

RP775

Federal Ministry of Culture and Tourism

Ethiopian Sustainable Tourism Development Project (ESTDP)

RESETTLEMENT POLICY FRAMEWORK

Final

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List of Acronyms

ANRS	Amhara National Regional State
BoCT	Bureau of Culture and Tourism (Regional level)
BQS	bill of quantities and specifications
EOTC	Ethiopian Orthodox Tewahdo Church
ESTDP	Ethiopian Sustainable Tourism Development Project
GOE	Government of Ethiopia
LSTD-PIO	Lalibela Sustainable Tourism Development Project Implementation Office
LTA	Lalibela Town Administration
MoCT	Ministry of Culture and Tourism
MSO	Municipal Services Office
PASDEP	Plan for Accelerated and Sustainable Development to End Poverty
PA	Peasant Administrations
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
STD-PIOs	Sustainable Tourism development Project Implementation Offices at town level
TNRS	Tigray National Regional State
VC	Valuation Committee
WB	World bank

Executive summary

The Government of Ethiopia has identified tourism as one of the key sectors for economic growth. The policy stresses the need to develop the historic and cultural sites in the country so as to make them productive sources of jobs, incomes, and economic growth. To this end, the Ethiopian Sustainable Tourism Development Programme (ESTDP) is conceived in support of this objective and the various initiatives already taken by the Government of Ethiopia (GOE).

As part of the development of a strategy for the tourism sector, a series of studies were planned to analyse the situation, identify key potentials in the sector, and to develop strategic integrated destination development plans (IDDP). The Resettlement Policy Framework (RPF) is one of such study projects that aims to look into the modalities of resettlement issues that may arise as a result of the development of historic and cultural sites as proper tourist attraction areas. Critical evaluation of the situation in the historical town of Lalibela, a UNESCO World Cultural Heritage Site, and review of the legal and institutional environments for resettlement is used as a basis for the development of this Resettlement Policy Framework (RPF)

This RPF consist of description of activities that cause relocation, the need for resettlement, review of legal and administrative environments to deal with resettlement, and an assessment of categories of assets for compensation. The detailed review and assessment of Lalibela indicated that there is a clear need to relocate about 258 households from the historic and cultural site. On the basis of the review and assessment, and the policy provisions of GOE, assets of resettlers were valued and a provisional entitlement matrix is presented. The cost estimate for the resettlement project shows need for about 2.4 million USD which is divided by source of fund into WB loan (25%) and GOE's contribution (75%). However, project cost has to be verified during the detailed study of RAP for all tourist destination development sites. .

The RPF outlines procedures for asset inventory and valuation, mechanisms for disbursement of entitlements, grievance redressing mechanisms, procedures for the preparation of detailed resettlement action plan, mechanism for stakeholders' participation, administrative arrangements for project implementation, monitoring and evaluation strategies.

1.0 Introduction

The Ethiopian government, in its Plan for Accelerated and Sustainable Development to End Poverty (PASDEP) has identified tourism as one of the key sectors of economic growth. The policy emphasises the need to develop the historic and cultural sites to make them productive sources of jobs, incomes, and economic growth for citizens. The Ethiopian Sustainable Tourism Development Programme (ESTDP) is conceived in support of this objective and the various initiatives already taken by the Government of Ethiopia (GOE). Some of the important initiatives taken by the GOE include:

- Upgrading the tourism portfolio from a Commission to a ministry level
- Establishment of a public-private forum known as the National Tourism Council, which is to be replicated at regional level.
- Commitment to rehabilitate the Tourism Training Institute
- Upgrading transport facilities, such as roads and airports, especially in the Northern Historic Route
- Drafting a tourism policy
- Approaching and showing commitment to work with the World Bank (WB) to develop a strategy and implement an investment program for the tourism sector.

As part of the development of strategy for the tourism sector, a series of studies were planned to analyse the situation, identify key potentials in the sector, and to develop strategic integrated destination development plans (IDDP). The Resettlement Policy Framework (RPF) is one of such study projects that aims to look into the modalities of resettlement issues that may arise as a result of the development of historic and cultural sites as proper tourist attraction areas.

2.0 Description of the project and Rationale for RPF

2.1 The Project

The ESTDP is intended to address poverty and development issues in Ethiopia, using the rich tourism resources as a vehicle for generating tourist expenditure on goods and services provided by Ethiopians. This approach is consistent with the tourism development objectives outlined in the PASDEP and the draft tourism policy of Ethiopia. The Bank is well placed to add value through its national and international experience as well as expertise in the development of areas of small scale infrastructure and SME development projects, national cultural heritage protection for local economic development.

The project development objective is *to contribute to enhancement of the quality and variety of tourism products and services in targeted destinations so as to increase the volume of tourism, foreign exchange earnings, and jobs.*

It is expected that the implementation of the project will yield the following key outcomes, particularly in key destinations: (i) an increase of annual international visitors; (ii) increased average spending by visitors translating into higher foreign exchange earnings; and (iii) an increased number of direct and indirect tourism-related jobs.

The project has four components: (1) destination development, (2) market development, (3) institutional and capacity building, and (4) implementation support and results monitoring.

Component 1: Destination Development. It will have three sub-components: (i) the rehabilitation and enhancement of basic infrastructure in key historic sites, (ii) visitor services enhancement in selected destinations, and (iii) tourism product development.

Sub-component 1.1: Rehabilitation of heritage sites and enhancement of basic infrastructure in selected destinations. Under this sub-component, the project will finance the following activities: (a) maintenance and improvement of selected historic churches in Lalibela and satellite sites; (b) improvement of basic infrastructure including access and bypass roads, water supply and sanitation in Lalibela; (c) improvement of stelae field, archeological museum and monuments in Axum; and (d) improvement and renovation of the Addis Ababa Museum.

Sub-component 1.2: Visitor services enhancement in selected destinations. This sub-component will be comprised of the following activities: (a) rehabilitation and upgrading of tourists/visitor facilities, including interpretative services in key destinations (i.e. Lalibela, Axum, and Addis Ababa and environs); (b) signage and trail enhancement proximate to tourism sites; (c) documentation and exhibitions at historic sites; and (d) handicraft development to leverage tourist spending for increased local economic development.

Sub-component 1.3: Tourism product development. The sub-component will finance activities seeking to diversify offerings, with a particular focus on asset inventory in emerging destinations through: (a) surveys of vernacular architectural and intangible heritage as well as an inventory of landscape features with potential for tourism development; (b) studies on adaptive reuse of vernacular homes and the establishment of a historical district management framework in Axum; (c) technical studies for the development of various products including museums and old houses in Addis Ababa and environs (e.g. Adadi Mariam, Melka Kunture and Tiya); (d) feasibility studies for the development of various tourism products and human resource development plans for the Eastern—including the Somali cluster—and Western routes; (e) diversification of tourism products in and around Harar; and (f) a site development study and tourism development plan in Hadar (Lucy's site) and Arte Ele.

Component 2: Market Development. This component will focus on promotion and marketing activities. It will have the following two sub-components: (i) positioning and

marketing, and (ii) a demand-driven linkages program utilizing a matching grant scheme and providing support to communities.

Sub-component 2.1: Positioning and marketing. This sub-component's activities will enable Ethiopia to develop and implement strategies to attract specific target segments from key markets. Attracting target segments involves development of: (i) a competitive position through defining target markets, (ii) collaterals accessible and attractive to target markets; and (iii) a program for on-going marketing, communication and promotion. The following activities will be specifically financed: (i) positioning and marketing strategy, (ii) communication and promotion plan, (iii) promotional materials, (iv) participation in trade fairs, and (v) development of a tourism e-commerce online platform.

Subcomponent 2.2: Demand-driven linkages program. This sub-component seeks to (i) enhance the competitiveness of the Ethiopian tourism private sector through a cost-sharing (50%-50%) matching grant scheme with an allocation of US \$ 3.0 million, and (ii) foster community involvement in the sector so as to optimize benefits for the poor with an allocation of US \$ 2.16 million. Beneficiaries in this category will not be required to match the support they receive through the project because it will not be feasible.

Matching grant scheme: The matching grant scheme will foster linkages by supporting small businesses mostly focusing on the selected destinations so that they can participate more fully in tourism sector activities through expanding their business skills and improving the quality of their products and services. In the target sites, some "flagship"-type investments in high-quality hotels are beginning to take place spontaneously, with significant financing from foreign sources (including Ethiopian Diaspora). For the destinations to become more attractive sites that offer comprehensive services (not just self-contained in high-end resorts), they need more active engagement from smaller businesses. This segment, however, tends to lack financial capacity or skills. Addressing this gap, the matching grant scheme will seek to finance projects (with both established and emerging entrepreneurs) that will allow entrepreneurs to increase, upgrade and innovate in the tourism value chain. The scheme will in particular help (i) upgrade technological and managerial skills, (ii) improve market intelligence and access, and (iii) foster backward and forward linkages within the private sector and eventually increase the spill-over effects of the entire sector.

Community involvement. With respect to community involvement, the project will provide support to communities in the form of (a) awareness-raising about how they can better participate in industry activities, (b) support to community organizations to benefit from tourism development and to address tourism's social impacts, (c) training and skills enhancement in areas that can help increase their actual participation as employees, suppliers, and small business operators, and (d) develop partnerships with the private sector to develop linkages for common benefits. Economic opportunities for that will benefit communities cover a wide range of areas such as retail activities, crafts and souvenirs, tour guiding, catering, transportation services (e.g. mule renting), entertainment and performance arts, and possibly bed and breakfast operations. The expertise accumulated by NGOs working at the community level in tourism will be tapped in the process of the above

activities and partnerships with private businesses will be encouraged in the three destinations of Axum, Lalibela and Addis Ababa and environs.

Component 3: Institutional Development and Capacity Building. This component will aim to build capacity in sector management through supporting existing and new institutions. It will consist of two sub-components: institutional development and capacity building.

Sub-component 3.1: Institutional development. Specific activities that will be financed include: (i) Institutionalization of policies (including development of strategic plan based on the national tourism policy) and competitiveness enhancement activities; (ii) Strengthening of the MOCT (including the provision of a Tourism Advisor in the Minister's Office) and of Regional Tourism Bureaus, (iii) Establishment of standards and rating schemes for tourism enterprises; (iv) Information systems strengthening (statistics); (v) Institutionalization of and support to the Tourism Council; (vi) Establishment of a Tourism Board to foster public-private partnerships in the area of tourism promotion.

Sub-component 3.2: Capacity building. To enhance the skills in the tourism sector and the quality of services that would contribute to higher tourist satisfaction, this sub-component will support (i) the development of a tourism education and training assessment and prioritized development plan, (ii) tourism training institutions' programs, (iii) skills enhancement at the MOCT and other stakeholders, and (iv) the upgrading of guides and the hospitality industry workforce to standard levels of professionalization.

Component 4: Implementation Support and Results Monitoring. The implementation arrangements are based on the set-up of a Project Coordination Unit, staffed with high-standard professionals who will be competitively selected. They will be assisted by experts who will support the Heads of Regional tourism bureaus in key destinations, particularly in the Amhara, Tigray and Addis Ababa Regions. The PCU's work will be advised and facilitated by a Steering Committee composed of public sector and private sector representatives, and reporting to the Minister of Culture and Tourism. The PCU will have responsibility for project implementation, monitoring and evaluation. This component will particularly put an emphasis on fiduciary (procurement and financial management), and monitoring and evaluation. Safeguard capacities enhancement will also be supported throughout project implementation.

2.2 Methodical approaches of the study

This study was conducted by gathering data at national level, from Lalibela and Axum Towns and drawing from international experiences. The field study of Lalibela is thought to provide insight into the development of tourist destination sites. The RPF study involved intensive consultation and interaction with the staff of the Ministry of Culture and Tourism (MoCT), ESTDP project staff, the Bureau of Culture and Tourism (BoCT) of the Amhara National Regional State ANRS and Tigray National Regional State (TNRS), Lalibela and Axum town administrations, Lalibela Church administration, would-be displaced persons in Lalibela, hotel owners, tour operators, and persons who were relocated earlier in Lalibela. Furthermore, physical observation of the historic and cultural sites in Lalibela and Axum was conducted to clearly understand the physical setting and the extent of displacement needed to safeguard the

historic and cultural artefacts and to enhance the environmental condition of tourist attraction sites and to promote tourism in manners that assist to improve the livelihood of the local population.

Data gathered from the different sources was analysed and preliminary results were discussed with the data source persons while on the field work. Preliminary results were discussed with Regional Culture and Tourism Bureau experts, Lalibela Town administration officials and consultants dealing with other components of the ESTDP study projects.

The data from Lalibela is extensive compared to data on all other tourist destination development sites. However, the aim is not to limit the applicability of the RPF to Lalibela alone, rather it is to ground the framework based on some specific observations.

The draft document was discussed at national level with relevant stakeholders including the World Bank staff. Their comments are incorporated in this final draft of the RPF.

2.3 Tourism destination development activities causing resettlement

The activities in the three tourism destination development sites range from enhancing the quality of existing tourism products to developing new ones. Most of the activities do not involve acquisition of more land; hence do not cause resettlement, but could restrict the enjoyment of access to resources. In some cases (like Addis Ababa) the destination development issues are mostly soft components requiring management and capacity building interventions while others are suggestions for city-wide interventions that are beyond the capacity of the ESTDP financing. The categories of major destination development activities that could cause resettlement and or limit access to resources already possessed include the following:

1. Redevelopment of parts of historical and cultural sites that are inhabited now (mostly Lalibela but also Axum)
2. Infrastructure development : Water supply lines, installation of sanitary facilities, redevelopment or widening of access roads/footpaths, etc. (Lalibela, and Axum)
3. Restricting access to national park reserves, scenic sites, and water bodies (the Southern and Eastern Tourist Routes)
4. Development of handicrafts centres, tourism promotion training centres (Lalibela and Axum)

2.4 The need for RPF

Historic and cultural sites are located, in most cases, in areas where intense human activity already takes place. Ethiopia is endowed with many historic and cultural sites that are UNESCO registered and could be developed into tourist attraction sites. The Government of Ethiopia (GOE) is desirous to develop these sites so as to tap income from the tourism industry while at the same time eradicating poverty through the development of pro-poor tourism. Tourists are voluntarily invited resource users of historic and cultural sites; hence

these sites have to be developed in manners that promote sustainable enjoyment of the resources. The development of these sites implies, among other activities, reorganising the use of space and resources. Reorganisation of space requires acquisition of land for purposes other than it was being used for, restricting the enjoyment of rights for some groups with the aim of opening up the sites for tourists or for the development of infrastructures that promote tourism. The tourism development plan encompasses interventions at various levels and requires detailed studies. These studies require expertise, time and resources which the Ministry of Culture and Tourism (MOCT) could not organise without the WB's support.

The tourism destination development plans have generated ideas for development but the extent of space need and the consequent resettlement, the extent and the severity of restriction to the enjoyment and access to resources, and the exact location of resettlement areas could not be determined prior to a detailed study of each component of the tourist destination site. Hence, a resettlement action plan (RAP) cannot be prepared at this stage.

This resettlement policy framework (RPF) is a strategy to ensure the well-being of property owners, former occupiers of lands in tourism development sites, or generally persons who have had access to resources but will lose their rights as a result of developments that enhance the upkeep of historic and cultural sites and the promotion of these sites as tourist attraction areas.

2.5 Objectives of the RPF study

The RPF study aims at laying out procedures to be followed in the event land is acquired, or access to a resource is denied, and the affected persons need to be compensated. The RPF is also planned to detail the screening process on how to determine eligible persons for compensation. Furthermore, the RPF is planned to detail the requirements for developing resettlement action plan (RAP) for cases where resettlement is triggered.

This study is planned to focus on Lalibela but for all practical purposes, the document is also expected to be applicable to all project sites.

2.6. Scope of the RPF study

As part of the study in the development of the RPF, the following tasks were carried out by taking Lalibela as a case study tourist destination site:

- ∞ Analysis of the need for land acquisition and the need for resettlement
- ∞ Assessment of extent of displacement, identification of vulnerable groups, and developing criteria to define categories of displaced persons eligible for compensation,
- ∞ Categories of affected persons
- ∞ Categories of assets
- ∞ Developing methods of property valuation,

-
- ∞ Entitlement matrix
 - ∞ Valuation formula
 - ∞ Review of legal framework dealing with the fit between GOE laws and regulations and WB policy requirements , measures to bridge gaps, if any,
 - ∞ Developing principles and objectives governing resettlement plan preparation, approval and implementation,
 - ∞ Mechanisms for consultation with displaced persons,
 - ∞ Procedures for screening RPF, preparation of RAP, delivery of entitlements, (Govt, community, private sector intermediaries involvement, tasks and obligations)
 - ∞ Implementation procedures
 - ∞ Monitoring mechanisms
 - ∞ Mechanisms for addressing grievances
 - ∞ Funding arrangements for resettlement projects, review of cost estimates, flow of funds,

3.0 Description of activities likely to involve compensation and resettlement: Case study of Lalibela

In this Section the land use situation of Lalibela Town, land allocation system in Lalibela, categories of affected people, and eligibility criteria are described. The land use situation lays the ground for allowable functions in different areas, while the land allocation system shows how land is accessed, developed and managed in towns. The land use and land management situation lays the ground why people have to be relocated, from which areas, and their extent. The eligibility criteria for compensation are then discussed based on national and regional regulations.

The description of land use and the land allocation system in Lalibela is meant to put into context the tourism development projects. All RAP studies should be studied as integral parts of town developments in all tourism destination sites.

3.1 Land use situation in Lalibela

Lalibela is undoubtedly the most famous tourist destination site in Ethiopia. The main tourist attraction sites in Lalibela are the eleven monolithic churches hewn out of live rocks, other churches in the vicinity of Lalibela and the scenic landscape (Annex 6). For the purpose of the RPF study, the focus is the three church groups in Lalibela Town. The historic and cultural sites outside Lalibela Town are located in a setting where there is no intensive occupation; hence resettlement of persons may not be a serious issue. However, it may be

necessary to curb the cultivation of fields near the historic sites. In this case the procedures for compensation of lost access to means of livelihood would apply.

Lalibela Town has been a religious and residential town from the days it was established in the 12th Century AD. However, the religious function far outweighs over other functions. The Town is located on a south-ward sloping site; the church groups occupy the central part. There are three groups of churches most of whom are connected by subterranean tunnels. The population of Lalibela has been increasing dramatically as a result of growth in tourism and due to natural growth. Hence the developed land has increased in size and in variety of uses.

The church compound was first demarcated and fenced in 1984. The church compound occupies about 25 ha. Out of this area about 40% is occupied by non-church related functions. There are about 258 households in the church compound. The main category of functions, other than the religious one, that are performed within the church compound include: residences, small workshops for handcrafts souvenir shops, local bars and cafes, and restaurants.



Fig. 1 Lalibela Town-The churches and settlements

Lalibela consist of two urban kebeles and three rural kebeles or Peasant Administrations (PA). Out of the urban kebeles about 60% is non buildable due to the slopes and most of the buildable area is already occupied. About a third part of the area is occupied by the churches. The PAs around Lalibela were brought under the jurisdiction of the town recently. The Town

itself was given municipal status in 2007 (2000 EC.); hence, it could have an elected council and a mayor. The administrative autonomy and the enlargement of the town's boundary could facilitate relocation of people and allocation of land.

The first master plan of Lalibela was prepared in 1999; now it has outlived its purpose as a result of the rapid growth of tourism related developments. In the last ten year –hotels, --- restaurants, several small shops, internet cafes, and tour guide offices were built. Two satellite towns are developing on the South eastern part of Lalibela proper, in the direction of the Weldiya-Lalibela Road: Werk Dingay near the town proper and Neakuto Leab Township which is about 7 km from the town centre. The main potential for expansion of the town is along this direction.

Since the enactment of the master plan in 1999, the town administration strictly adheres to its provisions. This has raised several inconveniences for some residents and property holders, specifically for those in the church compound and in the buffer zones. Property holders in the church compound and in the buffer zones do not get permission to improve their houses except for minor maintenances. If they have no electric connection before, thatched roof houses and those in the church compound as well as in the conservation zone, reserved zone and buffer zone do not get new municipal services. An estimated 60% of Lalibela proper is reserved or buffer zone. This has prompted residents to resort to informal developments. They openly raise issues related to the condemnation of their properties. Though not formally requested, most ask to be moved to proper locations where they can develop additional rooms, improve their house conditions, sale their property and start new life or to utilise their property as collateral for business ventures they intend to pursue.

The town administration and the residents are pressed with such dilemma; they want the historic and cultural sites to be conserved very well from religious and economic point of view, the people want to improve their lives too, but cannot do that in their present location. The town administration does not have the capacity to resettle the residents; although some pilot projects were tried through finance from an NGO. The pilot project failed to attract the residents as it was poorly planned and executed¹.

The land use study in the context of the current tourism development shows that the area that requires resettlement is the church compound only. The tourism development project activities do not cause other additional displacements. However, during the detailed study of the RAP, this has to be confirmed.

3.2 Land allocation system and urban land management in Lalibela

Since the nationalisation of urban land and extra houses in 1975 (Proc. No.47/1975), urban land in principle belongs to the state and the peoples of Ethiopia. Residents are given use rights only. All urban centres are required to take inventory of land, plan the use of land and allocate it in manners that promote sustainable use of land. An urban resident is allowed to get

¹ Quadruplet houses were built to resettle selected residents from the church compound with a support from a local NGO. However, the residents openly opposed to the scheme on grounds that it did not take into consideration current house size and condition, and plot sizes. The newly developed houses are row houses built back-to-back with no private space for each family.

one plot for the purpose of constructing a house for own use. Since the enactment of the leasehold policy (Proc.No. 80/1993) individuals and companies can get access to land through auction, allocation or lottery system. The situation in small towns like Lalibela was to allocate land based on registration of applicants for land. Now the town is declared a leasehold-applicable town, it has to adhere to the provisions of the national and the regional leasehold policy.

According to the Municipal Services Office² in the last 15 years, land allocation for residential purpose was conducted in 1992, and between 2001-2004 only. The land allocation was done based on registration for land. Land was acquired from farmers by paying compensation, subdividing it into 150m² plots, and allocating it through lottery system. Since 2004, only people who are displaced because of road construction or as a result of land being needed to develop social facilities were allocated land. Currently there are about 5000 persons waiting for land allocation. Land under the ownership of the municipality is also given for investors; however, no land has been given to investors by displacing residents so far.

The town administration with the support of the regional government is planning to resettle people from the church compound. However, detail study is yet to be conducted. In the current fiscal year (2008-09) the regional administration has plans to contract out to private consultants the preparation of a structure plan and local development plan for Lalibela.

Land for relocation has to be secured in the expansion areas. The expansion area is currently used by farmers; however, sooner or later, this area will be converted to town use. Therefore, the farmers have to be compensated for loss of land and other assets similar to those that are to be resettled from the town centre.

3.3 Reasons for relocation in Lalibela

The historic and cultural sites are encroached by residents; the activities of the residents are observed to cause serious cultural and environmental concerns. Some of the houses are built on archaeological sites. The trenches that are necessary to drain the site and are also parts of the rock hewn churches are occupied in some parts. Lalibela Town is a religious site for most Christians in Ethiopia. The traditional church setting demands sites around the compound of churches to be clean, free from worldly activities, such as normal married life, musical performances that incite sexual behaviour, drinking and getting intoxicated, and so on. The increase in the number of the resident population and the number of tourist has meant the proliferation of traditional drinking houses, musical performances, and possibly brothels. These functions are incompatible with the religious functions.

According to the elders of the Town and the church administration, the church compound was demarcated by olive trees. Tradition demands that anyone entering a church compound should dismount from horseback, keep animals out of the compound, take off his/her shoes, hats. In the earlier periods, this was done at the proper location but as time passed the church compound was encroached to an extent where residential houses came very near and pilgrims

² Discussion with Ato Belete Tesfaw, Town Manager of Lalibela on 5 Dec.2008.

had to observe two activities at the same time. This is contrary to the Ethiopian Orthodox Tewahdo Church (EOTC) tradition of church space organisation.

A study was conducted to redress this malpractice and by the agreement of the church administration, elders of Lalibela Town, residents near the church compound and MoCT. The church compound was demarcated again and a wall in traditional stone was erected between 1984-87. Since then residents within the walled compound were denied of permission to expand their houses, to get new municipal services, such as electricity connection, and to get title deeds, if they did not have already. This implies the planning blight or moratorium on development imposed on the area around the church has made the life of residents very difficult to bear. Property transaction is halted as the area is designated as development freeze zone. However, residents have illegally extended houses in some cases as the need for space became unbearable.



Fig.2 Church compound and houses within the compound

Another reason for the need to clear the church compound is the improperness of the drainage and sanitation system and the crisscrossing footpaths. Residents use on-site sanitation ; most of it is even open sanitation system. This has made the church compound unclean. The occupation of lands higher than the historic and cultural sites funnels runoff water to the church compound. This is visibly causing erosion and the washing down of rock surfaces. Furthermore, residents cross the church compound from north to south as a matter of necessity to reach other parts of the town. The presence of through accesses within the historic and cultural sites might be a positive aspect, but this is affecting the historic site in two main ways.

- ☞ The surface is getting eroded due to continued use. The footpaths have created depressions due to wear and tear and this gives way for surface water to run along the depression causing erosion.
- ☞ The footpath is a wide (about 4 meters) clearing which is vividly visible from the southern part. It has created a visual division between the churches. The quality of the path is also very poor.

Discussion with residents within the walled church compound indicated that they are subjected to slow eviction as no relocation scheme is in view while the moratorium on development has been in operation for more than two decades. They unanimously support the church compound to be respected in the traditional way and agree to resettle in proper locations and to be given due compensations for their property and lost opportunities. Therefore, these situations justify relocation of people living in the church compound.



Fig.3 Houses in the Church Compound

3.4 Categories of Assets

According to the study of the Lalibela Town Municipal Services Office³, taking the previous decision to demarcate the church compound as a basis, there are 258 houses within the church compound⁴. According to this study which was conducted in April 2008, there are no co-dwellers; the houses are either owner-occupied or rented in full. Therefore, the number of households who will be affected by the decision to make the church compound free of occupants is limited to 258 households. According to this study there are about 1,300 people living in these houses. A summary of the data on the houses is presented in Table 1..

Table 1. Basic data on houses in the church compound

³ Lalibela Town Municipal Services Office (2000 EC) “Lalibela Betekristian kitir gibi yebetoch tinatawi mereja ena waga gimit” Amharic document prepared to request budget for the 2001 EC budget year from the Ministry of Culture and Tourism. The topic of the document could be translated as “*Study of Houses in Lalibela church compound and their cost estimate*”.

⁴ This figure does not include the 32 nuns living partly in caves and tukuls.

Table 1.1. Material of construction

Component	Description of material	No. of houses
Wall	Enchet (mud and wattle)	140
	Stone	118
Roof	Corrugated iron sheet	143
	Thatch	115
	No data	none
	Total	258

Table 1.2 Range of areas of houses and plots

Range of areas in m ²	Houses						No. of plots in the range				
	Below 15	16-25	26-40	41-70	71-100	>100	<50	51-100	101-150	151-250	>250
No. of houses	26	70	40	58	34	30	62	33	54	53	56
Total no. of houses	258						258				

According to data from the municipal office, the majority of houses are privately held (75%) while the kebele holding accounts for only 25% of the houses (62 houses). Table 1 also shows that the plot area in the category below 50 m² dominates the holding. It is also to be observed that most of the houses are very small. We have observed on site that the houses are mostly *tukuls*⁵ (round huts) that are developed incrementally over the years. Twenty six of the houses are two storey *Lasta house*⁶ type built of stone walls, external stairways, mostly thatched roof. Out of the 258 households those that use their house as a place of income generation are fifteen (6%). However, it was observed that, although not registered as business premise, households perform different kinds of jobs within their residence that earn them income.

According to the municipal office none of the 258 households occupy houses illegally. However, owing to the development freeze households have added rooms or constructed extensions to the already existing houses without municipal building permit.

3.5 Categories of affected households

The households living within the church compound in Lalibela could be grouped into:

⁵ *Tukul* is a round hut which may be built with stone walls or wooden splints and plastered with mud. Traditionally tukuls are thatch roofed, but could be covered with corrugated iron sheet. In modern times it is not used as town house as its space requirement around the house is large and difficult for extending rooms.

⁶ *Lasta house* is a house type typical to Lasta district. It is built of stone walls and thatch roofed. It is usually round and storied, the upper floor is usually approached through external steps. As addition of rooms to round huts is difficult any additional space need is met through the building of another house.

- 1) those who own the house they live in (196),
- 2) tenants in kebele houses (62),
- 3) others who live in church built shelters without rent, and
- 4) 32 Nuns and monks who live in the monastery belonging to the church.
- 5) Households who use their residence as income generating space (15)

The tourism development sites for Lalibela other than the historic and cultural site do not cause resettlement. There may be minor adjustments to plots for widening access roads and footpaths, but this does not require resettlement of occupiers.

The level of vulnerability of households was seen not to depend on occupancy type. There are households that have no defined income in all occupancy types. The people who live in the church-built shelter are the most disadvantaged group. The nuns and monks are also highly vulnerable as they are left to look after themselves without proper income. The monastery is part of the church tradition; hence it is not recommended to move nuns and monks out of the church compound. However, it is necessary to relocate them to secluded areas away from the churches; maybe to the *Lasta houses* to be vacated by other residents.



Fig.4 Typical Lasta Houses in Lalibela

In tourism destination development sites elsewhere, the conditions which necessitate resettlement have to be identified clearly and the category of assets that need to be considered for compensation should be inventoried.

4.0 Criteria for defining categories of and eligibility for compensation

4.1 Category of Assets

The constitution of the Federal democratic Republic of Ethiopia (FDRE) and laws that emanated from it decree that any involuntarily displaced persons⁷ have to be compensated commensurate to their loss. Regional administrations and municipalities are given the power to determine who is eligible, types of assets to consider, and the level of compensation for lost assets. to be considered for compensation and the eligibility criteria currently applied country-wide are the following:

Category One: Assets considered for monetary compensation

- ☞ Houses
- ☞ Fence
- ☞ Septic tank
- ☞ Water tank
- ☞ Farm land
- ☞ Perennial trees

Category Two: Assets considered for compensation in kind

- ☞ Compound or plot
- ☞ Farm land (crop land, grazing land, plantation, compensation in kind depends on availability of land; otherwise it will be grouped under Category 1)
- ☞ Tenancy in government-owned house

Category Three: Informally occupied land

- ☞ Land occupied for residential and production purposes without formal title to it
- ☞ Shelters provided by an agency (church, government, or others)
- ☞ Access to a reserved area for various livelihood purposes without permission

⁷ Displaced person is defined as anyone who is physically relocated from his/her place of abode or who is denied access to a resource which he/she had rights over the resource

4.2 Eligibility criteria

The criteria for determining rights for compensation are based on the legal frameworks reviewed in the next section. There are at least two groups with regard to eligibility: the fully legal and the extra-legal (informal) group. The fully legal get compensation according to a pre-determined mode of property/asset valuation method whereas the extra-legal group get assistance based on assessment of level of vulnerability.

Criteria for fully legal group

- ∞ Proof of ownership of house/building (title deed for land, receipts for building tax, building permit)
- ∞ Proof of ownership of land or use rights (receipts for land tax payment, lease contract,)
- ∞ Proof of legally residing in a government house (receipts for rent, valid tenancy contract agreement)

Criteria for extra-legal groups

- ∞ Verification of length of stay for a specified period depending on the town (proof of presence/ or occupation of land at a particular period through satellite image, occupation of land before enactment of regulations governing informality in the particular Region)
- ∞ Verification of residence in a particular location by Kebele administration
- ∞ Proof of being supported by religious or government agency (presence on the list of names of persons being supported by the supporting agency)

The categories of displaced persons entitled for different forms of compensation are listed in **Annex 1**.

5.0 Legal and administrative frameworks

The legal frameworks which govern resettlement in Ethiopia are spelled out in the Constitution, Civil code, urban planning law, and compensation law. Regional governments enact laws to deal with displacement of people for different reasons. The main provisions of the different laws are reviewed next.

5.1 Federal legal frameworks

The Constitution of FDRE provides for payment of compensation for lost assets at commensurate rate to the value of the lost asset. Federal and regional laws pertaining to compensation have to be in line with the provisions of the Constitution. Art. 52(d) provides for power of regional governments to administer land and natural resources based on laws that emanate from this provision.

People are affected by development in different ways. Land use regulations change the rights of individuals over land, channel resources in ways that may be different had there not been planning regulation, or persons who enjoy relatively full rights over land may be denied access to it. The Ethiopian legal framework does not cover gains and losses that come about due to planning unless there is direct takeover or denial of access to a resource. In some cases land use planning may bring very large benefits to former holders. There is no regulation which allows to catch planning gains directly by the government. In the same way, there is no direct mechanism to claim planning losses by property holders or residents. Direct takeover of land or denial of access to a resource is what is accounted for in the laws and regulations about compensation.

The applicable laws to resettlement planning at federal level and that of the ANRS are reviewed next.

5.2 Review of federal laws on resettlement

1. Civil Code

Rights of property holders are enshrined in the Ethiopian Civil Code. If there any takeover by the government for public purpose, the owners have to be compensated commensurate to the loss, including for good name in case of business establishments.

2. Proc. No.455/2005 “Expropriation of land for public purposes and payment of compensation proclamation”

This law provides for the compensation of displaced persons for their lost assets and to restore their livelihood [Art.14(1)]. Art. 14(2) provides for replacement of land for house construction.

3. Directive No.135/2007 “Payment of compensation for property situated on landholding expropriated for public purposes Council of Ministers Regulation”

This Regulations deals in detail about compensation for loss of property. Although Proc. No.455/2005 stipulates assisting displaced persons to restore their livelihood, this regulation does not deal with this issue. The Regulation determines the payment of compensation for assets based on current cost, cost of demolishing, lifting, and reinstalling

where applicable, and the provision of replacement of land. The compensation categories include the following.

☞ Compensation for building

All components of building structures will be considered and current cost per square meter will be used to calculate amount of compensation.

☞ Compensation for crops

This category is logically sub-divided into crops and perennial crops. In both cases the amount of compensation is calculated based on yield per square meter of land multiplied by current price per kilo gram

☞ Trees

Trees could be cut and used by owner plus payment of compensation for loss of continued income.

☞ Permanent improvement of land

The cost of machinery, labour for improvement, and any infrastructure built as part of the improvement have to be compensated based current cost.

☞ Property relocation

Amount of compensation for any property that could be relocated and used again without being damaged is calculated based on cost to relocate he property.

☞ Protected grass

Amount of compensation for loss of land that is used for grazing or production of grass is based on area of land and the current price per square meter.

4. Proc. No.456/2005 “FDRE Rural land administration and land use proclamation”

This proclamation regulates the use and administration rural land and provides for registration of land, the obligation to pay compensation to land holders if the holder is displaced or to provide replacement with compensation for lost assets. The proclamation decrees that rural land holders expropriated for federal projects have to be compensated based on federal compensation laws or if displaced for regional projects they have to be compensated according to regional regulations.

5. Proc. No. 574/2008 “Proclamation to provide for Urban Plans”

This proclamation provides procedures to be followed in the preparation of urban plans. It requires payment of compensation for expropriated property.

5.3. Compensation and resettlement regulations of ANRS

Regional governments and town administrations enact laws on the basis of federal laws. The case of ANRS is reviewed in detail here. The ANRS has enacted policies, rules and regulations to deal with expropriation of land in urban and rural areas. These rules and regulations are consistent with the Federal proclamations dealing with the same issues. The main provisions of these rules and regulations are reviewed here.

Proc. No.133/2006 “A Proclamation to provide for the revised rural land administration and use of the Amhara National regional State”

- ☞ The proclamation provides for the rights of rural land holders, minimum holding, transfer modalities, expropriation issues, and obligations of rural land holders.
- ☞ Expropriation of land for public service is allowed (Art. 28). However, it is should be done by paying compensation in advance.
- ☞ Before land is expropriated, the kebele people shall discuss and agree to the proposed expropriation.
- ☞ The amount of compensation and the modality of calculation is determined by regulation.

Regulation No.51/2007 “The Amhara National Regional State Rural land Administration and Use system implementation, Council of Regional Government Regulation”

- ☞ The Regulation deals with the issues enacted by ANRS in Proc.No. 133/2006.
- ☞ It deals with registration of land, modalities of transfer of rights over rural land, obligations of land users, and expropriation issues
- ☞ Expropriation may take place only upon prior determination of lack of alternative site, if then decided, prior payment of compensation is required.
- ☞ The Regulation determines the assets to be considered for compensation as follows:
 - ☞ Non-movable user-developed assets
 - ☞ Expenses for permanent improvement of land

-
- ∞ Compensation for lost income from crop cultivation based on an average of the previous five consecutive years and a compensation for ten years based on the average.
 - ∞ Mechanism for grievance addressing is provided; The land holder has the right to complain and the relevant authority is obliged to organise a “compensation grievance review committee”; if any party is not satisfied with the decision of the committee, the case may be referred to the High Court.

Directive No.7/2002 “Regulation of ANRS to provide for establishment of Appeals Court to deal with urban land expropriation Issues”

- ∞ The Directive provides for the expeditious decision making system with regard to expropriation of urban land;
- ∞ It provides for the composition of the jury members: Members are legal and justice office as chair person, two residents of the town where the land is located, two representatives of government offices.
- ∞ The decision of the Appeals Court regarding basic land expropriation issues is final; however, an appellant could take cases related to amount of compensation, delays in payment or similar cases to the High Court.

Zikre Hig Proclamation No.91/2004 “Proclamation to provide for the establishment, reorganisation and to limit the powers and duties of towns in the Amhara national region”

- ∞ The proclamation provides for the reorganisation of towns, delimitation of powers and duties of town administrations,
- ∞ It provides for the need to prepare plans and manners of plan approval;
- ∞ The proclamation also established different organs to deal with urban issues.

Directive No.28/2007 “Directive on compensation when land is expropriated for public use in ANRS towns”

- ∞ The directive follows the Federal proclamation No.455/2005 and Reg. No.135/2007 in determining compensation rates, types of assets to be considered, and manners of addressing grievances.
- ∞ Assets to be considered for compensation include: all built structures (houses, septic tank, water tank, pavement, fences); crops, income generating trees and perennial plants; permanent improvement on land,
- ∞ It provides for the establishment of valuation committee
- ∞ It defines formula for calculating amount of compensation.

- ☞ It defines method of redressing grievances

Zikre Hig Regulation No.6/2002 “ANRS Revised Regulation on lease holding of urban land”

- ☞ The regulation provides for the lease holding of urban land for a specified period of time
- ☞ It regulates the lease period for different functions, grade of land and payment of lease,
- ☞ It regulates manners of expropriation of land. It regulates that land could be expropriated for public use against payment of compensation

5.4 Administrative arrangements to implement policies

Compensation for loss of assets and relocation of displaced persons are handled on the basis of regulations governing the issues. The federal law on compensation (Proc. No.455/2005) requires that inventory and valuation of assets should be done by an agency consisting of 3-5 persons established for the purpose. The implementing agency for compensation and relocation depends on who carries out the project that is the cause for relocation. In most cases, displacement in urban areas is dealt with by urban administrations while displacements in rural areas are handled by the Wereda administration together with the project owner (federal or regional government agency, or private developer).

In the case of municipal towns⁸, the municipal services office deals with the inventory and valuation of assets, disbursement of entitlements, preparation of resettlement plans (in consultation with the Regional Bureau of Works and Urban Development), and development of basic infrastructure. In the case of towns without municipal status, the Wereda administration sets up valuation committee and handles all aspects of resettlement issues. Regarding the entitlement of residents in a relocation area, the following procedures apply:

- ☞ Categories of residents are identified :

Non-farmer displaced persons

- owner-occupier,
- tenant in government house,
- tenant in private houses,
- informal settler;

If farmers are the displaced persons:

⁸ Municipal towns are towns which are granted a status to have a town council and a mayor. Other smaller towns are parts of the Wereda (district) administration.

- owner,
- leasee from another owner

☞ Entitlements are defined

Owner-occupiers receive compensation for lost assets, and replacement of land for house construction. The amount of compensation is calculated based on the regulation on compensation in each region. Owner-occupiers are entitled to the full range of entitlements. Tenants in government houses are entitled to land allocation for house construction; tenants in private houses are not entitled to anything. Farmers are entitled to replacement of land for house construction, compensation for house and for lost farm land, grazing land, perennial plants. Illegal occupiers are not entitled to any form of compensation by law but town administrations have procedures that allow for some form of accommodating informal settlers if they fulfil minimum stay criteria as set in their regulations.

- ☞ Compensation is determined based on inventory of assets. A committee conducts inventory of assets, calculates compensation and payment is made by the MSO , the Wereda administration or government agency which owns the project causing the resettlement.
- ☞ Resettlement plan preparation is usually done by the regional Bureau of Works and Urban Development as towns do not have the technical capacity to prepare development plans. Based on availability of fund, the municipal office develops basic infrastructure and allocates land for the displaced persons.
- ☞ Procedure exists to take dissatisfaction to the Town Manager, the Mayor, to the Zone administration and then to the regional BWUD.

The above procedure is applicable to all regions in Ethiopia. However, there are minor variations on entitlements. For example, tenants in government houses do not receive any land for house construction in the case of Axum and Addis Ababa while they could get land in Lalibela. The federal law does not force town administrations to provide compensation for such groups; however, the practice in Lalibela is recommended. Farmers who choose to take urban land for house construction do not receive compensation for lost farm land in the case of Axum while they receive land for house construction in addition to compensation for loss of livelihood in the case of Addis Ababa and Lalibela. It is recommended to apply the case of Lalibela which has a better package of entitlements for all categories for all tourism destination development sites.

Illegal encroachers or informal settlers on historic and cultural sites, where they exist, have to be checked. The legal frameworks do not cover these groups; however, the practice is to deal with such settlers case by case so as not to encourage illegal occupation of land. There are prior experiences elsewhere in Ethiopia, where the length of stay has been used as a criterion to provide some form of compensation. In the case of historic and cultural sites, settlers identified as informal and deemed necessary to be relocated could be considered case by case, and given chance for inclusion in rehabilitation projects.

5.5 Comparison of WB and the GOE policies on resettlement

GOE laws dealing with resettlement at federal, regional and town level are, in most cases, in line with the policies of the WB. The points where there are mismatches or differences in emphasis are tabulated below. WB policies referred here are policies on involuntary resettlement as listed in OP 4.12.

Table 2: Comparison of policies on resettlement

No.	WB policy	GOE policy
1	<ul style="list-style-type: none"> assist to improve or at least to restore the livelihood of displaced persons to pre-displacement levels resettlement activities should be conceived and executed as sustainable development programs 	<ul style="list-style-type: none"> Demands compensation commensurate to loss of assets, In practice replacement of land does not consider location value Residents not entitled to compensation, (such as tenants in government houses) taken care of,
2	<ul style="list-style-type: none"> <i>Involuntary relocation</i> defined as “actions that may be taken without the displaced person’s informed consent or power of choice”, is what deserves compensation. 	<ul style="list-style-type: none"> Is similar in most cases. Provides for compensation even if people agree to a resettlement action; Relocation may be voluntary but owing to economic loss and inability to sustain livelihood, the government pays compensation.
3	<ul style="list-style-type: none"> <i>Para. 8</i> describes need to consider vulnerable groups during resettlement. 	<ul style="list-style-type: none"> The laws do not differentiate between groups; In practice, all affected persons are considered one way or the other. The economy does not allow providing social security to all disadvantaged citizens; the kinship and other social networks cater for such needs. It may be necessary to design special mechanisms to address the needs of the vulnerable, such as designing projects that benefit them
4	<ul style="list-style-type: none"> Para.11 requires that the preferred way of compensation for land based livelihood is to provide replacement land. 	<ul style="list-style-type: none"> The laws stipulate this type of compensation for rural areas. However, for urban areas it may be difficult to fulfil this requirement as land use changes are inevitable. However, it is possible to organise farmers into cooperatives and provide them land for communal ownership to produce vegetables for the urban residents
5	<ul style="list-style-type: none"> Para.16 requires quasi-legal title holders to be provided compensation and those with no recognizable legal rights who occupy land to be given resettlement assistance. 	<ul style="list-style-type: none"> The GOE laws recognise quasi-legal titles (such as customary rights over land, people who have occupied land for specified period determined by each region or town). Persons with no legal right are not eligible for any form of compensation by law. They are entitled to collect all their assets from the land that is to be developed.

Conclusion

As the analysis shown in Table 2 indicated, there is no substantial mismatch between WB's policy on resettlement and that of GOE's laws on the same issue. Land is publicly held in Ethiopia; hence all landholders have only use rights. Compensation of land is, therefore, subject to standard plots regardless of the size of previous holding. The Federal Government's laws are replicated by regional governments with minor changes; hence there is consistency country-wide. In relation to the ESTDP the stringent rules (WB or GOE) will be applied to safeguard the livelihood of resettlers; i.e. in case of conflict or discrepancies, for purposes of project, WB standards and policies will apply and overrule National ones

6.0 Categories of assets, method of valuation and delivery of entitlements

6.1 Category of assets for compensation

The categories of assets of persons who would be displaced as a result of the tourism development projects include the following.

- ☞ Buildings for various uses
- ☞ Fence
- ☞ Septic tank
- ☞ Water tank
- ☞ Farm land
- ☞ Grazing land
- ☞ Fruit bearing trees and plants having economic value (perennial plants)

Town administrations use directive given by regional Bureau of Works and Urban Development to determine list of components and unit rates for compensation. The unit rate index is updated periodically (quarterly in the case of ANRS) and all towns in the region use the index uniformly. The compensation for farm land and fruit-bearing trees is regulated by the directive from the regional Bureau of Agriculture and Rural Development.

In resettlement projects it is not enough to limit the compensation to immovable property alone; displaced persons lose means of livelihoods too. Therefore, the category of assets to be considered for compensation should include the following components:

- ☞ Income generating activities performed by residents in their former settlement which may not be replaced in the new location,

☞ Being near a service centre where the resettlement area imposes transport costs to get the service;

☞

6.2 Method of property valuation

There are at least two main methods for property valuation: cost replacement method and market value method. In the first method all assets are listed, materials of constructions are identified, current costs to replace those assets is then calculated based on a unit rate for the different components. Depreciation of the materials or assets may be considered in the calculation. The critical issue in replacement method is land value. Land of a similar size maybe replaced but the value of land is not only its size; rather it is the location value. In private ownership of land location factor has to be considered in determining the location and size of the new plot; whereas in cases of public ownership of land the principle is to replace land of a similar size or standard size for the category of use in an appropriate location.

In the second method, the market value method, there are two approaches:

Case 1: Assets are inventoried, conditions are determined, current unit rate for the components is defined and applied, depreciation rate is applied to the cost of the construction, land value is determined based on value index as determined by land market inventory, value of good name for the trade is valued based on market inventory. Therefore, the value of the property is the sum of the current value of the construction, the good name of the trade, and land value.

Case2: Value of property may be determined based on a research using broker's data for the value of property in an area where the property is located; or the property may be auctioned to determine its real market value.

The principle used for property valuation in cases where the property is to be demolished is the cost replacement method. This method is used in all regional states in Ethiopia to assess the values of buildings deemed necessary to expropriate and demolish for the development of infrastructure or for any other public interest. Land is held publicly in Ethiopia; individuals are given use rights for a specified period of time. There are also rules and regulations governing allocation of land for various uses. Since the nationalisation of land in 1975, the maximum size allowable for residential use is 500m²; this standard has been reduced to 75 up to 200m² in different regional states.

The cost replacement method will be used to calculate compensation rate of expropriated person in the resettlement area. The valuation of assets of persons to be displaced by the tourism development project and the mechanism to be followed in the delivery of entitlements will follow the following improved procedure. This procedure shall apply to resettlement cases :

1. The unit rate applicable to the assets to be inventoried is made public by posting at the town's ESTDP implementation office and the Municipal Services Office.

-
2. A Valuation Committee (VC) is formed by the Mayor of the towns or the Wereda administrator as the case may be. The VC will consist of a group of three to five persons from the following institutions:
 - One member who should be a technician, from the Municipal Services Office (MSO),
 - One representative of the would-be displaced persons,
 - One community representative,
 - One representative from the historic and cultural site special interest group (like the EOTC in the case of Lalibela)
 - One representative of the Office of Culture and Tourism
 3. Asset inventory is done by the Valuation Committee, in the presence of the owner;
 4. The technician prepares bill of quantities and specifications (BQS) of the inventoried assets,
 5. The Asset Inventory is disclosed to the community and remains open for one week. If there is complaint from the owner, it will be directed to the committee; any information regarding the inventory is collected by the VC.
 6. Unit rates are applied to the BQS and the total amount of the construction cost in current value is determined by the technician.
 7. The Valuation Committee reviews the tasks done by the town technician and approves the type and amount of compensation
 8. The valuation document is sent with a recommendation to the Mayor or the Wereda administrator for approval
 9. The town administration identifies locations for resettlement area, coordinates the valuation of farmers' holdings using the same procedure as above. This includes:
 - ☞ Inventory of all built up structures
 - ☞ Size of farm land and extent of permanent improvements made on it
 - ☞ Size of grazing land
 - ☞ Number and type of perennial plants lost (wherever possible perennial plants should be retained unaffected)

- ∞ Number of households using the same farm land for livelihood
 - ∞ The inventory of assets will be disclosed to the farmers prior to valuation exercise.
 - ∞ Once agreement on is reached on inventories, the valuation committee calculates the amount of compensation based on unit rates for the different category of assets. There are unit rates set by the regional bureau of works and urban development for built up structures and by the regional bureau of agriculture and rural development for farm lands. The VC then submits the valuation document to the Mayo or the Wereda administration for approval and disbursement.
10. The valuation report for town residents and farmers is sent to the project implementation office for inclusion in rehabilitation projects where possible.

6.3 Method of delivery of entitlements

The method of delivery of entitlements should logically involve town administrations, a bank and the tourism development project implementation office where this office pays for compensation or for rehabilitation projects. In the case of Lalibela the responsible institutions will be the LTA, CBE and LSTD-PIO. In principle compensation is paid before displacement; but for the benefit of the displaced persons a modified form of delivery is adopted here. For compensation that relates to house, the money is better disbursed in instalments to ensure the use of the fund for house construction. Experiences elsewhere in Ethiopia show that displaced people spend compensation money on other expenditure items and end up not having a house to live in. The best procedure so far adopted is to disburse money earmarked for house construction based on stages of progress. The steps for receiving entitlements are listed below.

1. The town administration provides an authorisation to a selected bank (the Commercial Bank of Ethiopia, in the case of Lalibela and Axum) to transfer the full amount of compensation money to the account of an entitled person. Partial withdrawal will be allowed based on a procedure that will be set by the town administration. The Bank will be instructed not to allow withdrawal of money without the knowledge of the town administration. The withdrawal procedures shall be discussed and agreed between the resettlers and the town administration. Usually 30% of the money will be withdrawn initially and once the foundation work is completed other portion will be released step by step.
2. The remaining 70% of money determined as compensation for house-related construction is dispersed based on the progress of construction of the house according to a standard plan provided by the town administration.
3. The project implementation office will oversee the disbursement of entitlements. However, it will only be responsible for financing the construction of infrastructure in resettlement areas and for rehabilitation projects to be designed during the RAP.

7.0 Procedure for the preparation of RAP

The Resettlement Action Plan shall be prepared to deal with all aspects of resettlement of affected persons; post-relocation adjustment issues, and rehabilitation of vacated area. All stakeholders will be involved in the preparation of the RAP. The principles and processes to be followed in the preparation and approval of RAP are stated below.

7.1. Planning principles.

The following principles shall apply in the preparation of the resettlement action plan.

1. Data collection, analysis and determination of current situation as well as priority issues shall be determined through consultation with the affected group.
2. *Notice of planning* shall be given to each individual affected household in writing prior to *request for relocation*.
3. Although entitlement to compensation is based on property ownership, all displaced persons, irrespective of real property ownership, shall be considered and catered for to restore their livelihood in the resettlement plan.
4. Land resource shall be utilised in the most economical and environmentally sustainable way. This may mean, for the advancement of the common good of society, property holders may not be given plots equal in area to their former holding.
5. Resettlement areas shall be provided with basic infrastructure, such as, proper access roads, water supply, sanitation, and electricity prior to the occupation of the new houses by the displaced persons.
6. Displacement may not take place prior to the construction of habitable houses. As it is not feasible to get rental accommodation, demolition and clearing of existing houses shall be done only after the affected persons have constructed houses or those who are living in kebele houses are given replacement rental houses.
7. To the extent possible, the infirm and vulnerable persons shall be relocated or provided plots within the old town. It may be necessary to construct houses for the infirm and vulnerable group by the LSTD-PIO/ the MSO or/EOTC with the compensation money; however, this approach shall be applied only if the affected group agree to it.
8. Plot holders of trading and business functions in the area to be vacated shall be given land in locations that take into account their business.
9. Where vacated area is developed for compatible functions with the historic and cultural site and given to the private sector for operation, priority shall be given to the former residents provided they agree with all other requirements of the EOTC and LSTD-PIO.

10. The MSO shall ensure that the children of displaced households are given priority for school seats in the vicinity of their new settlement.

7.2 Process for preparing and approving resettlement plans

The preparation and approval of resettlement action plan shall follow the planning system as provided in the federal law. The “Planning Proclamation” (Proc. No.574/2008) clearly outlines the steps to be followed in plan preparation and approval. The general principles in the preparation and approval of plans which apply to all plans (resettlement plan as special action plan) include

- ☞ Adherence to hierarchy of plans,
- ☞ Being implementation oriented
- ☞ Efficient land usage
- ☞ Participation of affected persons in the preparation of plans,
- ☞ Safeguard to community and the environment
- ☞ Preservation and restoration of historic and cultural heritages, and
- ☞ Balancing public and private interest.

In the RAP preparation there will be effort to break the survey-analysis-design (SAD) tradition in planning by incorporating consultation and decision making at critical stages of the planning process. The sequence of plan preparation and approval will be according to the regional planning laws where tourism development projects are initiated and there is resettlement project as a result of this development. The integrated development planning approach, the salient features of which are outlined below, shall be applied to all planning activities.

1. Situation analysis

- ☞ Environmental scan to understand the situation: assessment of social aspects, legal and institutional situations, economic aspects, environmental aspects, and spatial aspects;
- ☞ Identification of representatives of stakeholders
- ☞ Stakeholders participation to analyse problems and prioritise issues;
- ☞ Strategy formulation to address the prioritised issues;
- ☞ Approval of the prioritised issues and the designed strategies by the relevant authorities;

2. Project formulation

-
- ☞ Vision, goals and objectives formulation
 - ☞ Planning principles
 - ☞ Project designs and costing
 - ☞ Consultation with stakeholders (the public, affected people, town administration, wereda administration, the EOTC, and the national and regional culture and tourism offices,)
 - ☞ Decision on projects

3. Implementation strategy

- ☞ Designation of project implementing body
- ☞ Financial and administrative arrangements
- ☞ Logical framework
- ☞ Consultation and decision by the responsible authority

4. Monitoring and evaluation system

- ☞ Designation of monitoring agency,
- ☞ Designation of evaluation system (WB procedures to be considered)
- ☞ Consultation and approval

5. Integration mechanisms

- ☞ Synthesis of all projects for compatibility
- ☞ Integration of projects and project implementation strategies with national, regional, wereda and kebele level development plans and task assignments
- ☞ Integration with sectoral development plans
- ☞ Consultation with stakeholders

6. Approval of the package

- ☞ Presentation of the whole document to a critical stakeholders and to a wider audience
- ☞ Incorporation of comments
- ☞ Approval of the whole package

7. Launch of the project implementation and second round of planning

- ∞ Development of infrastructure
- ∞ Construction of houses
- ∞ Development of tourism products
- ∞ Adjustment to plans on fiscal year basis

At each stage of the planning task, critical stakeholders will be identified and consulted. Consultation with stakeholders shall have a mechanism whereby the views and concerns of critical groups will be incorporated in the plan. Designing mechanisms for reporting back to the consultation group will ensure continued participation by stakeholders.

The decision making system shall follow existing arrangements to ensure proper project ownership and implementation. Town administrations are the key decision making institutions on the resettlement plan as the area to be developed, the socio-economic development of the population as well as the environmental situation has to be an integral part of the overall development of the towns where the historic and cultural sites are located.. However, the federal and regional offices of culture and tourism will also be responsible for securing fund and management of project implementation.



Fig.5 Proposed resettlement area in Lalibela

7.3 Contents of the RAP

The resettlement plan will deal with socio-economic, legal, institutional, environmental, and spatial impacts on the would-be displaced persons and other adversely affected groups as a result of the tourism development project. The plan will be based on up-to-date and reliable

information about all issues pertaining to relocation of persons, their assets, and their livelihood. The resettlement plan should cover the following elements⁹.

Up-to-date information has to be gathered from relevant persons and institutions to understand the extent of impact on the displaced persons. The information has to be analysed, and discussed with relevant stakeholders to identify key issues and to design strategies to deal with identified problems. These include:

1. General description of the project and identification of the project area.
2. Potential impacts defining why resettlement is necessary, zone of impact, mechanisms to reduce resettlement;
3. The main objectives of the resettlement program
4. Socioeconomic studies done with the involvement of potentially displaced people and the town administration,
5. Other studies describing land tenure and transfer systems, potential support groups for the implementation of the resettlement plan,
6. Legal framework governing resettlement issues at federal, regional and town level; any mismatch with WB policy on resettlement
7. Institutional Framework where agencies are identified that would deal with the resettlement component of the project,
8. Methodology for valuation of assets and compensation for losses,
9. Resettlement measures where the packages of compensation are identified,
10. Study of alternative sites for resettlement, identification of people affected as a result of the site selection,
11. Preparation of land use plan, design of infrastructure, house typology, and estimation of costs,
12. Preparation of environmental protection and management plan
13. Designing community participation methods, displaced persons, host community,
14. Communication mechanisms by which displaced people can communicate their concerns to project authorities
15. Mechanisms for disbursement of entitlements to all affected persons

⁹ The WB's operational manual on involuntary resettlement describes the contents of resettlement plan. The content described here is based on the rapid appraisal conducted in Lalibela and Axum Towns and the nature of the tourism development project.

16. Mechanisms to support the integration of displaced persons with the host areas, mechanisms for ensuring accessibility of services,
17. Grievance addressing procedures,
18. Organizational responsibilities in the preparation, approval, and implementation of resettlement plan,
19. Implementation schedule covering all resettlement activities from preparation through implementation,
20. Costs and budget for all resettlement activities,
21. Arrangements for monitoring and evaluation of resettlement activities by implementing agencies and external bodies,

8.0 Grievance redressing mechanism

The resettlement of residents is likely to create unanswered questions for the displaced persons. It is necessary to prepare ahead of time for any eventuality. The categories of grievances, principles and organisational arrangement of redressing grievances are explored below.

8.1 Principles for redressing grievances

The resettlement project will raise several issues. Natural human beings are rational and tend to follow least cost principles. Accordingly, given the opportunity they will like to stay in locations where they have been before, where they know the social and spatial environment better. They prefer incremental improvements to radical change of location. However, when the continued occupation of an area is detrimental to a common resource and the development of the residents is curtailed, resettlement is an accepted means to promote sustainable development in all its dimensions. Efforts to change the existing setting will undoubtedly upset the balance that society has built over the years and grievances will arise. Hence, it is necessary to formulate a grievance redressing mechanism from the outset.

Grievance redressing mechanisms have to be designed in view of the activities which may upset the existing balance in society. The resettlement project will touch upon property issues, means of livelihood, organisation of social and spatial aspects that influence ones proximity to a set of environmental, economic, social, and spiritual enclaves. Therefore, the grievance redressing system has to be designed in such a way that it functions flexibly, the staff handling cases have to be elected in a transparent manner, and the implementing agency has to incline to a pro-poor approach in all its decisions.

8.2 Organisation of grievance redressing method

The expected grievances that may arise in project preparation and implementation are assessed so as to determine who should be included in the Grievance Hearing Committee (GHC). The summary of the analysis is summarised in Table 3.

Table 3: Analysis of grievance categories and persons affiliated with the grievances

S.No.	Category of grievance	Persons raising grievance	Possible cause for grievance	Responsible institution for the grievance (Lalibela)
1.0	Pre-displacement period			
1.1	Designation of displacement area	-residents -EOTC	-misunderstanding between residents and EOTC	-EOTC -BoCT -LTA
1.2	Consultation arrangements	-Residents	-lack of proper timing -not informing	-EOTC -BoCT -LTA
1.3	Property ownership verification related issues	-Residents -Kebele administration -EOTC	-application of wrong procedures -lack of documents	-LTA -EOTC
1.4	Measurement/inventory of assets	-Private property owners -Kebele Admin. -EOTC	-application of wrong procedures -lack of documents	-LTA -Valuation Committee (VC)
1.5	Categorisations for entitlements	-all residents in the designated area -Kebele admin. -EOTC	-Application of wrong procedures	-LTA -Valuation Committee (VC)
2.0	Resettlement development period			
2.1	Disbursement of entitlements	-displaced persons -LSTD-PIO -CBE	-lack of und -lack of timely response by staff	-LSTD-PIO -CBE
2.2	Allocation of entitlements	-Displaced persons	-non-transparent plot allocation -Application of wrong procedures	-LTA -LSTD-PIO
2.3	Development of the resettlement	Displaced persons	-Lack of construction materials -lack of technical expertise -improper supervision	-national situation -LTA

2.4	Interim accommodation and livelihood	Displaced persons	-improper timing of relocation -lack of means of livelihood during construction of new dwelling	LSTD-PIO -LTA EOTC
3.0	Relocation and resettling period			
3.1	Time of relocation	-Displaced persons	-untimely demand for relocation	LSTD-PIO LTA EOTC
3.2	Support during relocation	-Displaced persons	-lack of support for transport -	LSTD-PIO
3.3	Post-relocation livelihood issues	-displaced and resettled persons	-lack of rehabilitation measures -	
3.4	Infrastructure development	-Relocated persons -Town administration	-lack of basic infrastructure -improper design	LTA LSTD-PIO
3.5	Post-relocation space use of vacated area	-EOTC -Former residents	-Improper control of development -improper allocation of use rights	-LTA -EOTC -BoCT
Note that the case study is Lalibela Town; however, the situation is assumed to be similar in other historic and cultural sites too. Hence, LTA represents town administrations where the historic and cultural sites are located, the EOTC represents special interest group about a historic and cultural site; all others are similar stakeholders in resettlement projects.				

The matrix on possible grievances and their causes indicates who could be responsible to solve the problems. It is proposed here that a 5-person Grievance Hearing Committee (GHC) consisting of one higher official from town administration, one representative each from the displaced persons, BoCT, EOTC and town elders other than the displaced persons could form the GHC. However, a dissatisfied person could recourse a case to the Appeals Court at Zone level on grounds of procedure.

9.0 Implementation process

In situations where encroachment has already occurred, resettlement projects are necessary parts of the conservation and restoration of historical and cultural heritage sites. It is the policy of the GOE to conduct proper consultation with all relevant stakeholders during redevelopment of areas. In the implementation of resettlement projects, it is necessary to observe the following main issues.

1. The resettlement has to be conducted in phases; first, houses have to be built and then households resettle.

2. With the consent of resettler households, they will be organised into housing cooperatives. This helps to develop the resettlement into a social group in a short time.
3. The evacuated area has to be redeveloped concurrent with the resettlement. Some of the vacated buildings will be developed for compatible functions which could be operated, among others, by the former residents.
4. It is necessary to consider organising the relocated families into a cooperative on voluntary basis to produce handicrafts. This requires allocation of fund for the construction of workshops, and training the members. Microfinance organisation will be established, if there none in the area; the cooperatives could borrow from the SACA and buy equipments.
5. In the case of Lalibela, it may be necessary to relocate the nunnery to a better place within the church compound. This nunnery has to be developed as a tourist product where the nuns could continue their monastic life, produce items for sale and the tourist could have glimpses of a living culture in a dignified way.

Resettlement projects will be implemented as part of the overall tourism development program. The enhancement of the historic and cultural sites is one of the prime activities to improve tourist attraction and conserve the cultural objects. Here the process as it is related to resettlement civil works is described in detail.

1. There will be a project implementation structure that will be set up at federal (ESTDP), regional and town level. At the regional level, the BoCT will be the focal institution for the tourism development projects, whereas the Culture and Tourism office at Wereda level (or town level as the case maybe) will be the focal institution for the project site development. Regarding the resettlement project, house development shall be the task of individual resettlers while infrastructure development shall be contracted out to competent contractors by the regional BoCT.
2. First the resettlement plan will be prepared by a competent consultant. The selection of the consultant will follow GOE and WB procedures. Procurement process of selecting a consultant will be done by the ESTDP project office at the MoCT. The resettlement plan will deal with all aspects as outlined in the WB's Involuntary Resettlement Instrument and the draft TOR.
3. An implementation office (LSTD-PIO in the case of Lalibela) will be organised by ESTDP and the regional BoCT. The task of this project implementation office with regard to resettlement will be to oversee the development of infrastructure, house construction and the rehabilitation projects for resettlers.
4. Once the plan is prepared, it will be approved by the competent authority which includes: town administrations, BoCT, and STD-PIOs;

5. Infrastructure construction is carried out by a competent contractor selected on competitive bidding procedure; the procurement process will be handled by the regional BoCT.
6. The affected persons receive money for the construction of their houses;
7. The town administrations and STD-PIOs will monitor the construction of houses;
8. STD-PIOs will launch rehabilitation projects for the displaced persons
9. House construction is carried out by the would-be dislocated persons. In the case of Lalibela, it is estimated that within two years all the affected persons will construct their houses and move out from the church compound. The phases of relocation will be planned by the town administration and the LSTD-PIO in consultation with the displaced persons.
10. Grievance redressing tasks will be performed as they arise by the GHC.
11. Rehabilitation of the cultural heritages is carried out step-wise with the resettlement of former residents. In the case of Lalibela, functions of the rehabilitated Lasta houses will be determined; the operators in these rehabilitated houses will be defined, allocation (leasing) of these houses will be carried out.
12. Once all the former residents in the church compound are relocated in their new settlement, an evaluation of the overall performance of the resettlement development project will be assessed by MoCT and WB and any improvement necessary for the successful rehabilitation of the dislocated persons will be carried out within year three and year four of the project period.
13. At year five post-occupancy surveys will be done to determine the success of the resettlement project and to redress problems created as a result of the relocation.

It should be noted here that mention of Lalibela and its project implementation office (LSTD-PIO) is for the purpose of grounding the procedure; otherwise it represents towns and project implementation offices in all tourism destination development sites.

10.0 Funding arrangements for resettlement projects

The resettlement project is part of the overall tourism development programme. In some cases it is not possible to assign specific costs to the resettlement component alone. In the case of Lalibela the activities related to the resettlement project requiring fund and the cost estimate by category of activities is indicated in **Table 4** below.

Table 4: Required budget and proposed sources For Lalibela

S.No.	Description of component	Estimated cost (\$)	Implementing agency	Proposed source of

		in'000)		fund
1.0	Preparation of resettlement plan	25	ESTDP	WB
2.0	Construction of infrastructure	400	LTA, LSTD-PIO,	WB
2.1	Construction of about 3km all weather gravel roads with stone lined drainage ditches	200	LSTD-PIO	WB
2.2	Water supply lines (one deep well) and communal water points until individual connections are made by the residents themselves	100	LSTD-PIO	WB
2.3	Electric power supply lines including street lighting	80	EEPSCO	WB
2.4	Communication networks mainly telephone lines	20	ETC	WB
3.0	Construction of community facilities:	130	LSTD-PIO	WB
3.1	Construction of a Kindergarten;	30	LSTD-PIO	WB
3.2	Construction of community centre with flour mill, health post, pharmacy,	100	LSTD-PIO	WB
4.0	Compensations	1,690.5	LTA	GOE/ANRS
4.1	Compensation for loss of houses (200 houses, kebele houses deducted, average area 40m ² ; average construction cost =USD200/ m ²)	1600	LTA	GOE/ANRS
4.2	Compensation for loss of agricultural fields for houses and infrastructure for farmers whose land is taken for resettlement (10ha, compensation rate USD8750/ha)	87.5	LTA	GOE/ANRS
4.3	Compensation for permanent improvement of land	2	LTA	GOE/ANRS
4.4	Compensation for perennial plants	1	LTA	GOE/ANRS
5.0	Fund to support vulnerable households (establishment of micro finance as revolving fund)	15	LTA, ESTD-PIO	WB
6.0	Monitoring and evaluation	10	ESTD-PIO	WB
	Subtotal	450		WB
		1690.5		GOE
	10% contingency	45		WB
		169.05		GOE
	Total	595		WB
		1859.55		GOE
	Grand total	2,354.55		

Total project cost for Lalibela is estimated to be Two million three hundred fifty four thousand, five hundred and fifty USD only. With 1USD@10 Birr the required fund is Birr23,545,500 (twenty three million, five hundred forty five thousand five hundred Birr).

The costs indicated here are tentative estimates only, they have to be studied in detail during the RAP study.

Note that community facilities, though could serve others, are necessary for resettlers. Moreover, the support for vulnerable groups is necessary to safeguard them. The cost of rehabilitation of vacated areas is not included here, but it is necessary to rehabilitate and use it.

It is to be noted that the project components, the implementing agencies and the source of funding will be similar in other regions too. As could be seen from Table 4, the part to be covered through bank loan accounts for only 25% of the required fund for resettlement. Therefore, in cases where there is extensive resettlement, the GOE has to plan ahead and allocate sufficient fund for resettlement projects.

11.0 Monitoring and evaluation arrangements for the resettlement project

The tourism development plan encompasses various products, one of them being resettlement project. Projects that have multiple components need close monitoring. Regarding the resettlement project, the following mechanisms will be used to monitor and evaluate the progress of the project.

11.1 Monitoring method

Progress and compliance to project principles will be monitored by the town administrations in project areas, the BoCT (regional and town level), and ESTDP. External monitoring agencies, such as urban planning consultants, could be engaged to monitor project performance. The ESTDP could initiate and pay for such services.

The components of the resettlement project could be subdivided into two main categories to streamline monitoring. The first category encompasses payment of compensation and house building, and the second one encompasses all other project activities (infrastructure, facilities, and rehabilitation works). Disbursement of entitlement and house construction will be monitored by town administrations while the second category of project activities will be monitored by STD-PIO. Town Administrations will be responsible to monitor adherence of house construction and infrastructure development to applicable standards and to town plans.

11.2 Evaluation method

Project performance shall be evaluated periodically by the ESTDP and the WB. STD-PIOs shall prepare monthly report of activities and submit to the town administration, and the regional BoCT. The resettlement project will be part of the total tourism development programme; hence the report dealing with resettlement project may be just a part of the overall project. External evaluators maybe employed to assess project performance at year two of the project (i.e. end of resettlement period). A quarterly report shall be sent to the WB. Project appraisal will be done yearly and the plan adjusted accordingly.

References

ESTDP (2008) TOR for Resettlement Policy Framework, Ethiopian Sustainable Tourism Project, Federal Ministry of Culture and Tourism, October 2008, Addis Ababa.

Lalibela Town Municipal Services Office (2000 EC) “Lalibela Betekristian kitir gibi yebetoch tinatawi mereja ena waga gimit” Amharic document prepared to request budget for the 2001 EC budget year from the Ministry of Culture and Tourism. The topic of the document could be translated as “*Study of Houses in Lalibela church compound and their cost estimate*”.

Mengiste Gobeze (2004) Lalibel and Yimrehane Kirstos: A Living witness of Zagwe Dynasty.

MoCT (2008) Ethiopia’s Tourism Policy (Final Draft). Federal Ministry of Culture and Tourism

World Bank (2001) Operational Policies-Involuntary Resettlement, OP 4.12

ANRS (1997) Environmental Rehabilitation and Upgrading of Historical Sites in Lalibela Ethiopia: Project Document 1994-1997.

ESTDP (2009) Draft documents of Destination development plans for Lalibela, Axum, Southern Route, and Addis Ababa and Environs



Fig.6 Typical Lalibela church detail (Bete Amanuel)

ANNEXES

Annex 1: Entitlement matrix for displaced persons

S.No.	Description of category	Entitlement	Required proof
1	Private house owners (non-farming urban residents)	<ul style="list-style-type: none"> • Compensation for house, fence, septic tank, water tank, • Adjustment allowance • Land for house construction based on size of current holding, family size and current house size (max. 500m²) 	<ul style="list-style-type: none"> • Title deed • Receipts for building tax • Receipts for land tax
2	Tenants in Kebele houses	<ul style="list-style-type: none"> • Replacement of rental house in another area (if the displaced person chooses this option and if rental house is available) • Land for house construction (max.150m²) 	<ul style="list-style-type: none"> • Contract document and receipts for rent payment up to time of displacement, or • proof of decision to stay without rent payment
3	Farmers	<ul style="list-style-type: none"> • Compensation for house, fence, cattle kraal, cereal store (gotera), (water well, septic tank, water tank if any), perennial plants, • Adjustment allowance • Land for house construction, max. 500m² • Compensation for farm land, grazing land, fruit-bearing trees or income generating permanent plants based on regional formulae. 	<ul style="list-style-type: none"> • Title deed for land holding • Tax for land and house
4	Tenants in Bete khnet houses	<ul style="list-style-type: none"> • Replacement of rental house in another area (if the displaced person chooses this option and if rental house is available) • Land for house construction (max.150m²) if the tenant chooses to construct a house 	<ul style="list-style-type: none"> • Contract document and receipts for rent payment up to time of displacement, or • proof of decision to stay without rent payment
5	Tenants in private residences	<p>No entitlement (their number cannot be determined, move at will from one house to the other house)</p> <p>May receive priority to land allocation if they have registered prior to displacement</p>	<ul style="list-style-type: none"> ○ In case of priority for land allocation, proof of being affected from kebele administration
6	Vulnerable groups	<ul style="list-style-type: none"> • Legally, if no asset, no compensation • Could be provided shelter and incorporated in self-support projects • 	<ul style="list-style-type: none"> • Proof of vulnerability from the kebele administration

			<ul style="list-style-type: none"> • Identification of vulnerability by project study
7	Illegal encroachers	<ul style="list-style-type: none"> • No entitlement by law but required to safeguard the livelihood of households • Based on individual basis, could be provided chance for inclusion in cooperative societies, allocated land for house construction if they have not been allocated before, 	<ul style="list-style-type: none"> • Kebele administrations have to verify status of households • Verification through satellite image of occupation of and before a specified date

Annex 2: procedure for preparing RAP and outline of RAP

The preparation of the resettlement action plan shall follow the integrated development planning approach. Its salient features are outlined below:

1. Situation analysis

- ☞ Environmental scan to understand the situation: assessment of social aspects, legal and institutional situations, economic aspects, environmental aspects, and spatial aspects;
- ☞ Identification of representatives of stakeholders
- ☞ Stakeholders participation to analyse problems and prioritise issues;
- ☞ Strategy formulation to address the prioritised issues;
- ☞ Approval of the prioritised issues and the designed strategies by the relevant authorities;

2. Project formulation

- ☞ Vision, goals and objectives formulation
- ☞ Planning principles
- ☞ Project designs and costing
- ☞ Consultation with stakeholders (the public, affected people, town administration, wereda administration, the EOTC, and the national and regional culture and tourism offices,)
- ☞ Decision on projects

3. Implementation strategy

- ☞ Designation of project implementing body

-
- ☞ Financial and administrative arrangements
 - ☞ Logical framework
 - ☞ Consultation and decision by the responsible authority
4. Monitoring and evaluation system
- ☞ Designation of monitoring agency,
 - ☞ Designation of evaluation system (WB procedures to be considered)
 - ☞ Consultation and approval
5. Integration mechanisms
- ☞ Synthesis of all projects for compatibility
 - ☞ Integration of projects and project implementation strategies with national, regional, wereda and kebele level development plans and task assignments
 - ☞ Integration with sectoral development plans
 - ☞ Consultation with stakeholders
6. Approval of the package
- ☞ Presentation of the whole document to a critical stakeholders and to a wider audience
 - ☞ Incorporation of comments
 - ☞ Approval of the whole package
7. Launch of the project implementation and second round of planning
- ☞ Development of infrastructure
 - ☞ Construction of houses
 - ☞ Development of tourism products
 - ☞ Adjustment to plans on fiscal year basis

At each stage of the planning task, critical stakeholders will be identified and consulted. Consultation with stakeholders shall have a mechanism whereby the views and concerns of critical groups will be incorporated in the plan. Designing mechanisms for reporting back to the consultation group will ensure continued participation by stakeholders.

The decision making system shall follow existing arrangements to ensure proper project ownership and implementation. The Lalibela Town Administration is the key decision making institution on the resettlement plan as the area to be developed, the socio-economic development of the population as

well as the environmental situation has to be an integral part of the overall development of the town. However, the federal and regional offices of culture and tourism will also be responsible for securing fund and management of project implementation.

Outline of the RAP

The resettlement action plan shall consist of two main components: a planning report and a spatial development plan. The contents of the two documents shall be as follows.

1. Planning report

- Cover page,
- Executive summary
- Situation analysis
 - This part deals with all aspects of social, economic, legal and administrative, environmental and spatial aspects. All data collected shall be analysed and main issues identified. Procedures for data collection, participation of stakeholders, sources of data will be documented. The extent of displacement and entitlements will be documented.
- Planning parameters
 - This section deals with planning issues: selection of resettlement site, its topography, environmental situation, planning standards to be used, plan characteristics, description of infrastructure plans,
- Implementation strategy
 - project cost, disbursement, administrative arrangements, work schedule, task assignments etc. will be detailed here.
- Monitoring and evaluation
 - Mechanism for monitoring and evaluation, reporting requirements,

2. Spatial plans (Engineering design report)

This document presents the detailed plans and designs required by the resettlement project. These include the following:

- Local Development Plan for the resettlement area
 - link with the overall development plan of Lalibela Town, land use plan, special projects, urban design plan
- Neighbourhood plan
 - typical housing cluster plan, social services, open spaces, urban design plan

- Infrastructure designs

-Detailed working drawings of road design, water supply system, power supply system, solid and liquid waste disposal system.

It is recommended that the two tasks be done by one consultant. However, it is possible to contract out the Infrastructure design separately leaving the other tasks together. **Report 1** and **Report 2** should be well integrated and referenced.



Fig.7 Rock hewn church deterioration & conservation system

Annex 3; Generic RAP Terms of Reference

1. Introduction

1.1 Introduce the task.

2. Objectives of the RAP

2.1 The main objective of the RAP study is to review, assess, plan and design projects for the resettlement project. The specific objectives are the following:

- To review and assess the situation in Lalibela Town so as to determine activities which will likely result in relocation,
- To make detailed census of persons to be relocated, and inventory assets of persons who will be relocated,
- To conduct property valuation using appropriate method/s
- To design methods for disbursement of entitlements
- To prepare LDP and Neighbourhood plan for the selected resettlement area
- To prepare detailed design for infrastructure-road, water supply, and electric power supply
- To prepare detailed cost estimate of the project
- To prepare implementation, monitoring and evaluation strategy

2.2 The RAP details the procedures and activities that are required to ensure that the affected people are not worse off as a result of the project and that their livelihoods are restored and improved.

3.0 Scope of Work

3.1 In developing the RAP, the consultants will carry out the following tasks:

- (i) A brief description of the project and components for which land acquisition and resettlement may be needed, and an explanation as to why a resettlement plan cannot be prepared before appraisal.
- (ii) Principles and objectives governing resettlement preparation and implementation.
- (iii) A description of the process for preparing and approving resettlement plans, including an outline of the contents of such a plan.
- (iv) Estimated population displacement and likely categories of displaced persons, and vulnerable household categories to the extent feasible, drawing upon the socio-economic analysis in the ESMF.
- (v) Eligibility criteria for defining various categories of displaced persons, drawing on the socio-economic analysis in the ESMF, and through independent field consultations.

-
- (vi) Methods of valuing affected assets. Combined with (v), an entitlement matrix showing the categories of affected persons and their entitlements, as well as categories of assets and the valuation formulas.
 - (vii) A legal framework reviewing the fit between borrower laws and regulations and Bank policy requirements and measures proposed to bridge any gaps between them.
 - (viii) Organizational procedures for screening of RPF, preparation and implementing of RAP, delivery of entitlements, including, for projects involving private sector intermediaries, the responsibilities of the financial intermediary, the government, the private developer and the community.
 - (ix) A description of the implementation process, linking resettlement implementation to civil works.
 - (x) A description of grievance redresses mechanisms.
 - (xi) A description of the arrangements for funding resettlement, including the preparation and review of cost estimates the flow of funds, and contingency arrangements.
 - (xii) A description of mechanisms for consultations with, and participation of, displaced persons in planning, implementation, and monitoring.
 - (xiii) Arrangements for monitoring by the implementing agency and, if required, by independent monitors.

4.0 Reporting

The RAP will include the following sections:

- Cover Page
- Table of Contents
- List of acronyms
- Executive Summary
- Introduction
- Description of the project
- Description of the activities likely to involve compensation and resettlement
- Description of the legal, regulatory, and administrative frameworks
- Consultations with potentially affected people
- Categories of affected peoples including the scale of likely affected people, socio-economic profile, including identification of vulnerable household categories.
- Categories of assets and method of valuation
- Procedure for preparation of RAP and the content of the RAP
- Grievance redressing mechanism
- Monitoring and Evaluation arrangements

- References

5.0 Skills Requirements

- 5.1 The assignment will be carried out by a consultant with experience in preparing and implementing Resettlement Plans. The consultant shall be competent to prepare local development plan, neighbourhood plan with special emphasis on resettlement planning and infrastructure design. The consultancy services could be divided into two components: 1) LDP and neighbourhood (resettlement) plan preparation; 2) Infrastructure design. The tasks could be contracted to local consultants to international consultants with a local counter part.

6.0 Timing

- 6.1 The draft RAP shall be available within three months for review and comments by the Government of Ethiopia and the World Bank.
- 6.2 The final RAP will incorporate comments by GOE and WB.
- 6.3 The consultant will submit hard copy and soft copy of all documents.

Annex 4: List of individuals/institutions/community groups contacted and consulted

S.No.	Name	Position	Institution	Contact address	Date visited and place	Issues dealt
1	H.E. Ambassador Mohammad Drir	Minister, MoCT	MoCT	MoCT	2/12/2008 A.Ababa	General briefing
2	H.E.W/o Tadelech Dalecho	State Minister	MoCT	MoCT	2/12/2008 A.Ababa	General briefing
	Ato Negussu Damtew	Conservation Expert	MoCt	MoCt	2/12/2008	
	Ato Jara H/mariam	Director	CHCRA		2/12/2008	
3	Ato Tesfaye Gete Gobeze	Mayor of Lalibela Town	Lalibela Town	Lalibela Town Administration	3/12/2008 Lalibela	Development initiatives, general information on the town
4	Ato Betsha	Planner	Lalibela Municipality	MSO	3/12/2008	Municipal services, development plan of town, land allocation
5	Ato Mulugeta Sisay	Project office head	TESFA NGO	0913-783557	4/12/2008 Lalibela	
6	Ato Kidane Mariam Weldegiorgis	Head, Culture office,	Office of Culture & Tourism	0912 157663	4/12/2008 Lalibela	Tourist flow, tourist related facilities,
7	Nuns	Nuns supporter	Lalibela Women's Monastery	Lalibela churches admin.	4/12/2008	Monastic life, facilities, supports needed
8	Ato Belete Tesfaw	Municipal Services Manager	MSO, Lalibela Town	MSO, Lalibela	5/12/2008	Town planning, land management, relocation and compensation,
9	Ato Habtamu Tesfaw	Culture Department Head	Lalibela Town Culture and Tourism Office	CTO, Lalibela	5/12/2008	On cultural artefacts,
10	Ato Akale Minale Ato Mamo Yazew Ato Ejugu Abebe Emahoy	Residents in the church compound		Lalibela Town Lalibela Churches Compound	5/12/2008	Property ownership, Relocation Compensation
11	Ato Mulugeta Moges	Vice Lalibela Church Administrator				Church Compound demarcation Pilgrims services, Church administration Church's plan for compound
12	Kes Mekonnen Jegne	Internal Auditor	Lalibela Churches Sebeka Gubae	Lalibela Churches Administration Office	6/12/2008	
13	Ato Mengiste Worku	Secretary				
14	D/n Yihene Melku	Member, Manager of Bete Abraham Hotel				
15	Sisay Tegegne	D/Mayor				

16	Ato Sewnet Alemu	Water and Sewerage Off.	LTA	LTA	6/12/2008	
17	Ato Shambel Tesfaye	SME office				
18	Ato Belete Wedajo	Culture & Tourism Office Hd				
19	Priests of Yimrahane kristos	Priests	Yimrhane Kristos church		7/12/2008	History, legend, Project ideas
20	W/o Genet G/egziabher	BWUD hd	BWUD	ANRS	10/12/2008	Regulation on urban development
	Ato Kebede Amare	BoCT		TNRS	11/12/2008	
21	Fiseha Zibelo	Coordinator	Axum, BoCT office	BoCT, Axum	11/12/2008	
22	Mr. Heiner Woller	Manager	Axum BoCT	BoCT, Axum	11/12/2008	Tourism development plan for Axum
23	Ato Seifu	D/Manager	Axum Town	Axum Town administartion	12/12/2008	Town development plan,
24	Ato Berha Mesfin	Town Planner	Axum Town	Axum Town administartion	12/12/2008	Relocation and Resettlement sites

Annex 5: procedures and requirements on consultation and information sharing with affected peoples

The planning law requires that there should be proper consultation with affected people in the process of redevelopment any area. In the case of RAP preparation the following procedures shall be followed. Here the case of Lalibela is presented as a study case. However, the procedure applies to all resettlement action plan areas. Therefore, LTA shall be understood to mean town administration, EOTC shall represent special interest group for historic and cultural heritage site; and LSTDP-PIO to represent project implementation offices.

No.	Description of stages of consultation	Responsible body	Participants to the consultation needed	Success indicator
1	Initiation of resettlement project	MoCT LTA, BoCT EOTC	-LTA, BoCT, -Town residents -Residents in the church compound	-fund available -PIO established
2	Resettlement planning data gathering stage (social, economic, legal/administrative, environmental and spatial data)	LTA ARUPI	-Consultant -LTA -Residents in the church compound	-Town residents and residents in the church compound participate in discussions, -residents give required data
3	Problem prioritisation stage (problem analysis, issues, priorities)	MoCT LTA, BoCT EOTC	-Consultant -LTA, BoCT, EOTC -Town residents -Residents in the church compound	-residents choose representatives -residents representatives agree to problem priorities
4	Project formulation stage (compensation, resettlement, rehabilitation)	MoCT LTA, BoCT EOTC	-Consultant -LTA, BoCT, EOTC -Town residents -Residents in the church compound -farmers in resettlement plan area	-Displaced persons agree to compensation entitlements -Residents representatives agree to resettlement plan -farmers get replacement land or other livelihood means
5	Implementation strategy formulation	LTA, BoCT EOTC	-Consultant -LTA, BoCT, EOTC -Town residents -Residents in the church compound -farmers in	-Displaced persons agree to stages of disbursement of entitlement and relocation

			resettlement plan area	
6	Approval of the resettlement project package	LTA ARUPI BoCT	-LTA, BoCT, EOTC -Town residents -Residents in the church compound -farmers in resettlement plan area	-No objection to the proposed RAP by all affected persons -
7	project implementation (development of infrastructure, houses, tourism development projects)	LTA LSTD-PIO	Displaced persons-	-Relocation carried out according to plan, -displaced persons reintegrated with new settlement -livelihood of displaced persons better than before

Annex 6: List of Tourist attraction sites in and around Lalibela Town

S.No.	Name of attraction	Special features	Distance from Lalibela and Direction
1	<p>11 churches in Lalibela Town</p> <p>Group Two</p> <ul style="list-style-type: none"> ☪ Bet Gebriel and Rufael <p>Group One</p> <ul style="list-style-type: none"> ☪ Bete Medhanealem ☪ Bête Mariam ☪ Bete Dingle ☪ Bete Michael ☪ Bete Meskel ☪ Bete Golgotha <p>Group Three</p> <ul style="list-style-type: none"> ☪ Bête Merkoryos ☪ Bete Amanuel ☪ Bête Aba Libanos ☪ Bete giorgis 	12 th C. Rock hewn churches	In Lalibela Town
2	Bilbela Kirkos Church	6 th Century Rock hewn church	35 Km, NW
3	Bilbela Giorgis Church	6 th Century Rock hewn church	35 Km, NW
4	Arbaetu Insesa	6 th Century Rock hewn church	35 Km, NW
5	Emekina Medhanealem Church	6 th Century Built-up cave church	28 Km, SE
6	Emekina Lideta Church	6 th Century Built-up cave church	28 Km, SE

7	Mt. Abune Yoseph	Scenic landscape	60Km, NW
8	Kenkenit Michael Church		North
9	YimrhaneKirstos Church	12 th Century Built up cave church	42 Km, NW
10	Asheten Mariam Church	12 th Century Rock hewn church	8 Km, SE
11	Neakuto Leab Church	13 th Century church	6Km, SE
12	Genetemariam Church	13 th Century Rockhewn church	22Km, SE
13	Mekalt		
14	Kedemt Michael		

Annex 7: THE WORLD BANK OPERATIONAL MANUAL OP 4.12

The WB Operational Policy on Involuntary Resettlement provides for critical aspects that are required to be fulfilled by the borrower regarding displaced persons. The currently available operational policy from the WB InfoShop is a draft from 2001. The OP has instruments for the preparation of resettlement action plan, abbreviated action plan and resettlement policy framework. The present RPF is prepared according to the instrument. The OP is annexed in its full text to this document.

THE WORLD BANK OPERATIONAL MANUAL Draft OP 4.12 Operational Policies March 6,2001 Involuntary Resettlement¹⁰

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

(a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designsⁱ.

(b) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced personsⁱⁱ should be meaningfully consulted and have opportunities to participate in planning and implementing resettlement programs.

I. Policy Objectives

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

(c) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to beginning of project implementation, whichever is higherⁱⁱⁱ.

II. Impacts Covered

3. This policy covers direct economic and social impacts^{iv} that both result from Bank-assisted investment projects^{v,vi} and are caused by:

¹⁰ These policies were prepared for use by World Bank staff and are not necessarily a complete treatment of the subject. Additional copies are available to the public through the InfoShop.

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

4. This policy applies to all components of the project resulting in involuntary resettlement regardless of the source of financing. It also applies to other activities resulting in involuntary resettlement, which, in the judgment of the Bank are: (a) directly and significantly related to the Bank-assisted project; (b) necessary to achieve its objectives as set forth in the project documents, and (c) carried out, or planned to be carried out contemporaneously with the project.

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

III. Required Measures

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

- (a) The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are:
 - (i) informed about their options and rights pertaining to resettlement;
 - (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and
 - (iii) provided prompt and effective compensation at full replacement cost^{xi} for losses of assets^{xii} attributable directly to the project.

(b) If the impacts include physical relocation, the resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are:

- (i) provided assistance (such as moving allowances) during relocation; and
- (ii) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages and other factors is at least equivalent to the advantages of the old site^{xiii};
- (c) Where necessary to achieve the objectives of the policy, the resettlement plan or resettlement policy framework also include measures to ensure that displaced persons are:
 - (i) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be taken to restore their livelihood and standards of living. Such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements; and

(ii) provided with development assistance in addition to compensation measures described in paragraph 6 (a)(iii), such as land preparation, credit facilities, training, or job opportunities.

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

- (a) specific components of the project will be prepared and implemented;
- (b) the criteria for eligibility of displaced persons will be determined;^{xiv}

(c) measures to assist the displaced persons in their efforts to improve their livelihoods, or at least to restore them, in real terms, while maintaining the sustainability of the park or protected area will be identified; and

(d) potential conflicts involving displaced persons will be resolved. The process framework also includes a description of the arrangements for implementing and monitoring the process.

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

9.- Bank experience has shown that resettlement of indigenous peoples with traditional land based modes of production is particularly complex and may have significant adverse impacts on their identity and cultural survival. For this reason, the Bank satisfies itself that the borrower has explored all viable alternative project designs to avoid physical displacement of these persons. Where it is not feasible to avoid such displacement, preference is given to land-based resettlement strategies for these groups (see para. 10) that are compatible with their cultural preferences and are prepared in consultation with them (see Annex. para. 11).

10. The implementation of resettlement activities is linked to the implementation of the investment component of the project to ensure that displacement or restriction of access does not occur before necessary measures for resettlement are in place. For impacts covered in para. 3 (a) of this policy, these measures include provision of compensation, and other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, taking of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons. For impacts covered in para. 3 (b) of this policy, the measures to assist the displaced persons are implemented in accordance with the plan of action as part of the project (see Section VI, para. 30).

11. Preference should be given to land based resettlement strategies for displaced persons whose livelihoods are land based. These strategies may include resettlement on public land,⁷ or on private land acquired or purchased for resettlement. Whenever replacement land is offered, resettlers are provided with land for which a combination of productive potential, locational advantages and other factors is at least equivalent to the advantages of the land taken. If land is not the preferred option of the displaced persons, the provision of land would adversely affect the sustainability of a park or protected area,^{xvi} or sufficient land is not available at a reasonable price, non land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.

12. Payment of cash compensation for lost assets may be appropriate where:

(a) livelihoods are land based but the land taken for the project is a small fraction^{xvii} of the affected asset and the residual is economically viable;

(b) active markets for land, housing and labor exist, displaced persons use such markets, and there is sufficient supply of land and housing; or

(c) livelihoods are not land based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.

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

(a) Displaced persons and their communities, and any “host” communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities

12to participate in planning, implementing and monitoring resettlement. Appropriate and accessible grievance mechanisms are established for these groups. In new resettlement sites or host communities, infrastructure and public services are provided as necessary to improve, restore or maintain accessibility and levels of service for the displaced persons and host communities. Alternative or similar resources are provided to compensate for the loss of access to community resources (such as fishing areas, grazing areas, fuel or fodder).

(c) Patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons. To the extent possible, the existing social and cultural institutions of resettlers and any host communities are preserved and resettlers' preferences with respect to relocating in pre-existing communities and groups are honored.

IV. Eligibility for Benefits^{xviii}

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

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

- (a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country); and
- (b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets-provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan (see Annex, para. 7 (f)); and^{xix}
- (c) those who have no recognizable legal right or claim to the land they are occupying.

16. -Persons covered under para. 14(a) and (b) are provided compensation for the land they lose, and other assistance in accordance with para. 6. Persons covered under para. 14 (c) are provided resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off date established by the borrower and acceptable to the Bank^{xx}.Persons who encroach the area after such "cut-off" date are not entitled to compensation or any other form of resettlement assistance. All persons included in para. 14 (a), (b), or (c) are provided compensation for loss of assets other than land.

V. Resettlement Planning, Implementation and Monitoring

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

- a) a **resettlement plan** or abbreviated resettlement plan is required for all operations which entail involuntary resettlement unless otherwise specified (see para. 24 and the Annex);
- b) a **resettlement policy framework** is required for operations referred to in paras. 25-29 that may entail involuntary resettlement , unless otherwise specified (see the Annex); or
- c) a **process framework** is prepared for projects involving restriction of access in accordance with para. 3(b) (see para.30).

18. The borrower is responsible for preparing, implementing and monitoring a resettlement plan, a resettlement policy framework or a process framework (the "resettlement instruments"), as appropriate, that conform to this policy. The resettlement instrument presents a strategy for achieving

the objectives of the policy and cover all aspects of the proposed resettlement. Borrower commitment to, and capacity for, undertaking successful resettlement is a key determinant of Bank involvement in a project.

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

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

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

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

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

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

VI. Resettlement Instruments

(a) Resettlement Plan

25. A **draft resettlement plan** which conforms to this policy is a condition of appraisal (see Annex, Part I) for projects referred to in para. 16 (a) above^{xxii}. However, where impacts on the entire displaced population are minor^{xxiii}, or fewer than 200 people are displaced, an abbreviated resettlement plan may be agreed with the borrower (see Annex, Part II). The information disclosure procedures set forth in para. 21 apply.

(b) Resettlement Policy Framework

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

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

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

29. For each subproject included in a project described in para. 25, 26 or 27 above, that may involve resettlement, the Bank requires that a satisfactory resettlement plan or an abbreviated resettlement plan that is consistent with the provisions of the policy framework be submitted to the Bank for approval before the subproject is accepted for Bank financing.

30. For projects described in paras. 25-27 above, the Bank may agree, in writing, that subproject resettlement plans may be approved by the project implementing agency or a responsible government agency or financial intermediary without prior Bank review, if that agency has demonstrated adequate institutional capacity to review resettlement plans and ensure their consistency with this policy. Any such delegation, and appropriate remedies for the entity's approval of resettlement plans found not to be in compliance with Bank policy, are provided for in the legal agreements for the project. In all such cases, implementation of the resettlement plans is subject to ex-post review by the Bank.

(c) Process Framework

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

VII. Assistance to the Borrower

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

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

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

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

**THE WORLD BANK OPERATIONAL MANUAL Draft OP 4.12 Annex
Operational Policies March 6,2001****Involuntary Resettlement Instruments**

1. This Annex describes the elements of a resettlement plan (Part I), an abbreviated resettlement plan (Part II), and a resettlement policy framework (Part III), as discussed in Sections V and VI of OP 4.12.

Part I: Resettlement Plan

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

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

4. Potential impacts. Identification of

(a) the project component or activities that give rise to resettlement;

(b) the zone of impact of such component or activities;

(c) the alternatives considered to avoid or minimize resettlement; and

(d) the mechanisms established to minimize resettlement, to the extent possible, during project implementation.

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

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

(a) The results of a census survey covering:

(i) current occupants of the affected area to establish a basis for the design of the resettlement program and to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;

(ii) standard characteristics of displaced households, including a description of production systems, labor and household organization; baseline information on livelihoods (including, as relevant, production levels and income derived, from both formal and informal economic activities) and standards of living (including health status) of the displaced population;

(iii) the magnitude of the expected loss – total or partial - of assets, and the extent of displacement, physical or economic;

(iv) information on vulnerable groups or persons as provided for in para. 8 of OP

4.12, for whom special provisions may have to be made; and

(v) provisions to update information on the displaced people's livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement.

(b) Other studies describing:

(i) land tenure and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, and non-title-based

usufruct systems (including fishing, grazing or use of forest areas) governed by local recognized land allocation mechanisms and any issues raised by different tenure systems in the project area;

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

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

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

7. Legal framework. The findings of an analysis of the legal framework, covering:

- a) the scope of the power of eminent domain and the nature of compensation associated with it, in terms of both the valuation methodology and the timing of payment;
- b) the applicable legal and administrative procedures, including a description of the remedies available to displaced persons in the judicial process, and the normal time frame for such procedures; any available alternative dispute resolution mechanisms that may be relevant to resettlement under the project;
- c) relevant law (including customary and traditional law) governing land tenure, valuation of assets and losses, compensation, and natural resource usage rights; customary personal law related to displacement; and environmental laws and social welfare legislation;
- (d) laws and regulations relating to the agencies responsible for implementing resettlement activities;
- (e) gaps, if any, between local laws covering eminent domain and resettlement and the Bank's resettlement policy, and the mechanisms to bridge such gaps; and
- (f) any legal steps necessary to ensure the effective implementation of resettlement activities under the project, including, as appropriate, a process for recognizing claims to legal rights to land-including claims that derive from customary law and traditional usage (see para. 14 (b) of OP 4.12).

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

9. the identification of agencies responsible for resettlement activities and NGOs that may have a role in project implementation; an assessment of the institutional capacity of such agencies and NGOs; and the steps, if any, that are proposed to be taken to enhance the institutional capacity of agencies and NGOs responsible for resettlement implementation. Eligibility. Definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off date(s).

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

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

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

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

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

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

15. Community participation. Involvement of resettlers and host communities^{xxviii} including:

- (a) a description of the strategy for consultation and participation of resettlers and hosts in the design and implementation of the resettlement activities;
- (b) a summary of the views expressed and how these views were taken into account in preparing the resettlement plan;
- (c) a review of the resettlement alternatives presented and the choices made by displaced persons regarding options available to them, including choices related to forms of compensation and resettlement assistance, to relocating as individuals families or as parts of preexisting communities or kinship groups, to sustaining existing patterns of group organization, and to retaining access to cultural property (e.g. places of worship, pilgrimage centers, cemeteries)^{xxix}; and
- (d) institutionalized arrangements by which displaced people can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such vulnerable groups as indigenous people, ethnic minorities, the landless, and women are adequately represented.

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

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

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

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

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

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

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

END NOTES

ⁱ In devising approaches to resettlement in Bank-assisted projects, other Bank policies should be taken into account, as relevant. These policies include Environmental Assessment (OP 4.0 I), Natural Habitats (OP 4.04), Safeguarding Cultural Property in Bank-Assisted Projects (OP 4.1 I), and Indigenous Peoples (OD 4.20).

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

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

Note: OP and BP 4.12 together replace OD 4.30, Involuntary Resettlement. Questions may be addressed to the Resettlement Committee (ESDVP).

^{iv} Where there are adverse indirect social or economic impacts, it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse economic and social impacts, particularly upon poor and vulnerable groups. Other environmental, social and economic impacts, not resulting from land taking, may be identified and addressed through Environmental Assessments and other project reports and instruments.

^v “Bank” includes IDA, “loans” includes credits, guarantees, PPF advances and grants, and “projects” includes projects under & adaptable program lending; learning and innovation loans; iii) PPFs and IDFs, if they include investment activities; grants under the Global Environment Facility and Montreal Protocol+2 for which eny,? and-&p& grants or loans provided by other donors that 1’ ” are administered by the Bank-.The term “project” does not include programs under adjustment operations. “Borrower” also includes, wherever the context requires, guarantor or the project implementing agency.

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

^{vii} For purposes of this policy “involuntary” means actions that may be taken without the displaced person’s informed consent or power of choice.

^{viii} “Land” includes anything growing on or permanently affixed to land, such as buildings and crops. This policy does not apply to regulations of natural resources on a national or regional level to promote their sustainability, such as watershed management, groundwater management, fisheries management, etc. The policy also does not apply to disputes between private parties in land titling projects, although it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse social impacts, especially on poor and vulnerable groups.

^{ix} For the purposes of this policy, involuntary restriction of access covers restrictions on the use of resources imposed on people living outside the park, or on those who continue living inside the park during and after project implementation. In cases where new parks and protected areas are created as part of the project, persons who lose shelter, land or other assets are covered under para. 3 (a). Persons who lose shelter in existing parks and protected areas are also covered under para. 3 (4)

^x The Resettlement Sourcebook provides good practice guidance to staff on the policy.

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

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

^{xiii} The alternative assets are provided with adequate tenure arrangements. The cost of alternative residential housing, housing sites, business premises, and agricultural sites to be provided can be set off against all or part of the compensation payable for the corresponding asset lost.

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^{xv} See OD 4.20 *Indigenous People*

^{xvi} See OP 4.04 *Natural Habitats*

^{xvii} As a general principle, this applies if the land taken constitutes less than 20% of the total productive area.

^{xviii} Paras. 13-15 do not apply to impacts covered under para. 3 (b) of this policy. The eligibility criteria for displaced persons under 3 (b) are covered under the process framework (see paras. 7 and 30).

^{xix} Such claims could be derived from adverse possession, from continued possession of public lands without government action for eviction (that is, with the implicit leave of the government), or from customary and traditional law and usage, etc.

19b Resettlement assistance may consist of land, other assets, cash, employment etc. as appropriate.

^{xx} Normally, this cut-off date is the date the census begins. The cut-off date could also be the date the project area was delineated, prior to the census, provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx.

^{xxi} For projects that are highly risky or contentious, or that involve significant and complex resettlement activities, the borrower should normally engage an advisory panel of independent, internationally recognized resettlement specialists to advise on all aspects of the project relevant to the resettlement activities. The size, role, and frequency of meeting depend on the complexity of the resettlement. If independent technical advisory panels are established under OP 4.01, Environmental Assessment, the resettlement panel may form part of the environmental panel of experts.

^{xxii} An exception to this requirement may be made in highly unusual circumstances (such as emergency recovery operations) with the approval of Bank Management (see BP 4.12, para. 8). In such cases, the Management's approval stipulates a timetable and budget for developing the resettlement plan.

^{xxiii} Impacts are considered "minor" if the affected people are not physically displaced and less than 10% of their productive assets are lost.

^{xxiv} For purpose of this paragraph the term "subprojects" includes components and sub-components.

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

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

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

^{xxviii} Experience has shown that local NGOs often provide valuable assistance and ensure viable community participation.

^{xxix} OP 4.1 I, Safeguarding Cultural Property in Bank-Financed Projects.