ Follow up and ensure the implementation of this Proclamation and the Regulation and Directive enacted under it in Regional States, Addis Ababa Dire Dawa City Administrations;
- 2/ Develop and implement resettlement packages. An independent entity that implement and govern this framework shall be established or appointed from this institution to bear this responsibility.
- 3/ provide capacity building support to Urban and Woreda Administrations to enable them implement this Proclamation.
- 4/ asses the living conditions of the displaced persons and provide solutions to the identified problems.

## **25. Responsibility of Woreda and Urban Administrations**

Woreda and Urban Administrations shall:

- 1/organize consultative meetings with people that are going to be displaced on the type; benefits; and generally the process of the project;
- 2/Pay or make others pay the compensation to the landholders whose land holdings are expropriated.
- 3/ Implementing the resettlement packages.
- 4/Maintain record of the property located on the expropriated land.
- 5/ Support and ensure the improvement of the livelihood of displaced farmers and pastoralists.
- 6/Maintain record and evidences relating to the displaced.

## **25. Accountability**

Any person, institution and institution who does not implement the provisions of this proclamation shall be liable under the applicable law.

## **26. Power to Issue Regulation and Directive**

- 1/The Council of Ministers shall issue regulation for the implementation of this Proclamation.
- 2/ Region states or Addis Ababa or Dire Dawa City Administrations may issue Directives necessary for the proper implementation of this Proclamation and Regulation issued per sub article 1 of this



Article.

**27. Transitional Provision**

Cases pending in a court before the coming into force of this Proclamation shall be disposed under the previous Proclamation No. 455/1997.

**28. Repealed and Inapplicable Laws**

1/ The "Expropriation of Land holdings for Public Purposes and Payment of Compensation Proclamation No. 455/2005 is hereby repealed.

2/ No law, Regulation, Directive or practice shall, in so far as it is inconsistent with this Proclamation, be applicable with respect to matters provided for by this Proclamation.

**29. Effective Date** This Proclamation shall enter into force as of its publication in the Federal Negarit Gazette.

**Done at Addis Ababa, this September 23rd day of September 2019**

**SAHELEWORK ZEWDE**

**PRESIDENT OF THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA**

## **Annex 2: Minimum Elements of a Resettlement Plan**

### **A. Resettlement Plan**

2. The scope of requirements 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 project and its potential impacts on the displaced persons and other adversely affected groups, (b) appropriate and feasible mitigation measures, and (c) the legal and institutional arrangements required for effective implementation of resettlement measures.

#### *Minimum Elements of a 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 components or activities that give rise to displacement, explaining why the selected land must be acquired for use within the time frame of the project;
- (b) The zone of impact of such components or activities;
- (c) The scope and scale of land acquisition and impacts on structures and other fixed assets;
- (d) Any project-imposed restrictions on use of, or access to, land or natural resources;
- (e) Alternatives considered to avoid or minimize displacement and why those were rejected; and
- (f) The mechanisms established to minimize displacement, to the extent possible, during project implementation.

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

6. *Census survey and baseline socioeconomic studies.* The findings of a household-level census identifying and enumerating affected persons, and, with the involvement of affected persons, surveying land, structures, and other fixed assets to be affected by the project. The census survey also serves other essential functions:

- (a) Identifying 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;
- (b) Information on vulnerable groups or persons for whom special provisions may have to be made;
- (c) Identifying public or community infrastructure, property or services that may be affected;
- (d) Providing a basis for the design of, and budgeting for, the resettlement program;
- (e) In conjunction with establishment of a cut-off date, providing a basis for excluding ineligible people from compensation and resettlement assistance; and
- (f) Establishing baseline conditions for monitoring and evaluation purposes.

As the Bank may deem relevant, additional studies on the following subjects may be required to supplement or inform the census survey:

- (g) Land tenure and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, nontitle-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;
- (h) 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; and
- (i) 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 compulsory acquisition and imposition of land use restriction 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 time frame for such procedures, and any available grievance redress mechanisms that may be relevant to the project;
- (c) Laws and regulations relating to the agencies responsible for implementing resettlement activities; and
- (d) Gaps, if any, between local laws and practices covering compulsory acquisition, imposition of land use restrictions and provision of resettlement measures and ESS5, and the mechanisms to bridge such gaps.

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

- (a) The identification of agencies responsible for resettlement activities and NGOs/CSOs that may have a role in project implementation, including providing support for displaced persons;
- (b) An assessment of the institutional capacity of such agencies and NGOs/CSOs; and
- (c) Any steps that are proposed to enhance the institutional capacity of agencies and NGOs/CSOs 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 for land, natural resources, and other assets under local law and such supplementary measures as are necessary to achieve replacement cost for them.

11. *Community participation.* Involvement of displaced persons (including host communities, where relevant):

- (a) A description of the strategy for consultation with, and participation of, displaced persons 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; 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 Peoples, ethnic minorities, the landless, and women are adequately represented.

12. *Implementation schedule.* An implementation schedule providing anticipated dates for displacement, and estimated initiation and completion dates for all resettlement plan activities. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

13. *Costs and budget.* Tables showing categorized 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.

14. *Grievance redress mechanism.* The plan describes affordable and accessible procedures for third party settlement of disputes arising from displacement or resettlement; such grievance mechanisms

should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.

15. *Monitoring and evaluation.* Arrangements for monitoring of displacement and resettlement activities by the implementing agency, supplemented by third-party 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 results for a reasonable period after all resettlement activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

16. *Arrangements for adaptive management.* The plan should include provisions for adapting resettlement implementation in response to unanticipated changes in project conditions, or unanticipated obstacles to achieving satisfactory resettlement outcomes.

*Additional Planning Requirements Where Resettlement Involves Physical Displacement*

17. When project circumstances require the physical relocation of residents (or businesses), resettlement plans require additional information and planning elements. Additional requirements include:

18. *Transitional assistance.* The plan describes assistance to be provided for relocation of household members and their possessions (or business equipment and inventory). The plan describes any additional assistance to be provided for households choosing cash compensation and securing their own replacement housing, including construction of new housing. If planned relocation sites (for residences or businesses) are not ready for occupancy at the time of physical displacement, the plan establishes a transitional allowance sufficient to meet temporary rental expenses and other costs until occupancy is available.

19. *Site selection, site preparation, and relocation.* When planned relocation sites are to be prepared, the resettlement plan describes the alternative relocation sites considered and explains sites 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 better or 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) Identification and consideration of opportunities to improve local living standards by supplemental investment (or through establishment of project benefit-sharing arrangements) in infrastructure, facilities, or services;

(c) Any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;

(d) Procedures for physical relocation under the project, including timetables for site preparation and transfer; and

(e) Legal arrangements for regularizing tenure and transferring titles to those resettled, including provision of security of tenure for those previously lacking full legal rights to land or structures.

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

21. *Environmental protection and management.* A description of the boundaries of the planned relocation sites; and 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).

22. *Consultation on relocation arrangements.* The plan describes methods of consultation with physically displaced persons on their preferences regarding relocation alternatives available to them, including, as relevant, choices related to forms of compensation and transitional assistance, to relocating as individual households, families, or with preexisting communities or kinship groups, to sustaining existing patterns of group organization, and for relocation of, or retaining access to, cultural property (e.g., places of worship, pilgrimage centers, cemeteries).

23. *Integration with host populations.* Measures to mitigate the impact of planned relocation sites 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 in support of planned relocation sites;

(c) Arrangements for identifying and addressing any conflict that may arise between those resettled and host communities; and

(d) Any measures necessary to augment services (e.g., education, water, health, and production services) in host communities to meet increased demands upon them, or to make them at least comparable to services available within planned relocation sites.

*Additional Planning Requirements Where Resettlement Involves Economic Displacement*

24. If land acquisition or restrictions on use of, or access to, land or natural resources may cause significant economic displacement, arrangements to provide displaced persons with sufficient opportunity to improve, or at least restore, their livelihoods are also incorporated into the resettlement plan, or into a separate livelihoods improvement plan. These include:

25. *Direct land replacement.* For those with agricultural livelihoods, the resettlement plan provides for an option to receive replacement land of equivalent productive value, or demonstrates that sufficient land of equivalent value is unavailable. Where replacement land is available, the plan describes methods and timing for its allocation to displaced persons.

26. *Loss of access to land or resources.* For those whose livelihood is affected by loss of land or resource use or access, including common property resources, the resettlement plan describes means to obtain substitutes or alternative resources, or otherwise provides support for alternative livelihoods.

27. *Support for alternative livelihoods.* For all other categories of economically displaced persons, the resettlement plan describes feasible arrangements for obtaining employment or for establishing a business, including provision of relevant supplemental assistance including skills training, credit, licenses or permits, or specialized equipment. As warranted, livelihood planning provides special assistance to women, minorities, or vulnerable groups who may be disadvantaged in securing alternative livelihoods.

28. *Consideration of economic development opportunities.* The resettlement plan identifies and assesses any feasible opportunities to promote improved livelihoods as a result of resettlement processes. This may include, for example, preferential project employment arrangements, support for development of specialized products or markets, preferential commercial zoning and trading arrangements, or other measures. Where relevant, the plan should also assess the feasibility of prospects for financial distributions to communities, or directly to displaced persons, through establishment of project-based benefit-sharing arrangements.

29. *Transitional support.* The resettlement plan provides transitional support to those whose livelihoods will be disrupted. This may include payment for lost crops and lost natural resources, payment of lost profits for businesses, or payment of lost wages for employees affected by business relocation. The plan provides that the transitional support continues for the duration of the transition period.

## Annex 3: Lists of participants consulted for ADELE Resettlement Framework Study

### A. Lists of KII participants at Federal Level for ADELE Resettlement Framework Study

S. N.	Full Name	Sex	Organizatio/ Office	Position	Telephone	E-mail address
1	Asres W/giorgis	M	MoWIE	Alternative Energy Technology Development and Promotion Directorate-Director		<a href="mailto:asressgiorgis@yahoo.com">asressgiorgis@yahoo.com</a>
2	Yishak Seboka	M	MoWIE	Rural Electrification Fund-Coordinator	0911955889	<a href="mailto:yseboka@yahoo.com">yseboka@yahoo.com</a>
3	Belaynesh Biru	F	MoWIE	Energy and Climate Change Directorate-Director	0912159392	<a href="mailto:belayneshbirru2@gmail.com">belayneshbirru2@gmail.com</a>
4	Maiakel Mulugeta	M	MoWIE	Energy and Climate Change Directorate-Geologist	0929117925	<a href="mailto:mikemulu2017@gmail.com">mikemulu2017@gmail.com</a>
5	Frealem Kure	M	EEU	Technical advisor to Projects Portfolio Management Directorate Director		
6	Josyas Zena	M	EEU	Social and Environmental Safeguard specialist	0910082705	<a href="mailto:jossyzena@gmail.com">jossyzena@gmail.com</a>
7	Ato Tig Gebremeske	M	MOA	Land Administration and Use Directorate-Director	0911121718	<a href="mailto:tigistug@yahoo.com">tigistug@yahoo.com</a>
8	Ato Abebaw Abebe	M	MOA	Land Administration and Use Directorate-Lawyer	0918054115	<a href="mailto:abebawabebek@yahoo.com">abebawabebek@yahoo.com</a>

**B. List of Stakeholder Consultation (Regional Level) Participants for EEU-ADELE-RF Study**

S.N.	Full Name	Sex	Position	Region	Telephone
1	Yasin Hanfrea	M	Head,-Regional Bureau of Water, Irrigation and Energy	Afar	0921233816
2	Ali Seid	M	Head Regional Land Administration	Afar	0910680654
3	Ahmed Filalea	M	Head-Regional Environmental Protection	Afar	0910813273
4	Yesuf Mubarek	M	BoWIE-Energy Sector directorate-director	Benishangul	0910316940
5	Habtamu Tafere	M	Bureau of Environmental protection and land administration-Environmental Protection Regularization Directorate-Director	Benishangul	0913174864
6	Ahmed Rama	M	Bureau of Environmental protection and land administration-Land Administration Directorate-Director	Benishangul	0913-155665
6	Kong Rake	M	Mines and energy directorate-deputy director	Gambella	0917881661
7	Kong Tut	M	Climate Measurement and follow-up expert	Gambella	0993964358
8	Tesfaye Soresa	M	Oromia Water Mining and Energy Bureau Directorate-Director	Oromia	

**C. List of Woreda sector representatives Consultation Participants for EEU-ADELE-RF Study**

S.N.	Full Name	Sex	Position	Region & Zone	Woreda
1	Dereese Melese	M	Woreda Administrator	Amahara, North Gondar	Janamora Woreda
2	Lemlemu Mariye	M	Woreda ICT expert	Amahara, North Gondar	Janamora Woreda

**D. List of Community Consultation Participants for EEU-ADELE-RF Study**

S.N.	Full Name	Sex	Social Position	Region & Zone	Woreda	Telephone
1	Hummed Mahi	M	Clan leader	Afar, Zone 1	Kuri Woreda	Not mentioned
2	Mohammed Itili	M	Religious leader	Afar, Zone 1	Kuri Woreda	
3	Mahi Yayo	M	Woreda community development committee head	Afar, Zone 1	Kuri Woreda	
4	Jemal Seid	M	Religious Leader	SNNP, South Omo	Dasenech Woreda	0926295519
5	Zerihun Zeza	M	Town community development committee	SNNP, South Omo	Dasenech Woreda	0916040839
6	Ahmed Jilo	M	Clan leader and community elder	SNNP, South Omo	Dasenech Woreda	0906485596
7	Yisahak Basa	M	Religious Leader	SNNP, South Omo	Dasenech Woreda	0916277738
8	Mihret Moges	M	Community elder	Amahara, North Gondar	Janamora Woreda	0918731885
9	Mola Zewdu	M	Community elder	Amahara, North Gondar	Janamora Woreda	0918711447

S.N.	Full Name	Sex	Social Position	Region & Zone	Woreda	Telephone
10	Estifanos Alemu	M	Community elder	Amahara, North Gonder	Janamora Woreda	0918813381
11	Yalga kefyalow	F	Community elder	Amahara, North Gonder	Janamora Woreda	0918416660
12	Oprew Ochalla	M	Woreda Administrator	Gambella-Anguwak	Jor Woreda	0961-17-95-81
13	Ochalla Oleach	M	Woreda Water Supply bureau	Gambella-Anguwak	Jor Woreda	0960-43-29-28
14	Opara Obang	F	Woreda Women, Child and Youth Affairs Bureau	Gambella-Anguwak	Jor Woreda	0901-78-95-65
15	Cibi Gang	M	Woreda Agriculture and Natural Resources Management Bureau	Gambella-Anguwak	Jor Woreda	

E. Community and Stakeholders Consultations for Network strengthening for improved reliability of supply in urban areas (Grid Component) in Addis Ababa

Table 1: List of Stakeholder Consultation Participants of Addis Ababa City Administration

No.	Name	Sex	Position	Institution	Sub City	Woreda	EEU District	Service center
1	Rediat Mulugeta	F	Service center manager	EEU	Bole	03	East Addis Ababa	03
2	Biniam Tegen	M	Distribution Manager & Operator Team leader	EEU	Bole & Yeka	09	“	09
3	Mesfin Tesfaye	M	Service Center Manager	EEU	Bole	Bole Jakrose	“	04
4	Aleme Birke	F	Service Center Manager	EEU		Yeka	“	07
5	Zelege Chaka	M	A/Manager	Ethio telecom	Bole	17		Bole Medihani Alem
7	Abebe Anejojo	M	Supervisor	Ethio telecom	“	12		Kolfe
8	Abdu Mohammed	M	Director	EEU	Lideta			
9	Ambachew Ladilew	M	Customer Service Manager	EEU	Gulele	07	North Addis Ababa	03

Table 2: List of Community Consultation Participants

No.	Name	Sex	Mobile Number	Sub City	Woreda
1	Tsega Tefera	M	0910500671	Gulele	07
2	Samson Adis	M	0911660943	“	“
3	Birke Basha Hurrde	F	0913954009	“	“
4	Woqnes Worku	F	0925511300	“	“
5	Bizuayeho Tsegaye	M	0937619807	“	“
6	Desta G/Selassie	F	0911438213	Kolfe Keranyo	



7	Yohanese Asefa	M	0911039562	“	
8	Birhanu Desta	M	0911105299	“	
9	Adanech G/Sellasi	F	0911438708	“	
10	Amele Gemechu	F	0910112131	“	
11	Zelege Chaka	M	0911659920	Bole	17
12	Abrham	M	0930011559	“	“
13	Jemal Shemsu	M	0911501234	“	“
14	Addis Ayele	M	0937714440	Kotebe -yeka	
15	Fikde Alemayehu	M	0937443580	“	
16	Assefa Menda	M	0921629826	“	
17	Abrham Kassay	M	0911652592	“	
18	Asnake Fantahun	M	098559325	“	
19	Girma Tegene	M	0911203229	Bole-yeka	
20	Mesfin Tesfaye	M	0911897555	“	
21	Kebrom Amdemichael	M	0930650598	“	10
22	Tayech Alemayehu	F	0980194830	Bole	
23	Mohamed Jabele	M	0954997928	“	
24	Hana Tesfaye	F	0923162042	“	
25	Asbete Tesfaye	F		“	
26	Tekle Getaneh	M	0910773338	“	
27	Tirusew Girma	M	0912337739	“	
28	Totuba Borena	M	0942940637	“	
29	Yared Tokola	M	0936225916	“	
30	Tewedros Tibebe	M	0947154569	“	
31	Tilahun Wordofa	M	0911425017	Bole	03
32	Demeke Abebe	M	0911457280	“	“
33	Askale Haile	F	0913234133	“	“
34	Tegegn Gurmu	M	0955931097	“	“
35	Zerihun Tessema	M	0927572757	“	“
36	Kassahun Mekete	M	0913236686	“	“
37	Meaza H/Mariam	F	0911306650	“	“
38	Fikadu Getahun	M	0911970025	“	“
39	Anteneh Alemu	M	0901953131	“	“
40	Wegene Fikadu	M	0910763813	“	“
41	Tsegie Hana	F	0944722974	Kirkos	07
42	Tsehay Meka	F	0913715884	“	“
43	Semira Ahmed	F	0973334650	“	“
44	Selam Desalegn	F	0913993812	“	“
45	Alemayehu Derese	M	0910611335	“	
46	Jemila Shefa	F	0913444685	Nifas Silk	04
47	Addis Asmare	F	0912174726	“	“
48	Harewoin Bekele	F	0913135344	“	“
49	Yeshareg Zelege	F	0913637191	“	“
50	Gezahegn Mekonen	M	0922172252	“	“
51	Kasahun Erdaw	M		“	“
52	Girma Tefera	M	0920731149	“	“
53	Elsa Girma	F		“	“

### 3. List of Data Collection Team Members and Informants

No.	Name	District	Phone
1	Dechasa Wakjera	North Addis Ababa	0917835307
2	Berhanu Dinku	“	

3	Mekbebe Demesssie	South Addis Ababa	0911827772
4	Seyum Techane	‘’	
5	Endalekachew Abebaw	West Addis Ababa	0911956858
6	Adane Shiberu	‘’	0911001526
7	Selamwit Rorisa	East Addis Ababa	
8	Tesfahun Abadi	‘’	
9	Yimer Negatu	South Addis Ababa	

#### Annex 4: Profile of sector and community representatives involved in KII and FGD sessions for RF preparation.

S.no	Data collection methods and profile of participants			
I	Key Informant Interview (KII) and mini-FGD Participants			
	Profile of experts and officials		#	
	Administration levels	Profile	#	
1	Federal	MoWIE-Alternative Energy Technology Development and Promotion Directorate-Director	1	<ol style="list-style-type: none"> <li>1. What is your view towards the ADELE project?</li> <li>2. What are the potential benefits of ADELE project?</li> <li>3. What are the potential impacts and risks of ADELE project?</li> <li>4. What are the mitigation mechanisms to address the risks and impacts?</li> <li>5. How do you evaluate the development activities in your area?</li> <li>6. What is the existing status of energy, electricity, water, health, education, agriculture, road, livestock and marker related services in the area?</li> <li>7. What are the major challenges related to energy, electricity, water, road, health, education, agriculture, livestock and marker related service delivery in the area?</li> <li>8. What are the livelihoods related challenges faced by the community?</li> <li>9. What are the electricity power supplies related challenges faced by the community?</li> <li>10. Could you list down to five development priorities of the community?</li> <li>11. Are women actively engaged on the community's development activities?</li> <li>12. Are women equally entitled to control natural resources and land?</li> <li>13. Are you willing to donate your land if it is needed for community development?</li> <li>14. How is land or other asset compensation effected?</li> <li>15. What are the major economic activities of the community?</li> </ol>
		MoWIE-Alternative Energy Technology Development and Promotion Directorate-Rural Electrification Fund Coordinator	1	
		MoWIE-Climate Change Directorate-Director	1	
		MoWIE-Climate Change Directorate-Geologist	1	
		EEU- Projects Portfolio Management Directorate Director-Technical advisor	1	
		EEU- Projects Portfolio Management Directorate Director-Social and Environmental Safeguard Specialist	1	
		MoA-Land Administration and Use Directorate-Director	1	
		MoA-Land Administration and Use Directorate-Lawyer	1	
		<b>Sub-total</b>	<b>8</b>	
		2	Afar Region	
Head Regional Land Administration	1			
Head-Regional Environmental Protection	1			
Woreda level-Kuri	Clan leader		1	
	Religious leader		1	

		Woreda community development committee head	1	<p>16. Is customary law dominant in your area compared to formal law?</p> <p>17. Is there a prevalence of GBV and HIV/AIDS in your area?</p> <p>18. What types of economic options are available for youth?</p> <p>19. What development priorities do both male and female youths have?</p> <p>20. How do you see the involvement of civil society organizations in the area?</p> <p>21. You are cordially invited to suggest if there is any additional idea.</p>
		<b>Sub-total</b>	<b>6</b>	
3	Gambela Region	Mines and Energy Directorate-deputy director	1	
		Climate measurement and follow-up expert	1	
	Woreda Level-Jor	Woreda administrator	1	
		Woreda Water Supply bureau-head	1	
		Woreda Women, Child and Youth Affairs Bureau-head	1	
		Woreda Agriculture and Natural Resources Management Bureau-head	1	
		<b>Sub-total</b>	<b>6</b>	
4	Oromia region	Oromia Water Mining and Energy Bureau Directorate-Director	1	
		<b>Sub-Total</b>	<b>1</b>	
5	SNNP region			
	Woreda level-Dasenech	Religious leader	2	
		Woreda community development committee member	1	
		Clan and community leader	1	
		<b>Sub-total</b>	<b>4</b>	
6	Amhara region		1	
	Woreda level-Janamora	Woreda administrator	1	
		Woreda IT expert	1	
		Community elder	4	
		<b>Sub-total</b>	<b>7</b>	
7	Benishangul Gumuz region	BOWIE-Energy sector directorate-director	1	
		Bureau of Enviromental Protectionand land administration-Enviromental protection regularization directorate-director	1	
		Bureau of Enviromental Protectionand land administration-land administration directorate-director	1	
		<b>Sub-total</b>	<b>3</b>	
<b>Total</b>			<b>35</b>	