



**THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA**  
**MINISTRY OF AGRICULTURE**

**AGRICULTURAL GROWTH PROGRAM II**

**RESETTLEMENT POLICY FRAMEWORK (RPF)**

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## **Acronyms**

ADLI	Agricultural Development-led Industrialization
AGP	Agricultural Growth Program
	CBO Community Based Organization
CRC	Compensation and Resettlement Committee
EPLAUA	Environmental Protection, Land Use and Administration Authority
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
GTP	Growth and Transformation Plan
HH	Household
IAs	Implementing Agencies
MoA	Ministry of Agriculture
NGO	Non-Government Organization
PAPs	Project Affected Persons
PDO	Project Development Objective
SNNPR	Southern Nations, Nationalities and Peoples' Region
RAP	Resettlement Action Plan
ROW	Right of Way
RPF	Resettlement Policy Framework

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## Executive Summary

The first phase of AGP will be closed by the end of September 2015 and its follow-up project (AGP-II) is being prepared. The principal aim of AGP-II is to support the government's strategy for agricultural growth, as articulated in its GTP and Agricultural Policy and Investment Framework (PIF). The Project Development Objective (PDO) emphasizes that growth should be inclusive and therefore would stress the participation of women and youth. The main target beneficiaries of the project would be small and medium scale farmers, often resource poor but with the potential to have or increase marketable surplus from crop and livestock. AGP-II would be follow-on from the current AGP. AGP-II will be implemented in 157 Woredas (61 new and 96 existing Woredas) in the existing four regions namely Oromia, Amhara, SNNP, and Tigray; and two news regions (Benishangul Gumuz and Gambella).

AGP-II has 5 Components and 18 subprojects. Subprojects which may result in land acquisition and property losses in AGP-II are under component 3 and 4, and are almost the same with that of the first generation of AGP. These mainly include small-scale agricultural water development and management (e.g. the development and management of small-scale irrigation schemes, water harvesting and micro-irrigation technologies and watershed based soil and water conservation), and small scale market infrastructure development and management (e.g. the development and management of feeder roads, footbridges, and market centers).

It is very unlikely that land acquisition and property losses will occur during the implementation of these subprojects. Small amounts of land acquisition and property losses may occur when implementing these subprojects. Therefore, OP 4.12 is triggered. This Resettlement Policy Framework (RPF) has been prepared for the purpose of establishing the principles and procedures to be applied in the event that involuntary resettlement, loss of land or other fixed assets, disturbance affecting livelihood or natural resource limitations leading to nonphysical displacement would arise as a result of the AGP-II implementation. The RPF is developed based on the World Bank Operational Policy 4.12 and the relevant national laws and regulations, will form the basis for resettlement planning. The RPF seeks to ensure that affected communities are meaningfully consulted, participated in the planning process, adequately compensated to the extent that their pre-displacement incomes have been restored, and the process is a fair and transparent. This Resettlement Policy Framework (RPF) outlines overall resettlement objectives and principles as well as funding mechanisms and organizational arrangements for any resettlement operation including the preparation, review, approval and implementation of Resettlement Action Plan(RAP).

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

The RPF and RAP/ implementation should be monitored and supervised, so as to assess/track whether the objective of the Policy on Involuntary Resettlement is achieved and whether the project affected people have had their livelihoods restored to levels prior to project or improved. This RPF also has a provision in doing so.

The RPF is complemented by a Social Assessment that: assesses key socio-economic factors that require consideration; identifies vulnerable and historically underserved groups that may be excluded from the project and be adversely affected as a result, and the necessary impact mitigating measures; assesses any potential adverse social impacts of AGP-II, and determine whether the project is likely to trigger other World Bank social safeguards policies; and, recommends in the early stage of project preparation the appropriate measures towards addressing World Bank requirements on social safeguards triggered by the project (OP/BP 4.10 and OP/BP 4.12).

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



## **1. Introduction**

### **1.1. Background**

Agriculture is the backbone of Ethiopian Economy. Cognizant of the paramount importance of agriculture, Ethiopia has established a national strategy where agriculture is the leading sector to enhance and ensure food security. This national strategy, Agricultural Development-led Industrialization (ADLI) is reflected in the Growth and Transformation Plan (GTP) of Ethiopia. Market-based agricultural development is the central theme of the GTP. To achieve the strategic interventions of the agricultural targets set in the GTP, the Government of Ethiopia designed and has been implementing a multi-donor financed Agricultural Growth Program (AGP) since March 2011. The prime objective of AGP is increasing agricultural productivity and market access of key crop and livestock products in targeted Woredas with increased participation of women and youth. The main components of the first phase of AGP were agricultural production and commercialization; Small-Scale Rural Infrastructure Development and Management; and AGP management, monitoring and coordination.

The first phase of AGP has been implementing a number of subproject registering a number of results, among others includes:

- ✓ Extension service provision to farmers in most of the program implementation areas has improved as a result of various capacity building activities implemented by the program thereby increased the production and productivity of smallholder farmers which is the core objective of the program;
- ✓ The service provision of various program implementing agencies/institutions have been improved through provision of office materials, training materials, and transportation facilities;
- ✓ Construction of 38 new SSI subprojects and rehabilitating and upgrading of existing 87 SSI subprojects benefiting a total of 15,276 number of peoples (2534 females). These SSI schemes have started functioning, and provided the water quantity required for continuous small scale irrigation use during dry season and increased the yield, cropping intensity, and irrigated land area;
- ✓ Introduction and establishment of 1423 micro irrigation subprojects like pond construction, hand dug well construction, and others benefiting 20930 numbers of peoples (3794 females). As a result of this, clear and measurable benefits in terms of productivity, household income, production diversification, and increasing the availability of varied household diets
- ✓ Construction of 95 rural feeder road (625.61km total) and 111 foot bridge subprojects which has: (a)shortened the travel time between the agricultural site and all weather road; (b) enabled community to transport their agricultural produce to market; (c) gave farmers easier access extension services; and (d) has significantly improved the accessibility of rural Kebeles during rainy season;

- ✓ Construction of 82 market centers creating enabling environment for the farmers, traders, and buyers like protecting the agricultural perishable products from damage and the buyers and traders from rain and sunlight;
- ✓ Implementation of watershed based soil and water conservation subprojects (in 298 micro watersheds) that has brought benefit like reduced land degradation, improved water flow for the SSI and micro-irrigation subprojects and improving the sustainability of the irrigation schemes and technologies by protecting them from flood damage and siltation problem; and
- ✓ others.

The first phase of AGP will be closed by the end of September, 2015 and its follow-up project (AGP-II) is being prepared. The principal aim of AGP-II is to support the government's strategy for agricultural growth, as articulated in its GTP and Agricultural Policy and Investment Framework (PIF). This requires both increases in productivity and commercialization. The focus is on those areas within Ethiopia which have a highest growth potential, based primarily on agro-ecological conditions and access to markets. The Project Development Objective (PDO) of AGP-II is to support sustainable and inclusive growth in the productivity of smallholder agriculture, promote improved nutrition, enhance market access through linkages with agricultural commodities value chain and improve the natural resource development through innovative and adaptive agricultural research activities with increased participation of women and youth. The main target beneficiaries of the project would be small and medium scale farmers, often resource poor but with the potential to have or increase marketable surplus from crop and livestock.

AGP-II would be follow-on from the current AGP. AGP-II will be implemented in 157 Woredas (61 new and 96 existing Woredas) in the existing four regions namely Oromia, Amhara, SNNP, and Tigray; and two new regions (Benishangul Gumuz and Gambella). The implementation will take place through the existing government structures and community institutions spanning from the Federal to the Kebele levels.

## **1.2. Description of the Project**

AGP-II has five major components and 18 subcomponents. These components and subcomponents facilitate: (i) adoption of improved technologies; (ii) ease of marketing; and (iii) enhanced implementation as well as management. These components, subcomponents and activities are described briefly below.

The description of each activities and subprojects under each component and subcomponents is well done in the PAD of AGP-II, and hence it is better to refer there. However, those subprojects and activities that may have environmental and social aspects are described briefly below.

### ***Component 1: Public Agricultural Support Services***

This component has two subcomponents including Institutional Strengthening and development, and Identification and Promotion of agricultural Technologies.

#### ***Subcomponent 1.1: Institutional Strengthening and Development***

The major activities included in this subcomponent are establishing and strengthening Agricultural Development Partner's Linkage Advisory Councils (ADPLACs), support to agricultural extension services, support to animal production and animal health services, support to natural resources management services, support to soil fertility management services, and strengthening promotion of agricultural mechanization technologies.

#### ***Subcomponent 1.2: Identification and Promotion of Agricultural Technologies***

The major activities included in this subcomponent are identification and compilation of best practices, and implementation of best practices.

### ***Component 2: Agricultural Research for Enhanced Technology Supply***

This component has five subcomponents: support to technology adaptation and generation; support to new/improved technology promotion for major commodities; support to technology adoption and impact, and technology based value chain research; support to source technology multiplication; support to capacity building to enhance technology adaptation, generation, maintenance and promotion.

#### ***Subcomponent 2.1: Support to Technology Adaptation and Generation***

The major activities in this subcomponent include support to adaptation and generation of crop technologies, support to adaptation and generation of livestock and forage technologies, support to adaptation and generation of land and water resources technologies, support to adaptation and generation of agricultural mechanization technologies for small and medium scale farmers, and support to agricultural technology adaptation and generation for climate resilience

#### ***Subcomponent 2.2: Support to New/Improved Technology Promotion for Major Commodities***

The main activities in this subcomponent are support to technology pre-extension demonstration and popularization, and support to establishing and strengthening of FREG (Farmers' Research and Extension Group) .

#### ***Subcomponent 2.3: Support to Technology Adoption and Impact, and Technology Based Value Chain Research***

The activities included in this subcomponent are support baseline studies of technology adoption and associated factors, Support impact studies of agricultural technologies and associated factors, Support to technology based value chains research, and support to develop and test weather index based insurance schemes for improved technology adoption.

*Subcomponent 2.4: Support to Source Technology Multiplication*

The main activities in this subcomponent include support to source technology multiplication of crops, support to multiplication of source technologies of released forage varieties and animal breeds, and support to land and water resources technology multiplication.

*Subcomponent 2.5: Support to Capacity Building to Enhance Technology Adaptation, Generation, Maintenance and Promotion.*

The main activities included in this subcomponent support to transport and agricultural mechanization and irrigation facilities, support to analytical and biotechnology laboratories, and support to human capacity development.

***Component 3: Small-Scale Irrigation Development***

This component has three subcomponents: Small-Scale Irrigation Infrastructure development and Improvement; Sub-component 3.2: Integrated Crop and Water Management (ICWM) for Irrigated Agriculture; and Implementation Arrangement.

*Subcomponent 3.1: Small-Scale Irrigation Infrastructure development and Improvement*

The main activities included in this subcomponent are rehabilitation and/or improvement of existing SSI systems, micro and household irrigation systems, establishment of new small-scale irrigation systems, and access road construction.

*Sub-component 3.2: Integrated Crop and Water Management (ICWM) for Irrigated Agriculture*

The main activities under this subcomponent include establishing and/or strengthening irrigation water users associations, introducing improved irrigated agriculture advisory/extension services, equipping implementing agencies, human resources capacity development, technical assistance, and irrigation performance assessment.

*Subcomponent 3.3: Implementation Arrangement*

This subcomponents is meant to describe the institutional arrangements from federal through regional, zone and Woreda level for the implementation of the small scale irrigation subprojects focusing mainly on feasibility study and design and preparation of bidding documents, construction, and construction supervision.

***Component 4: Agricultural Marketing and Agri-business Development***

This component has four subcomponents including support agricultural input supply system, establishing and strengthening farmer organizations, support agribusiness development, support market infrastructure development and management, and implementation arrangement.

*Subcomponent 4.1: Strengthening Agricultural Input Supply System*

The major activities under this subcomponent include support to improve input supply system, and strengthen input regulation and certification.

*Subcomponent 4.2: Strengthening of Farmers Organizations*

The major activities under this subcomponent include establishing and strengthening of formal farmer organizations, strengthening of informal farmer organizations (groups), strengthening agricultural cooperatives support services, and improving access to financial services.

*Subcomponent 4.3: Support Agri-business Development*

The activities under this subcomponent includes support to the coordination of value chain actors, and technical support to strengthen competitive agribusiness actors.

*Subcomponent 4.4: Support to Market Infrastructure Development and Management*

The major activities under this subcomponent that may have environmental and social aspects include construction and modernizing management of market centers; support the construction of warehouses, storage and grading, packaging facilities; development of Small Bridges; and support the development of market information systems.

*Subcomponent 4.5: Implementation Arrangement*

This subcomponent is meant to describe the implementation arrangement for the implementation of subprojects under component 4 from federal through region, zone, and Woreda level.

***Component 5: Program Management, and Monitoring and Evaluation***

This component has two subcomponents namely *Program Management and Institutional Arrangement, and Monitoring, Evaluation and Learning*. Since the activities in these subcomponents do not have environmental and social aspects, the activities are not treated here. It establishes oversight and coordination bodies and structures that ensure proper project management, enhanced project implementation, coordination and effective communication, dissemination of lessons learnt and building capacity for project management as well as implementation. This section also includes the monitoring and periodic reporting of the ESMF and RPF performance of AGP-II.

**1.3. Implementation Performance of the RPF during Phase-I of AGP**

A Resettlement Policy Framework (RPF) was prepared as part of the ESMF for the first phase of AGP, and it is being implemented when subprojects of AGP are implemented. The type of subprojects of the first phase of AGP which acquired land are small scale irrigation mainly construction of diversion weir with associated canals, construction of micro-irrigation subproject such as pond, hand dug wells, tube wells, and other; rural feeder road which a maximum length of 10km per Woreda/District having 6m width; and construction of market sheds and

warehouses. Since the nature of the irrigation subprojects and that of the rural feeder road subprojects are linear in their nature and small in scale, so far we did not encounter cases that significantly affect the farmers livelihood. Most of the rural feeder roads subprojects are constructed on the existing foot paths. Again, since the market sheds are constructed on existing market centers, most of the time, there is no land acquisition and property loss related social impacts. Those peoples that have market allotment at the existing market place got allotment after the completion of the market place as the market centers are constructed to create enabling environment for the traders and buyer like to reduce the impact of rain and sun on the perishable products and on buyers and traders.

The project has tried to avoid involuntary resettlements. In most cases, if the subproject would cause land acquisition and property losses, they were managed by changing the site, route and design of the subprojects. In some cases, strip of lands were acquired from farmers due to widening of existing foot paths into feeder roads construction and construction of main canal for the small scale irrigation subprojects. Since these subprojects are demanded by and implemented for the community, farmers provided those plots of lands voluntarily as they need these subprojects and are beneficiaries of these subprojects. The farmers confirm these during consultation and by signing on the consultation minutes.

However, there were inadequate documentation of the land acquisition process as required, though they were made on a voluntary basis. As agreed with the World Bank, to preclude any social risk, government will conduct an independent Social Audit, to take stock of all past sub projects in a systematic way to see if all land acquisition-related issues were completed in a manner satisfactory to the RPF/ WB policy; and moving forward, RAP will be used in cases where private land acquisition will result in a significant negative impact on income streams or necessitate physical resettlement of project-affected people, these impacts will be mitigated using sub-project-specific Resettlement Action Plans (RAPs) or Land Acquisition Plan (LAPs) which follow the guidance and criteria given in the project's Resettlement Policy Framework.

The main challenges for the implementation of the RPF during AGP-I were limitation in capacity and experience in addressing land acquisition and property losses; and limited effort made to improve the capacity of the implementing partners to addresses issues related to this. Therefore, these lessons will be internalized in the design of the AGP-II and adequate financial resources, including capacity will be provided for the implementation of the AGP-II to preclude any social risk

#### **1.4. Rationale for RPF and Potential Involuntary Resettlement Impacts**

Subprojects which may result land acquisition and property losses in AGP-II are under component 3 and 4, and are almost the same with that of the first generation of AGP. These mainly include small-scale agricultural water development and management (e.g. the

development and management of small-scale irrigation schemes, water harvesting and micro-irrigation technologies), and small scale market infrastructure development and management (e.g. the development and management of feeder roads, footbridges, and market centers).

It is very unlikely that land acquisition and property losses will occur during the implementation of these subprojects. However, due to implementation of subprojects under component 3 and 4, land acquisition and property losses may occur. Therefore, OP 4.12 is triggered and feasibility studies will be carried out during the implementation of these subprojects, the findings of these studies will inform the implementation of this Resettlement Policy Framework (RPF), which has been prepared for the purpose of establishing the principles and procedures to be applied in the event that involuntary resettlement, loss of land or other fixed assets, disturbance affecting livelihoods or natural resource limitations leading to any form of physical or economic displacement during the implementation of the AGP-II. The RPF is developed based on the World Bank Operational Policy 4.12 and the relevant national laws and regulations, which will form the basis for resettlement planning.

This RPF shall also address the gaps identified, as explained in section 1.3 above, during AGP-I implementation period. The RPF addresses issues of social impacts of the AGP-II like issues of land acquisition resulting from implementation of subproject investments that may or will result in loss of property or disturbance affecting livelihoods. Another AGP II document, the Environmental and Social Management Framework (ESMF) addresses physical environment and social impacts and can be applied together with this RPF. This RPF document is to be used by all implementers of AGP-II in order to ensure that all social safeguards related to Involuntary Resettlement are adequately addressed and that the relevant capacity and training needs are established in order for the recommended measures be implemented effectively.

## **2. Principles and Objectives of the RPF**

### **2.1. Objectives of the RPF**

The objectives of the RPF are to:

1. Establish the *Agricultural Growth Program-II (AGP-II)* resettlement and compensation principles and implementation arrangements;
2. Describe the legal and institutional framework underlying Ethiopian approaches for resettlement, compensation and rehabilitation;
3. Define the eligibility criteria for identification of project affected persons (PAPs) and entitlements;
4. Describe the consultation procedures and participatory approaches involving PAPs and other key stakeholders; and
5. Provide procedures for filing grievances and resolving disputes.

For AGP-II, the RPF will apply mainly to the implementation of subprojects under component 3 and 4, *small scale irrigation infrastructure development and management, water harvesting and micro-irrigation technologies, rural feeder road construction, and market center development and management.*

*The RPF therefore is prepared to guide and govern AGP-II as subprojects are selected for financing and sets out the elements that will be common to all subprojects that will entail involuntary resettlement, which will not be known by the time of project appraisal. The RPF provides the basis for preparing Resettlement Action Plan (RAP) for individual subprojects (if required) once their location and scope are known. Whenever a project activity or subproject results land acquisition, a RAP, which is a detailed action plan for each subproject, will have to be formulated and approved by the various AGP-II implementing agencies and the World Bank before the activity or sub-project can be implemented.*

Table 2.1 below, explains the screening process to be used to determine when to prepare a RAP.



**Table 2.1: Social safeguards Screening Information:**

	<b>Social safeguards screening information</b>	<b>Yes</b>	<b>No</b>
1	Will the project reduce other people’s access to their economic resources, like land, pasture, water, public services or other resources that they depend on?		
2	Will the project result in resettlement of individuals or families or require the acquisition of land (public or private, temporarily or permanently) for its development?		
3	Will the project result in the temporary or permanent loss of crops, fruit trees and Household infra-structure (such as granaries, outside toilets and kitchens, etc)?		
4	Will the project require excavation near any historical, archaeological or cultural heritage site?		
5	Might the project adversely affect vulnerable people (e.g., elderly poor pensioners, physically challenged, women, particularly head of Households or widows etc) living in the area?		
For all issues indicated by “Yes”, the project implementer is expected to explain how he/she intends to mitigate them. Implementation of the mitigation measures will require using the <b>Resettlement Action Plan</b>			

When a Resettlement Action Plan (RAP) is required, it will be prepared in accordance with guidance provided in this RPF, including Detailed Measurement Surveys, Identification (Census) of PAPs/displaced persons, and Public Consultation and Disclosure Procedures. The RPF follows the guidance provided in the World Bank Operational Policy on Involuntary Resettlement (OP 4.12). The impacts of any potential resettlement activities will be monitored and evaluated as set out in section 10 of this RPF.

The RPF ensures that any possible adverse impacts of proposed project activities are addressed through appropriate mitigation measures, in particular, against potential impoverishment risks.

## **2.2. Principles of the RPF of AGP-II**

The RPF is guided by a set of policy principles described below.

- Involuntary resettlement and land acquisition will be avoided where feasible, or minimized, by exploring all viable alternatives.
- Where involuntary resettlement and land acquisition is unavoidable:
  - Resettlement and compensation activities will be conceived and executed as sustainable development programs.

- Displaced and compensated persons will be meaningfully consulted and will have opportunities to participate in planning and implementing resettlement and compensation programs.
- Displaced and compensated persons will be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them.

The RPF seeks to ensure that affected communities are meaningfully consulted, have participated in the planning process, are adequately compensated to the extent that their pre-displacement incomes have been restored, and the process is fair and transparent.

The RPF is complemented by a Social Assessment that: assesses key socio-economic factors that require consideration; identifies vulnerable and historically underserved groups that may be excluded from the project and be adversely affected as a result, and the necessary impact mitigating measures; assesses any potential adverse social impacts of AGP-II, and determine whether the project is likely to trigger other World Bank social safeguards policies; and, recommends in the early stage of project preparation the appropriate measures towards addressing World Bank requirements on social safeguards triggered by the project (OP/BP 4.10 and OP/BP 4.12).

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

### 3. Project Target Areas

The AGP-II intervention areas will focus on the existing high potential Woredas in Oromia, Amhara, Southern Nations, Nationalities and People’s (SNNP); and Tigray regional states. However, the number of Woredas will be increased from 96 to 157 through inclusion of additional 61 high potential Woredas selected from the same existing four regions in the same zones; and from additional new two regions (Benishangul Gumuz, and Gambella). Figure 3.1 below shows only 96 existing Woredas from the existing four regions. The selection of the remaining 61 Woredas is underway. When it is finalized, the figure/map will be updated

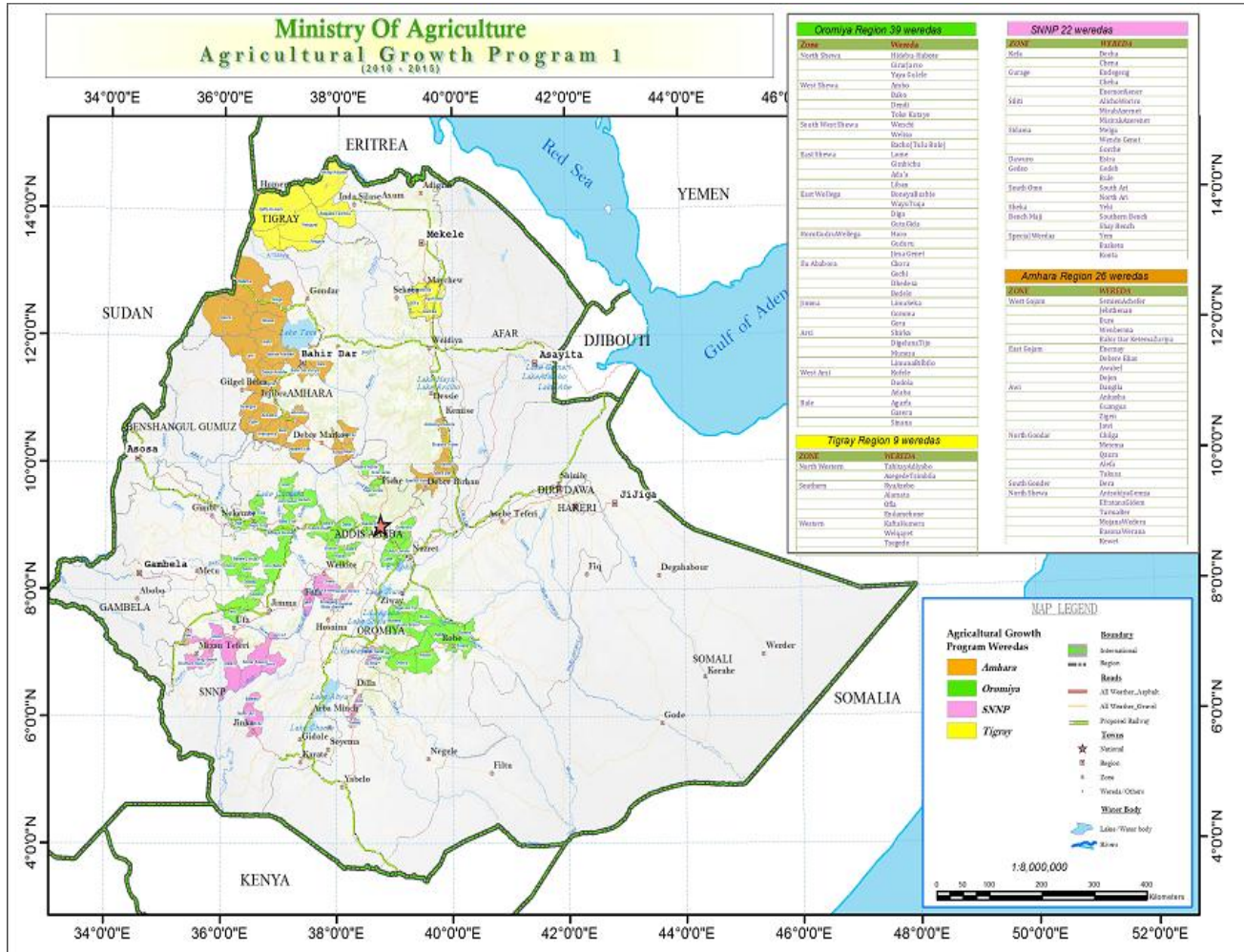


Fig. 3. 1: AGP intervention Woredas in the four existing AGP-I regions

#### 3.1 Environmental and Social Context and Baseline Conditions

AGP-II will be implemented in different agro-ecological zones and eight national regional states characterized by different regimes of rainfall, temperature, growing periods, socioeconomic and biophysical environments. The environmental and social baseline condition of the four AGP-II intervention regions is briefly described below.

### 3.1.1 Physical Environment

#### *Relief*

The relief of AGP-II intervention regions is characterized by diverse relief including plains, gorges, plateaus, hills and mountains.

#### *Climate*

Lowlands AGP-II intervention regions experience high temperature and low precipitation; whereas, highlands experience amiable temperature and ample rainfall. In general, mean annual temperature in the regions varies from less than 10<sup>0</sup>c in high altitudes (cool) to over 30<sup>0</sup>c in tropical lowlands. Generally, the regions experience annual temperature ranging from 10<sup>0</sup>C to 30<sup>0</sup>C, with mean annual temperature of 19<sup>0</sup>C, where the highlands and mountainous areas in the regions receive lowest mean annual temperature, while lowlands and valley bottoms get highest mean annual temperature records. The amount, duration and intensity of rainfall in the four AGP-II regions vary considerably. The annual rainfall in the regions ranges from 303-2553mm where the highest rainfall record is observed in the highland areas while the lowest precipitation amount is recorded in the low land parts of the regions.

#### *Soil and Geology*

Though there are a number of soil types found in the AGP-II intervention regions, the major soil types includes Nitosols, Vertisols, Cambisols, Acrisols, Luvisols, Lithosols, Aluvisols, Arenosols and Regolsols. In general, most of the soils of have good agricultural potentials. However, soils on the highlands of the regions have been subjected to serious erosion due to human activities (deforestation, over cultivation, poor farming practices, etc). The Precambrian, Palaeozoic, Mesozoic, and Cenozoic rocks are the three main geologic formation found in the AGP-II regions. Proterozoic rock formation is also found in the Tigray regional state.

#### *Water Resources (River Basin and Lakes)*

The eight AGP-II intervention regions are rich for their abundant surface and ground water resources potential. Large areas of the regions are drained by many major rivers, streams and lake basins. The main river basins in the AGP-II regions includes Nile/Abay/Basin, Baro Basin, Gibe/Omo/Basin, Awash Basin, Wabi Shebele Basin, Genale basin, Rift Valley Basin, and Segan Basin all found in Oromia region; Abay River / Blue Nile/, Tekeze River, Jema river and Awash River basins which are found in Amhara region; Baro-Akobo, Omo-Gibe, Genale and Rift Valley drainage basins and the Awash basin found in SNNPR regions; and Tekeze, Mereb and Denakil basin found in Tigray region. There are also a number of sub-basins and tributary rivers. There are a number lakes found in the AGP-II intervention areas like Lake Tana, Zengena and Haik in Amhara region; lake Abaya-the largest rift valley lake in Ethiopia, Chamo, Awassa, and Rudolf in SNNPR; Ashengie lake in Tigray region; and Ziway/Dembel, Abijata, Shalla, Langano, Beseka, Abaya, Istifani and Awasa (the last three lakes shared with Oromia

region) found in SNNPR; lake Chukala, Hora (Kilole), Bishoftu (Babogeya), Hora Oda (Arsede), Megerisa, Wenchi and Dendi in Oromia region.

In addition to terrestrial water (rivers and lakes), the regions have also high potential of underground water. Particularly Bacho Plains (in West and South West Shewa of Oromia region) and Rift Valley areas (East Shewa and Borena of Oromia region) have huge underground water potential. Bacho plains and Rift Valley are the second and third largest, respectively at national level regarding their underground water reserve.

### **3.1.2 Biological Environment**

#### *Forests*

Though AGP-II will be implemented in mainly in agricultural lands of the eight regions (Oromia, Amhara, SNNPR and Tigray, Gambella, Ben-Gumuz, Harar and Dire Dawa), there are priority forest areas, virgin forests, plantation forests, bushes and shrubs found in these AGP-II intervention regions. Out of the 58 National Forest Priority Areas of the Country, 49 are found in Oromia (some in AGP-II intervention areas and some not). Their areal coverage accounts for about 8.1% of the total surface area of the Region. The region has forest of rich biodiversity like Harena (Bale), Chilimo (West Shewa, Dendi woreda), Yayu (Ilu Abba Bor), Dindin (West Wellega), Anfarara (Guji), Munessa (West Arsi) and Menagesha Suba (Finfinne Surrounding, Wolmera woreda ) forests.

Keffa, Bench Maji and Sheka zones forest are among the few remnant wet afro-montane forests of Ethiopia.

The natural forest in Amhara Region is heavily depleted and degraded by intensive human interference, mainly for agricultural purpose and for energy (firewood) production. Currently less than 10% of the total estimated forest area is considered to be natural forest in the Region. To conserve and sustainably utilize the resource the region identified 17 priority forest areas which comprise both natural and plantation that are used for source of seed and commercial. Among these, 3 (Wof Washa in North Shewa, Illa in Guanga Woreda, and Yegodena in Awabel woreda) of them are found in AGP-II intervention Woredas.

Tigray region has 6 state forests. These are Wujig-Mahgo-Waren natural forest (in Southern zone); Hugumburda-Gratkahassu (Southern), Hirmi (North Eastern), Waldiba (North Western), Asimba (Eastern) and Desia (Eastern zone).

#### *Parks*

In the eight AGP-II intervention regions, there are a number of national parks, regional parks, sanctuaries, wildlife reserve areas, and controlled hunting areas. In Oromia region there are three national parks (Bale Mountains, Awash and Abijatta Shalla) and regional (Dhera

Zilfekar), five sanctuaries (Sankalle, Yabello, Babile, Erer-fafen and Kuni Muktar) and three wildlife reserves (Awash, Bale and Chelbi) and many controlled hunting areas that hosted mammals, birds, grazers, browsers and hunters. Tigray region has one national park which is Kafta-Sheraro national park (in Western and North Western zones). Siemen Mountains National Park and one regional park (Halatish) are found in Amhara regional state. SNNPR encompasses 5 national parks (Mago National Park, Nechsar National Park, Omo National Park, Chebera Churchura, and Maze Park), 2 wild life reserves (Chewbahir, and Tana) and 6 (Akobo, Boyo Swamp, Maze sheleko, omo West, Murle, and segen) controlled hunting areas. In Gambella region, Gambella National Park is found. It is the largest protected area in Ethiopia.

### *Flora*

The most common tree/shrub species found in the above parks and forests are: *Croton macrostachyus*, *Phonix reclinata*, *Vepris dainelli*, *Sapium ellepticum*, *Pouteria adolfriedericii*, *Chionanthus mildbraedii*, *Dracaena steudneri*, *Schefflera volkensii*, *Milletia ferruginea*, *Chionanthus mildbraedii*, *Macaranga capensis*, and *Psychotria orophila*, *Ole Africana*, *Juniperous procera*, *Podocarpus Falcatus*, *Acacia species*, *HygeniaAabyssinica*, *Ximenia American* and *Ficus*.

Endemic plants found especially in the Bonga, Bogineda and Mankira forest of the SNNPR include: *Erythrina brucei*, *Milletia ferruginea*, *Solanecio gigas*, *Tiliacora troupinii* *Menispermaceae*, *Vepris dainelli*, *Aframomum corrorima*, *Brillantaisia grotanellii*, *Satureja paradoxa*, *Vernonia tewoldei*, *Mikaniopsis clematoides*, *Lippia adoensis*, *Clematis longicauda*, *Pilea bambuseti ssp aethiopica*, *Pentas tenuis*, *Dorstenia soerenzenii*, *Phyllanthus limmuensis*, and *Cyrtorchis ehrythraeae*.

### *Fauna*

In Oromia region, Awash National Park alone has 400 species of birds and 46 species of animals like lion, Grivet Monkey, Beissa Oryx, Greater Kudu, Lesser Kudu, Swayne's Hartebeest, Hamadryas Baboon, Anubis Baboon, Defaffa Waterbuck and Salt's Dik-dik. Bale Mountains National Park, has 200 bird species (like Wattled Ibis, Black-winged, Lovebird, Wattled Crane, Rouget's Rail, etc) and 46 mammals including Mt. Nyala, Red Fox, Menelik's Bushbuck, Duiker, Warthog, Leopard, Bohor Reedbuck, Serval Cat, Colobus Monkey and Anubis Baboon. And, Abijata-Shalla Lakes National Park hosts 367 different species of birds (like Great White Pelicans, Greater and Lesser Flamingos and Sacred Ibis) and 31 species of mammals (spotted hyena, Golden and Black Backed Jackals, Olive Baboon, Grant's gazelle, etc). In addition, there are elephants, cheetahs, buffalo, Oribi Warthog, Bohor Reedbuck, Civet Cat and various birds and other wildlife species in sanctuaries, reserves and controlled hunting areas in the Region.

The major wild animals found in the national parks, wild life reserves, controlled hunting areas and in the water bodies of the SNNPR includes Nubian Giraffe, Elephant, Buffalo, Black Rhinoceros, Hippopotamus, Bruthles Zebera, Gravey's Zebera, Swayn's Hartbeast (which is endemic), Lewel Hart beast, Eland, Defarsa(water buck), Oryx, Lessser kudu, Grants Gazelle, Lion, Cheetah, Warthog, Aardvark, Civet, Caracal, Aardwolf, Hyna, Colobus Monkey, D-Brazza's monkey, ostrich, Crocodile and other reptiles, Amphibians and Bird species.

In Amhara region, Walia Ibex, Simen Fox, Gelada Baboons and different species of birds, most of which are endemic to Ethiopia are found in Semien Mountain National Park. Endangered bird species in Amahara region include Harwood, Francolin and Ostrich. Similarly, In Tigray regions, there are a number of flora and fauna found in the parks, water bodies and forests. The Gambella National Parks help protect the diverse and abundant wildlife, particularly the thousands of White eared Kob that migrated to and from the park each year.

### **3.1.3 Socio-economic conditions**

The major economic sector for existence of the people of the AGP-II regions, like that of other regions in the country, is agriculture in majority being mixed farming. That is the farmers exercise both crop farming and animal husbandry at the same time. Ox farming is implemented by the smallholders covering the majority of the farmers. Livestock serves as a source of manure and fuel, pay land tax, fertilizers and as a saving to buffer bleak seasons of food/seed shortage. Due to the high complexity and strong inter-linkage between crop production and livestock tending, it is difficult to consider the two livelihoods separately. Over 90% of the people of AGP-II intervention regions live in the rural area and agriculture has been remained the source of livelihood for the overwhelming majority of the people of the regions.

Livestock plays a significant role in the economy of the country as well as the regions in general and the farmers and households in particular. In general, they provide food (milk, meat, egg, hides and skins, etc), draught power for cultivation, serve as a means of transportation and as a saving or hoarding. They are also kept for prestige as an indication of social status and wealth in the society.

### **3.2 Community Consultations and Support for the Project and RPF**

Under AGP-II, World Bank safeguard policy; OP/BP 4.12 will be triggered if any sub-projects that will be found, upon screening as per the ESMF of AGP-II, acquisition of land and property losses and/or reduced access to natural resources. In addition to the OP4.12 requirements, this RPF will also apply the national and regional laws, legislation, and regulations governing the use of land and other assets in Ethiopia (refer annex 7, 8, & 9 of this RPF). In order to ensure the acceptance of RPF by communities, Woreda, and regional governments; public consultations were conducted in the six AGP-II regions (Oromia, Amhara, SNNPR, Tigray, Benishangul Gumuz, and Gambella), 26 sample Woredas of the same six AGP-II regions, and 40 Kebeles

found in these 26 sample Woreda. The consultations were conducted from August 1-25, 2014 in the four existing AGP regions, and from December 18-25, 2014 for the new participating regions. The participants of the regional level consultation were regional AGP technical committee members mainly from Bureau of Agriculture, bureau of water resources development/irrigation agency, bureau of road authority, bureau of trade and industry, bureau of, EPLAUA, and others. The Woreda participants were SC and TC of AGP. At Kebele level, the KDC members, beneficiaries, and PAPs were participated in the consultation sessions. Accordingly, 72 consultation meetings were held (6 at regional level, 26 at Woreda level, and 40 at Kebele/community level). The consultation was aimed at exploring and soliciting feedback from PAPs and AGP implementing agencies at regional, Woreda and Kebele level on key elements of the RPF, particularly, the procedures and implementation arrangement, land compensation/entitlement matrix, dispute resolution and grievance procedures, monitoring and evaluation processes. The detailed report of consultations is presented as follows:

### **3.2.1 Consultation Approaches**

These consultation meetings were facilitated mainly by the federal and regional AGP environmental and social safeguard specialists. Regional level EPLAUA, staffs of BoA (for the new regions) and AGP-CU staffs participated on the facilitation of the consultation meetings.

The following strategies were used to organize the meetings:

- ✓ For the consultation meetings at regional, Woreda, and Kebele/community level, consultation topics/issues were prepared by the regional and federal AGP safeguard specialists ahead of the meetings.
- ✓ For the regional level consultation meetings in the existing AGP regions, the federal level AGP safeguard specialist together with the regional safeguard specialists at each AGP intervention regions facilitated the meetings. The regional AGP-CU wrote an invitation letter for each AGP implementing agencies at regional level to come to the consultation meetings. For the new AGP regions (Benishangul Gumuz and Gambella regions), the federal AGP-CU and BoA in each respective regions took the responsibility to facilitate the meetings. Experts and process owners of each implementing agencies participated on the meetings. Then discussions were held at each of the AGP implementing regions.
- ✓ For the Woreda level consultation meetings, the regional AGP safeguard specialists together with the Woreda AGP coordinators facilitated the meetings. The Woreda office of agriculture announce the Woreda AGP SC and TC to come to the consultation meetings. Discussions were held with each of the 22 existing Woreda SC and TC. For the 4 new Woredas in the new regions, the Woreda Office of Agriculture and Woreda Administration took the responsibility to facilitate the meeting including announcing Woreda AGP-II implementing agencies to come to the meetings.



- ✓ Kebele/community level consultation meetings were facilitated by the regional AGP safeguard specialists, Woreda and Kebele administration in each respective 26 Woredas and 40 Kebeles. The announcement for the Kebele/community consultation at each Kebele was done by Kebele Administrator. Cultural leaders, people to be affected by the projects including landholder who will be impacted during the RAP implementation process, and Kebele Development Committees (KDCs) were invited to participate in the community consultation.
- ✓ All community social classes such as religious and clan leaders, women, minorities, disabled societies and youth were targeted and participated in the community consultation meetings.

### 3.2.2 Consultation Meetings Participants

**Table 3.1. Number of Participants in the Consultation Meetings**

Region	# of Woreda	# of Kebele	Female	Male	Total
<b>Region Consultation Meetings</b>					
Oromia			2	8	10
Amhara			3	19	22
SNNPR			2	15	17
Tigray			1	5	6
Benishangul Gumuz			-	2	2
Gambella			-	4	4
<b>Regional Total participants</b>			<b>8</b>	<b>53</b>	<b>61</b>
<b>Woreda Consultation Meetings</b>					
Oromia	6		8	57	65
Amhara	7		4	40	44
SNNPR	4		8	39	47
Tigray	5		2	31	33
Benishangul Gumuz	2		13	18	31
Gambella	2		18	31	49
<b>Woreda Total Participants</b>	<b>26</b>		<b>53</b>	<b>216</b>	<b>269</b>
<b>Kebele/Community Consultation Meetings</b>					
Oromia		11	14	85	99
Amhara		14	2	31	33
SNNPR		4	7	33	40
Tigray		7	5	14	19
Benishangul Gumuz		2	13	18	31
Gambella		2	19	30	49
<b>Kebele total Participants</b>			<b>60</b>	<b>211</b>	<b>271</b>
<b>Grand Total Participants</b>	<b>26</b>	<b>40</b>	<b>121</b>	<b>480</b>	<b>601</b>

### **3.3 Issues Discussed During Consultation**

During the consultation meetings held at region, Woreda and community/Kebele level, key elements of the RPF and the project such as land acquisition and compensation, entitlement matrix, institutional arrangement, grievance redress mechanism, monitoring and evaluation were discussed to seek broad support from the implementing partners and the community. The experience of RPF implementation during AGP-I implementation period, the gaps/challenges and actions to be taken during AGP-II implementation period were discussed as well as the key elements of this RPF. The experiences of new AGP-II regions were discussed, particularly on how to manage social safeguard issues related to Involuntary Resettlement. During the meetings, the facilitators briefed participants on the aim of RPF and why it is necessary, and relationship with OP 4.12 World Bank safeguard policy on land acquisition, and the national legal requirements (mainly proclamation 455/2005 and regulation 135/2007). The procedures and implementation arrangement of RPF as it relates to land acquisition and property losses, compensation and reduced access to natural resources and the issues of participation of the PAPs. Following the brief introduction of facilitators, the implementing partners and the community openly expressed their views and the outputs of the public consultations are presented as follows.

#### **Land Acquisition and Compensation**

On the issues of land acquisition and compensation and reduced access to natural resource that might result because of land acquisition and property losses by AGP-II, the participants explained that they knew the implementation of community subprojects (mainly include small-scale agricultural water development and management such as the development and management of small-scale irrigation schemes, water harvesting and micro-irrigation technologies and watershed based soil and water conservation; and small scale market infrastructure development and management such as the development and management of feeder roads, footbridges, and market centers) obviously need a piece of land.

In this regard, the regional and Woreda level participants indicated that so far during the implementation of AGP-I, there is no as such significant impact related to land acquisition and property losses. The participants also indicated that since AGP subprojects are small in scale and are linear in their nature (construction of irrigation canals; construction of rural feeder road which most of the time constructed on the existing foot path having a maximum rout length of 10 km per subproject; and construction of market sheds most of the time improvement of the existing market place), there is no significant land acquisition and property losses. Strips of lands were to be taken during implementation of these subprojects. In these cases, most impacts were addressed by site, rout/alignment and design changes. If it was not possible to avoid by site, rout and design change, the PAPs were consulted. The PAPs were consulted and did not claim for these strip lands. Since the subprojects are benefiting the whole community and the PAPs, they provided the land voluntarily. The minutes of the consultation were documented and show that

all decisions reached with the PAPs with respect to these voluntary land donations were based on consultation with the owners. The participants appreciated the provision and implementation procedures indicated in this RPF to address the land acquisition and property losses.

The community/Kebele level participants of the consultation meetings responded that the impact as a result of the implementation of AGP-I subprojects so far were limited. They also reached consent that AGP is a multi sectoral project that helps them to solve most of the socio-economic and environmental degradation problem, and hence they fully participate in the project success.

The participants of the community consultation confirmed that, from their experience of AGP-I implementation period, land supply for such small development investment hasn't been an issue. However, they have confirmed that the preparation of RPF under AGP-II allows for due care to ensure that there is no unlawful expropriation of land and property from the land holders. They also indicated that land acquisition and property losses shall be avoided and or minimized, where it is necessary.

### **Entitlement Matrix**

The participants of the consultation meetings at all level have the knowledge that the people of Ethiopia are given the right to improved living standards and sustainable development and the right to be consulted with respect to policies and projects affecting their communities (*1995 Constitution Articles 43(1) and 43(2)*). Additionally, all international agreements and relations by the State must protect and ensure Ethiopia's right to sustainable development (*1995 Constitution Article 43(3)*). Lastly, the *1995 Constitution Article 44* guarantees the right to a clean and healthy environment.

The *1995 Constitution Article 40(8)* provides that “without prejudice to the right to private property, the state may expropriate private property for public use with the prior payment of adequate compensation.” The participants of the consultation meetings openly expressed that they are aware of the fact that PAPs who have been displaced or whose livelihoods have been adversely affected by a state program are provided, under the *1995 Constitution Article 44*, to some form of compensation for their loss. Furthermore, they highlighted the provision of proclamation No. 455/2005 which indicates that project affected persons would be represented in the *Kebele* valuation and compensation committee. They accepted the entitlement matrix as been fair.

### **Institutional Arrangement**

The participants of the consultations at regional and Woreda level indicated that the institutional arrangement stipulated in the RPF was clear and they were aware of that. However, there were limitation in implementing the RPF using the institutional arrangement set in the RPF due to limited sector integrations. The participants also indicated that there was capacity limitation among sectors in implementing the RPF. The participants indicated that for AGP-II, human

capacity of the sectors need to be enhanced so as to implement the RPF successfully. The participants also reached a consent that the RPF will be implemented with strong sector integration taking lesson from AGP-I implementation. The regional and Woreda AGP-II implementers indicated that though they are new for AGP, respective implementing agencies are responsible for the proper management of the land acquisition and property losses. However, timely and proper training shall be given in this regards.

The participants of the community consultations were asked whether they knew how the project would be implemented and the implementers of the project. The participants responded that AGP is a community demand driven project in which the communities are main actor involved in the whole project cycle management starting from subproject identification through planning, implementation, monitoring and evaluation. The participants also indicated that communities participated through Kebele development Committees (KDCs) and Sub-Kebele Development Committees (SKDCs) in subproject review and appraisal, and environmental and social screening of subprojects. They have mentioned that they know regional and Woreda level institutions and their responsibilities in implementing the project, and providing technical support including providing capacity building trainings and experience sharing programs. Participants of the community consultation meetings indicated that the implementation arrangement as indicated in RPF concerning compensation of the affected peoples is acceptable. They appreciated the CLPP approach adopted by the project during subproject identification and planning, and further involvement of the community in the project implementation, monitoring and evaluation while emphasizing that the project should continue with this approach in AGP-II implementation period. Participants of the community consultations for the new regions indicated that they are new for the project, there is some clarity problem. if proper and timely training is provided to them, there may not be big problem. The project agreed to provide such training during implementation.

### **Participatory Monitoring and Evaluation**

The participants of the regional and Woreda consultation meetings indicated that implementing agencies at regional and Woreda levels are responsible for monitoring the implementation of the subproject though there was limitation in frequency of doing it. However, the monitoring of the RPF and other safeguard instrument like ESMF implementation can be improved through provision of capacity building and training activities to the various implementing agencies. The community participants at the consultation meetings, noted limited attention given to safeguard issues and the focus on the physical implementation of the subprojects. They also mentioned capacity problem, and absence of staffs to do so. All participants in the meetings agreed that this has to be reversed in AGP-II. Participants from the new regions also mentioned that there is limited experience in undertaking monitoring of environmental and social issues. However, they indicated that for the sustainable management of the project, environmental and social monitoring should also be given attention.

The participants in the various community consultations indicated that the project follows CLPP approach, and hence the communities have been directly participating in every stages of project including planning, implementation, monitoring and evaluation with technical support from regions and Woredas. The monitoring and evaluation is done at all levels. Participants of the consultation meetings stressed that communities are regularly holding discussion, follow up day to day evaluation of the implementation of project. Besides, the communities contribute both cash and labor/local materials for the implementation of subprojects especially during the implementation of environmental rehabilitation and protection subprojects, construction of small scale and micro irrigation subprojects, road construction subprojects and market shed construction subprojects. Women and other vulnerable groups also participate on project identification, planning, implementation and monitoring activities. The participants of the community consultation indicated that they have the experience to participate in project monitoring and evaluation. However, they have limited experience in environmental and social monitoring. If training and technical support are given it will be manageable.

### **Grievance Handling Mechanism**

The participants of the consultation meetings in the existing regions, Woredas, and Kebeles responded that the AGP laid down its grievance handling structure from the Kebele to the Woreda level to ensure transparency and equal access to resources and information regarding AGP activities, and issues related to land acquisition and property losses. However, participants from the new regions, Woredas and Kebeles indicated that, since AGP is new, there is no such arrangement. They indicated that they were handling grievance using the existing conventional government system.

Participants were informed that grievances at the Woreda level, Compensation and Resettlement Committee (CRC) is organized from different sector offices as indicated in section 6.2 of this RPF, Community Representative; and Representative from local NGO or CBO. Similarly, Kebele CRC is established with membership from *Kebele* Administrator (Chairperson); *Kebele* Development Agent (extension worker); two representative from PAPs; Village Elder/Leader (rotating position with one Leader representing a number of villages and attending in rotation, depending on the village and affected party being dealt with); women representative and Representative from local NGO or CBO.

The participants of the consultation meetings (in the existing regions) at different level including the Kebele/community level consultation indicated that the number of appeals related to land acquisition and property losses were rare in AGP-I implementation period. When the cases existed, the appeals were managed using the established Grievance Handling Mechanism (GHM) as stipulated in this RPF. They also appreciated implementation arrangement of the Grievance Handling Mechanism by the project to handle any complaint related to the land acquisition and

property losses resulting from the project implementation. The participants also stressed that the proper functioning of the GHM should be monitored during AGP-II implementation.

#### **4. Legal and Regulatory Frameworks**

This section of the RPF will describe the laws, legislation, regulations, and local rules governing the use of land and other assets in Ethiopia.

##### **4.1. Political Economy and Governance in Ethiopia**

Land rights in Ethiopia do not explicitly provide private property rights. After the *Proclamations No. 31/1975 and 47/1975*<sup>1</sup>, ownership of land was vested in the State, and Ethiopian citizens were given various forms of use-rights (usufruct) over land and other resources. Accordingly, the *1995 Constitution Article 40(3)* recognizes land as a common property of the Nations, Nationalities, and Peoples of Ethiopia and prohibits sale or any other exchange of land.

In some cases, the user of land has ownership of his/her possessions with the right to benefits from the fruits of his/her labour. This includes crops, perennial crops, tress for timber, etc. found on the land or any other permanent fixtures such as residential house, business installations, stores and fences, amongst others (*Proclamations No. 31/1975 and 47/1975*). The *1995 Constitution Article 40(7)* reiterates and furthers this point by stating, “Every Ethiopian shall have the full right to the immovable property he builds and to the permanent improvements he brings about on the land by his labour or capital. This right shall include the right to alienate, to bequeath, and, where the right to use expires, to remove his property, transfer his title, or claim compensation for it.”

Regional states are responsible for administering land, enacting law that is in conformity with the provisions on environmental protection and federal utilization policies (*Proclamation No. 89/1997 and Proclamation No. 456/2005 Article 17(1)*). Additionally, *Zikre Hig Regulation No. 6/2002* provides for the lease holding of urban land for a specific period of time, and also regulates the lease period for different functions, grade of land and payment of lease. Lastly, the law regulates manners of expropriation of land and designates land that can be expropriated for public use without payment of compensation.

These rights over “holding land” are open-ended (no time limit on this usufruct), subject to a proof of permanent physical property, ability to farm continuously and meet administrative dues and obligations (*1995 Constitution Article 40(3)*). Furthermore, *Proclamation No. 89/1997*

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<sup>1</sup> Before 1975, the 1960 Civil Code of the Empire provide for private land ownership. As this law has been overruled by these laws and *Proclamation No. 455/2005* regarding compensation, it should not serve as the legal framework for resettlement.

confirms and details the Constitutional principle that holding rights on land can be assigned to peasants and pastoralists, and that these are to be secured from eviction and displacement. The *1995 Constitutions Articles 40(4) and 40(5)* provide for free land without payment for farmers and pastoralists. Lastly, *Proclamation No. 80/1993* allows companies to attain access to land through auction, allocation, or lottery, similar to individuals.

Overall, the Constitution protects against unlawful seizure of property, stating “Everyone shall have the right to his privacy and physical integrity. This right shall include protection from searches of his person, his home, his property and protection from seizure of property under his possession” (*1995 Constitution Article 26*). “Landholder” means an “individual, government, or private organization or any...other...organ which has legal personality and has lawful possession over the land to be expropriated and owns property situated thereon” (*Proclamation No. 455/2005 Article 2(3)*).

The key institutional actors involved in resettlement are the local governments of Ethiopia at the *Woreda (Woreda Compensation and Resettlement Committee - CRC)* and *Kebele (Kebele CRC)* levels. This keeps in line with the Government’s policy of decentralization. The responsibilities of the federal and regional governments are confined to the actual project’s implementation. Agencies that tend to be included are the federal and regional ministries of Finance and Economic Development and the ministries associated with the sector of the project like the Ministry of Agriculture in this case. For the detail of the responsibility of the CRCs, see section 5.2 (RAP/ implementing agencies) of this RPF.

#### **4.2. Property and Land Rights of Ethiopia**

The 1995 Constitution of Ethiopia, Article 40(2), 40(4), 40(5) and 40(8) includes provisions that protect the Ethiopian citizen’s rights to private property and set conditions for expropriation of such property for state or public interests. For immovable property built on land, the Constitution states that “Every Ethiopian shall have the full right to the immovable property he builds on the land and to the improvements he brings about on the land by his labour or capital.” According to Article 40(8) of the Constitution, the State may expropriate private rights over land: “without prejudice to the right to private property, the government may expropriate private property for public purpose” with prior payment of adequate compensation. Again, Article 44(2) of the 1995 Constitution stipulates that all people who have been displaced or whose livelihoods have been adversely affected as a result of State programs shall have the right to receive adequate monetary or other alternative compensation, including transfer with assistance to another locality.

The power to expropriate landholdings for a development project belongs to a *Woreda* (rural local government) or urban administration (*Proclamation No. 455/2005 Article 3*). The implementing agency is required to provide written notification, with details of timing and compensation, which cannot be less than 90 days from notification (*Proclamation No. 455/2005*

*Article 4*). Any entitled landholder who has been served with an expropriation order shall hand over the land to the local *Woreda* or urban administration within 90 days from the date of payment of compensation should the leaseholder accept payment. Furthermore, where there is no crop or other properties on the expropriated land, the titleholder shall hand over the land within 30 days of receipt of expropriation order. Lastly, Article 4 (3) gives power to use police force if a landholder is unwilling to hand over land.

The implementing agency is responsible for gathering data on the land needed and works, and sending this to the appropriate officials for permission. It is also required to compensate affected landholders (*Proclamation No. 455/2005 Article 5*).

For example, regarding the removal of utility lines, the relevant government body must give a written request to the affected landholder, and this body must determine a fair compensation within 30 days (*Proclamation No. 455/2005 Article 6*). Compensation must be paid within 30 days of the receipt of the valuation, and the landholder must vacate the land within 60 days of receipt of compensation.

### **4.3. Acquisition and Valuation of Land and Other Assets**

Land valuations are often done at the *Woreda* and urban administration levels. These local governments establish valuation committees to value private properties (*Proclamation No. 455/2005*). In the case of publicly owned infrastructure with a designated right-of-way (ROW), the owners of the structures within the ROW would assess the value of properties to be removed. However, the law does not take into account depreciation values. The landholder is entitled to be compensated for the property on the basis of replacement cost based on current market price. Permanent improvements to the land, equal to the value of capital and labour expended (*Proclamation No. 455/2005 Article 7*), are specified as valid basis for determining replacement value. Where property is on urban land, the law specifies that compensation “may not be less than constructing a single room in low cost house as per the region in which it is located.” It is also required that the cost of removal, transportation, and erection be paid as compensation for a relocated property, continuing its service as before. Compensation will also be based on current cost, cost of demolishing, lifting, and reinstalling. Valuation formulae are to be provided by regulations (*Proclamation No. 455/2005 Article 7*).

Assets will be broken down into components to assess value (*Directive No. 135/2007*). Components for building costs include cost per square meter. Crops are subdivided into crops and perennial crops, and calculated based on yield per square meter of land multiplied by price per kilogram. Trees could be cut and used by owner plus payment of compensation for loss of continued income. The cost of machinery, labour for improvement, and any infrastructure as part of the improvement will be compensated based on current costs. Property relocation is based on the cost to relocate property given that it is not damaged while being moved. The amount of



compensation for loss of land that is used for grazing or production of grass is based on the area of land and the current price per square meter. (Note: more detailed instructions for compensation are included within *Directive No. 135/2007*.)

Further, assets will be classified as movable and immovable. For movable assets, compensation will be paid for inconvenience and other transition costs (*Proclamation No. 455/2005 Article 7(2)*). Urban immovable assets include residential houses, business installations, institutional structures, stores, fences and public service providing installation. In rural areas, they include seasonal crops, perennial fruit trees, timber trees and other cash crops.

For losses that cannot be easily valued or compensated in monetary terms (e.g. access to public services, grazing areas, water points, fishing ponds, etc.), an attempt will be made to establish access to equivalent and culturally acceptable resources and earning opportunities (*Proclamation No. 455/2005 Article 7(2)*).

In addition to compensation according to *Proclamation No. 455/2005 Article 7*, a displacement compensation shall be paid equivalent to ten times the average annual income he/she secured during the five years preceding the expropriation of the land (*Proclamation No. 455/2005 Article 8(3)*). Compensation will be in an amount sufficient to reinstate displaced people to their economic position prior to displacement. The relevant local administration is required to give another piece of land to any person who lost his land in favour of a public project (*Proclamation No. 455/2005*). The assessment of compensation does not include the value of the land itself because land is a public property and not subject to sale in Ethiopia.

In general, valuation of property is to be carried out by a certified private or public institution or private consultants as per the valuation formulae (*Proclamation No. 455/2005 Article 9*). The property situated on a land to be expropriated shall be valued by a committee of not more than five experts having the relevant qualification and to be designated by the Woreda and urban administration if the land is located in a rural and urban area respectively (*Proclamation No. 455/2005 Article 10*). A specialized committee of experts may also be set up separately by the same organization (Woreda and urban administration) if required.

The local and federal governments have different roles in compensation. The *Woreda* and urban administrations are responsible that compensation is paid and giving rehabilitation support to the extent possible, and maintain data regarding properties removed from expropriated landholdings (*Proclamation No. 455/2005 Article 13*). The *Ministry of Agriculture* with coordination of concerned Regional Bureau has a duty to ensure there is compliance with *Proclamation No. 455/2005* at the regional level, to provide technical and capacity building support in implementation at the regional level, and prepare the valuation formulae (*Proclamation No. 455/2005 Article 12*).

- All AGP-II subprojects intervention shall go through Environmental and Social impact screening as per the ESMF and RPF. For subprojects confirmed to have adverse impact, socio-economic survey will be conducted to determine scope and nature of impact due to the intervention of proposed sub-project. Then Resettlement Action Plan (RAP) shall be prepared to address the adverse impacts and key social issues. s or RAPs will be provided to the Woreda or regional Environmental Protection, Land Use and Administration Authority (EPLAUA) respectively, depending on the scale of the subproject and its Involuntary Resettlement impact, for review and clearance for each AGP-II Subproject to be considered eligible for Bank financing.
- The project will explore alternative design and site to avoid physical relocation and property losses, and where it is not feasible to avoid relocation and property losses, a RAP/ shall be prepared. The outlines of RAP and are provided in Annex 3 and Annex 4 respectively.

#### **4.4. Entitlement for Compensation**

The people of Ethiopia are given the right to improved living standards and sustainable development and the right to be consulted with respect to policies and projects affecting their communities (*1995 Constitution Articles 43(1) and 43(2)*). Additionally, all international agreements and relations by the State must protect and ensure Ethiopia's right to sustainable development (*1995 Constitution Article 43(3)*). Lastly, the *1995 Constitution Article 44* guarantees the right to a clean and healthy environment.

Eligibility for compensation is discussed in Article 44(2) of the 1995 Constitution and Proclamation No 455/2005. These give entitlement only to those who have formal legal rights over their land holdings (properties). Proclamation No 455/2005, Article 2 (3) stipulates that "Landholder means an individual, government or private organization or any other organ which has legal personality and has lawful possession over the land to be expropriated and owns property situated thereon." According to Article 7(1) and (2), "a landholder whose holding has been expropriated shall be entitled to payment of compensation for his property situated on the land and for permanent improvements he made to the land". "The amount of compensation for property situated on the expropriated land shall be determined on the basis of the replacement cost of the property".

The *1995 Constitution Article 40(8)* provides that "without prejudice to the right to private property, the State may expropriate private property for public use with the prior payment of adequate compensation." The words "prior" and "adequate" are in line with the Universal Declaration of Human Rights. This manifests rights to citizens for basic services and programs, including facilities to guarantee education, health, and housing. See the entitlement Matrix in Table 4.2 and Annex 11.

#### **4.5. Procedures for Resettlement According to the World Bank OP 4.12**

The World Bank's Safeguard Policy OP 4.12 applies mainly to component 3 and 4 of AGP-II and to all economically and /or physically affected persons regardless of the number of people affected, the severity of impact and the legality of land holding. The OP 4.12 further requires particular attention to be given to the needs of vulnerable groups such as those who are below the poverty line, landless, elderly, women and children, underserved/indigenous groups, ethnic minorities and other disadvantaged persons.

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

#### **4.6. Gaps between the National and the World Bank OP 4.12**

There are some gaps between Ethiopian laws and regulations and the requirements for resettlement as laid out in OP 4.12. In some cases, the Ethiopian laws and regulations are not compatible with the Bank's OP 4.12 provisions. Below is a short discussion of the most important differences.

While OP 4.12 requires that compensation be completed prior to the start of the project, there are no similar timetables set out in Ethiopian laws or regulations. According to the Proclamation 455/2005, the landholder whose land to be expropriated shall handover the land within 90 days from the date of payment of compensation. Additionally, Ethiopian law does not make any specific accommodation for squatters or illegal settlers, other than recognition of some use-rights, such as when settlers can claim rights to the land. OP 4.12 requires that affected communities be consulted regarding project implementation and resettlement. Affected communities should also receive the opportunity to participate, implement, and monitor resettlement. However, Ethiopian law states that, when it is determined that a right of way must be established, the expropriation rights of the State take precedence, although the *Constitution* protects the individual's use-rights.

However, no specific provision is made in the Ethiopian laws (*proclamation 455/2005 and regulation 135/2007*) to accommodate the potential adverse impacts of development projects for the vulnerable groups such as women, children, the elderly, historically disadvantaged ethnic minorities, the landless, and those living under the poverty line. These groups are at highest risk to experience negative effects due to resettlement, and should receive special consideration

during the preparation of a resettlement policy framework to assure that they can maintain at least the same standard of living after displacement takes place. Finally, there is also no provision in the law that the state should attempt to minimize involuntary resettlement. However, this appears to be implicit in the country's *Constitution*.

To ensure the interest of project affected persons and mitigating the negative impacts of the subprojects, this RPF will be based on the existing national laws on expropriation and compensation payments and World Bank's Operational policy on land acquisition. To bridge the gaps mentioned above and address the negative impacts of the resettlement activities on these groups, the following strategies will be followed:

- Capacity building training on different technologies, and technical support to participate/engage on different livelihood activities;
- Participate on different income generating/livelihood activities that AGP-II will create;
- Create access to finance/credit to participate/engage on different livelihood activities;
- Follow up and monitoring of the resettlement and livelihood restoration activities.

Table 4.1 below compares Ethiopian Law on land acquisition and World Bank's operational policy and recommended measures to address the gaps:

**Table 4.1: Comparison of Ethiopian Legislation and World Bank’s Operational Policy**

Theme	World Bank Op 4.12	Ethiopian Legislation	Comparison	Recommendations to Address Gaps
<p><b>Policy Objectives</b></p>	<p>World bank OP4.12 has overall policy objectives, requiring that:</p> <p>Involuntary resettlement should be avoided wherever possible, or minimized, exploring all alternatives.</p> <p>Resettlement program should be sustainable, include meaningful consultation with affected parties and provide benefits to the affected parties</p> <p>Displaced persons should be assisted in improving livelihoods etc or at least restoring them to previous levels</p>	<p>Proclamation No 455/2005 (Article 3(1)) gives power to Woreda or urban administrations to “expropriate rural or urban landholdings for public purpose where it believes that it should be used for a better development...”This is supported by Article 51(5) and Article 40(8) of the 1995 Constitution.</p> <p>Proclamation No 455/2005 (Article 7(5) states that” the cost of removal, transportation and erection shall be paid as compensation for a property that could be relocated and continue to serves as before.”</p>	<p>The World Bank requirement for avoidance or minimization of involuntary resettlement is not written into Ethiopian legislation. Proclamation No 455/2005 does not indicate consultation with displaced persons throughout the resettlement process, rather only allows for a complaints and grievance process. Although Proclamation No 455/2005 allows for some form of support to the displaced persons, it does not explicitly state that livelihoods should be restored to previous levels or improved.</p>	<p>World Bank OP 4.12 overall objectives shall be applied to avoiding or minimizing involuntary resettlement to ensure resettlement program is sustainable and includes meaningful consultation.</p>

Theme	World Bank Op 4.12	Ethiopian Legislation	Comparison	Recommendations to Address Gaps
<b>Notification period /timing of displacement</b>	Article 10 of World Bank OP4.12 requires that the resettlement activities associated with a sub - projects are linked to the implementation of development program to ensure displacement or restriction of access does not occur before necessary measures for resettlement are in place. 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 displaced persons.	Article 4 of Proclamation No 455/2005 requires notification in writing, with details of timing and compensation, which cannot be less than 90 days from notification. It requires that land should be handed over within 90 days of payment of compensation payments. If there is no crop or other property on the land, it must be handed over within 30 days of notice of expropriation. It further gives power to seize the land through police force should the landholder be unwilling to hand over the land	There is a gap in Proclamation No 455/2005 to allow land to be expropriated before necessary measures for resettlement take place, particularly before the displaced person has been paid. This can have serious consequences for those affected, as they may be displaced without shelter or livelihood.	Displaced person should always be paid compensation and support before the land is handed over, as per World Bank OP4.12.
<b>Eligibility for Compensation</b>	World Bank OP4.12 gives eligibility to:  Those who have formal legal rights to the land;  Those who do not have formal legal rights to land, but have a claim to such land; and  Those who do not have recognizable legal right or claim to	Proclamation No 455/2005, Article 7(1) allows' landholders' to be eligible for compensation, where the term "landholder" (Article2(3) means" and individual, government or private organization or any other organ which has legal personality and have lawful possession over the land to be expropriated and owns property	According to World Bank OP4.12, eligibility for compensation is granted to "affected parties". Ethiopian Legislation only grants compensation to those with lawful possession of the land, and as per Proclamation No 456, those with traditional possession i.e. Communal lands. It therefore does not recognize those without a legal right or	The requirements of World Bank OP4.12, as described in Column 1 of this table, expected to be applied,

Theme	World Bank Op 4.12	Ethiopian Legislation	Comparison	Recommendations to Address Gaps
	the land	situated thereon”	claim as eligible for compensation.	
<b>Compensation</b>	World Bank OP4.12 Article 6(a) requires that displaced persons are provided with prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project. If physical relocation is an impact, displaced persons must be provided with assistance during relocation and residential housing, housing sites and /or agricultural sites to at least equivalent standards as the previous site. Replacement cost does not take depreciation into account. In term of valuing assets. If the residual of the asset being taken is not economically viable,	Article 7 of Proclamation No. 455/2005 entitles the landholder to compensation for the property on the land on the basis of replacement cost; and permanent improvements to the land, equal to the value of capital and labour expended.  Where property is on urban land, compensation may not be less than constructing a single room low cost house as per the region in which it is located. It also requires that the cost of removal, transportation and erection will be paid as compensation for a relocated property continuing its service as before. Valuation formula are provided in Regulation No. 135/2007	The World Bank requirement for compensation and valuation of assets it that compensation and relocation must result in the affected person must have property and a livelihood returned to them to at least equivalent standards as before. This is not clearly stated in local Proclamations. It is expected that the regulations and directives will provide more clarity and clearer guidance in this regard.	The World Bank requirements for compensation must be followed, as per OP4.12 footnote 1, which states, “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”
<b>Responsibilities of the project proponent</b>	According to OP4.12, Article 14 and 18), the borrower is responsible for conducting a census and preparing,	Article 5 of Proclamation No 455/2005 sets out the responsibilities of the implementing agency, requiring	The process required for the project proponent / implementing agency lacks descriptive processes in local	As per the World Bank requirements, project processes included screening, a census, the development of a plan, management of compensation payments and monitoring and

Theme	World Bank Op 4.12	Ethiopian Legislation	Comparison	Recommendations to Address Gaps
	<p>implementing, and monitoring the appropriate resettlement instrument. Article 24 states that the borrower is also responsible for adequate monitoring and evaluation of the activities set forth in the resettlement instrument. In addition, upon completion of the project, the borrower must undertake an assessment to determine whether the objectives of the resettlement instrument have been achieved. This must all be done according to the requirements of OP4.12. Article 19 requires that the borrower inform potentially displaced persons at an early stage about the resettlement aspects of the project and takes their views into account in project design.</p>	<p>them to gather data on the land needed and works, and to send this to the appropriate officials for permission. It also requires them to pay compensation to affected landholders.</p>	<p>legislations...</p>	<p>evaluation of success. It must also include proper consultation with the affected parties throughout the process.</p>



### Entitlement Matrix for Various Categories of PAPs

Based on the comparison between Ethiopian Land Law and Bank OP4.12, an entitlement matrix has been designed (Table 4.2). This bridges the gaps between the requirements under Ethiopian Law and the World Bank OP4.12 and ensures that the higher of the two standards is followed, since the requirements of the lesser standard are also satisfied. The missing values in the entitlement matrix will be determined at the time the resettlement plans ([A]RAPs) are being negotiated and prepared.

**Table . 4.2: Entitlement Matrix**

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
Agricultural land	Cash compensation for affected land equivalent to market value Less than 20% of land holding affected Land remains economically viable.	title holder	Cash compensation for affected land equivalent to replacement value
		Tenant/ lease holder	Cash compensation for the harvest or product from the affected land or asset, equivalent to ten times the average annual income s/he secured during the five years preceding the expropriation of the land.
	Greater than 20% of land holding lost Land does not become economically viable.	Farmer/ Title holder	Land for land replacement where feasible, or compensation in cash for the entire landholding according to PAP's choice. Land for land replacement will be in terms of a new parcel of land of equivalent size and productivity with a secure tenure status at an available location which is acceptable to PAPs. Transfer of the land to PAPs shall be free of taxes, registration, and other costs. Relocation assistance (costs of shifting + assistance in re-establishing economic trees + allowance up to a maximum of 12 months while short- term crops mature )

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
		Tenant/Lease holder	<p>Cash compensation equivalent to ten times the average annual income s/he secured during the five years preceding the expropriation of the land.</p> <p>Relocation assistance (costs of shifting + assistance in re-establishing economic trees + allowance up to a maximum of 12 months while short- term crops mature</p> <p>Relocation assistance (costs of shifting + assistance in re-establishing economic trees + allowance up to a maximum of 12 months while short- term crops mature )</p> <p>Relocation assistance (costs of shifting + allowance).</p>
Commercial land	<p>Land used for business partially affected</p> <p>Limited loss</p>	Title holder/ business owner	Cash compensation for affected land Opportunity cost compensation equivalent to 5% of net annual income based on tax records for previous year (or tax records from comparable business, or estimates where such records do not exist).
		Business owner is lease holder	Opportunity cost compensation equivalent to 10% of net annual income based on tax records for previous year (or tax records from comparable business, or estimates where such records do not exist)
	<p>Assets used for business severely affected</p> <p>If partially affected, the remaining assets become</p>	Title holder/business owner	Land for land replacement or compensation in cash according to PAP's choice. Land for land replacement will be provided in terms of a new parcel of land of equivalent size and market potential with a secured tenure status at an available location which is acceptable to the

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
	insufficient for business purposes		<p>PAP.</p> <p>Transfer of the land to the PAP shall be free of taxes, registration, and other costs.</p> <p>Relocation assistance (costs of shifting + allowance)</p> <p>Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates)</p>
		Business person is lease holder	<p>Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher.</p> <p>Relocation assistance (costs of shifting)</p> <p>Assistance in rental/ lease of alternative land/ property (for a maximum of 6 months) to reestablish the business.</p>
Residential land	Land used for residence partially affected, limited loss Remaining land viable for present use.	Title holder	Cash compensation for affected land
		Rental/lease holder	Cash compensation equivalent to 10% of lease/ rental fee for the remaining period of rental/ lease agreement (written or verbal)
		Title holder	<p>Land for land replacement or compensation in cash according to PAP's choice.</p> <p>Land for land replacement shall be of</p>

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
			<p>minimum plot of acceptable size under the zoning law/ s or a plot of equivalent size, whichever is larger, in either the community or a nearby resettlement area with adequate physical and social infrastructure systems as well as secured tenure status.</p> <p>When the affected holding is larger than the relocation plot, cash compensation to cover the difference in value.</p> <p>Transfer of the land to the PAP shall be free of taxes, registration, and other costs.</p> <p>Relocation assistance (costs of shifting + allowance)</p>
	<p>Land and assets used for residence severely affected</p> <p>Remaining area insufficient for continued use or becomes smaller than minimally accepted under zoning laws</p>	Rental/lease holder	<p>Refund of any lease/ rental fees paid for time/ use after date of removal</p> <p>Cash compensation equivalent to 3 months of lease/ rental fee</p> <p>Assistance in rental/ lease of alternative land/ property</p> <p>Relocation assistance (costs of shifting + allowance)</p>
Buildings and structures	Structures are partially affected	Owner	<p>Cash compensation for affected building and other fixed assets</p> <p>Cash assistance to cover costs of restoration of the remaining structure</p>
	Remaining structures viable for continued use	Rental/lease holder	<p>Cash compensation for affected assets (verifiable improvements to the property by the tenant).</p> <p>Disturbance compensation equivalent to two months rental costs</p>
	Entire structures are affected or	Owner	Cash compensation for entire structure and other fixed assets

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
	<p>partially affected</p> <p>Remaining structures not suitable for continued use</p>		<p>without depreciation, or alternative structure of equal or better size and quality in an available location which is acceptable to the PAP.</p> <p>Right to salvage materials without deduction from compensation</p> <p>Relocation assistance (costs of shifting + allowance)</p> <p>Rehabilitation assistance if required (assistance with job placement, skills training)</p>
		Rental/lease holder	<p>Cash compensation for affected assets (verifiable improvements to the property by the tenant)</p> <p>Relocation assistance (costs of shifting + allowance equivalent to four months rental costs)</p> <p>Assistance to help find alternative rental arrangements</p> <p>Rehabilitation assistance if required (assistance with job placement, skills training)</p>
		Squatter/informal dweller	<p>Cash compensation for affected structure without depreciation</p> <p>Right to salvage materials without deduction from compensation</p> <p>Relocation assistance (costs of shifting + assistance to find alternative secure accommodation preferably in the community of residence through involvement of the project</p> <p>Alternatively, assistance to find accommodation in rental housing or in a squatter settlement scheme, if available)</p> <p>Rehabilitation assistance if required (assistance with job placement, skills training)</p>
		Street vendor	Opportunity cost compensation

<b>Land and Assets</b>	<b>Types of Impact</b>	<b>Person(s) Affected</b>	<b>Compensation/Entitlement/Benefits</b>
		(informal without title or lease to the stall or shop)	equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher. Relocation assistance (costs of shifting) Assistance to obtain alternative site to re- establish the business.
Standing crops	Crops affected by land acquisition or temporary acquisition or easement	PAP (whether owner, tenant, or squatter)	Cash compensation equivalent to ten times the average annual income s/he secured during the five years preceding the expropriation of the land.
Trees	Trees lost	Title holder	Cash compensation based on type, age and productive value of affected trees plus 10% premium
Temporary acquisition	Temporary acquisition	PAP (whether owner, tenant, or squatter)	Cash compensation for any assets affected (e. g. boundary wall demolished, trees removed)

## **5. Estimated Populations, Nature of Displacement and Categories of Project Affected People (PAPs)**

This Resettlement Policy Framework considers project affected people as those who stand to lose as a consequence of the project, all or part of their physical and non-physical assets, including homes, productive lands, and resources such as perennial and non-perennial crops, forests, commercial properties, and income-earning opportunities. Such impacts may be permanent or temporary. This might occur through land expropriation and restricted or reduced access to important livelihood resources.

The policy framework applies to all economically and/or physically displaced persons regardless of the total number of affected, the severity of impact and whether or not they have legal title to the land. Particular attention will be paid to the needs of vulnerable groups among those economically and/or physically displaced especially those below the poverty line, the landless, the elderly, women and children or other economically and/or physically displaced persons who may not be protected through Ethiopian's legislation related to land exploration.

The activities in AGP-II that are expected to have some land acquisition or restriction of access include the following:

- (i) Watershed based Soil and water conservation measures including area closure for rehabilitation of degraded lands;
- (ii) Construction and management of small scale irrigation schemes like construction of diversion weir with along with canal (mainly main canal and secondary canals), construction of access road to the irrigation site, construction of site camp, construction of night storage tank/structures;
- (iii) Construction of water harvesting structures and micro-irrigation structures like ponds, hand dug wells, and others;
- (iv) Construction and rehabilitation of rural feeder roads; and
- (v) Construction of market sheds, warehouse, toilet, solid waste management facilities, access road, and relate structures.

### **5.1. Categories of Project Affected Peoples (PAPs)**

Land acquisition for sub-projects may result in negative impacts to different categories of PAPs. Until the exact sub-project locations are determined, it is not possible to estimate the likely number of people who may be affected. However, the likely displaced (economically or physically) persons can be categorized into three groups namely:

#### ***Affected individuals***

These are individuals who risks losing assets, investments, land, property and/or access to natural and/or economic resources as a result of a sub-project.

### ***Project affected households***

These are groups of PAPs in one household and where one or more of its members are directly affected by AGP-II. These include members like the head of household, male, and female members, dependent relatives, tenants, etc.

### ***Vulnerable groups of people***

From these households AGP-II will separately identify the vulnerable members, such as those who are too old or too ill; children including orphans; families affected and/or infected by HIV/AIDS; vulnerable women; unemployed youth; people with disability; etc. Households headed by women that depend on sons, brothers, and others for supports are especially vulnerable.

## **5.2. Number of PAPs**

It is not possible at this stage to determine the number of Project Affected People at this stage in the project as the sub-projects have not been determined. The purpose of this RPF is therefore to establish the mechanisms by which the appropriate tools, screening checklists and RAPs/s will be implemented to mitigate potential resettlement impacts once sub-projects have been identified. The individual sub-projects of the Community Driven Development activities will be identified during project implementation by the local communities in a participatory process. Due to this, the location, nature and magnitude of these sub-projects cannot be determined before implementation. For each sub-project, which might require physical and/or economic resettlement, the number of PAPs will be established through a RAP/ which will be elaborated before project implementation.

## **5.3. Eligibility Criteria for Various Categories of PAPs**

The involuntary taking of land results in relocation or loss of shelter; and loss of assets or access to assets or loss of income sources or means of livelihood, whether or not the PAPs must move to another location or not. Meaningful consultations with the affected persons, local authorities and community leaders will therefore allow for establishment of criteria by which displaced persons will be deemed eligible for compensation and other resettlement assistance.

### ***Eligibility Criteria***

Both Article 44(2) of the 1995 Constitution and Proclamation No 455/2005 present Ethiopian legal framework for eligibility for compensation. These two legal documents give ***entitlement only to those who have formal legal rights over their holdings (properties)***. They will only qualify for the compensation if they occupied the project area prior to a cut-off date established by the Compensation and Resettlement Committees. *To ensure the interest of project affected persons and mitigating the negative impacts of the projects, this RPF will be based on the existing national laws on expropriation and compensation payments and World Bank's policy on Land acquisition.*



### ***Eligibility for Land***

According to Proclamation No. 455/2005, article 8 sub-articles 3 and 4, land for land compensation will be applied to PAPs who might lose their land. This is done *only for those who have formal legal rights over the land*. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance.

PAPs who are entitled for compensation under the Ethiopian legislation will be compensated for the land they lose, and other assistance ensuring that they are (i) informed about their options and rights pertaining to resettlement, (ii) consulted and provided with technically and economically feasible resettlement and (iii) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project.

### ***Eligibility for Community Compensation***

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

Most sub-projects of AGP-II do not normally take land and other assets belonging to a community, such as a community center, school, or sacred site, if this occurs in a sub-project, the community (as a whole) will be compensated. The compensation will be in the form of reconstruction of the facility (in case of damages) or replacement of at least the same standard or equivalent or better standard required by local planning regulation.

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

This includes loss of houses, crops and trees, structures, fixed improvements, businesses which should be compensated at market value, negotiated settlements, productivity valuation, material and labour valuation. PAPs that lose their property or assets will be compensated as per the following national legislations:

1. *Proclamation No 455/2005 Expropriation of Landholdings for Public Purposes and Payment of Compensation which establishes the legal principles and framework for expropriation and compensation.*
2. *Council of Ministers Regulations No. 135/2007, on the Payment of Compensation for Property Situated on Landholdings Expropriated for Public Purposes which provide the procedures for application of Proclamation No 455/2005.*

According to *Proclamation No 455/2005*, for PAPs who lose their property, they will be compensated for the property they lost including for permanent improvements he made to such land. The amount of compensation for property situated on the expropriated land shall be determined on the basis of replacement cost of the property. The cost of removal, transportation and erection shall be paid as compensation for a property that could be relocated and continue its service as before. Displacement cost will also be compensated for the property situated on the expropriated land.

**Displaced persons without legal title:** In order to ensure that displaced persons who do not have legal title are not adversely affected by AGP-II investments, they will be enabled to maintain their livelihood and assisted to secure accommodation as described below:

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

**Note:** It is anticipated that AGP-II will, as part of the ESMF/RPF screening and project preparation processes, investigate closely potential project impacts on farmers' livelihoods and fixed improvements to ensure that negative impacts are avoided or minimized and the assistance indicated above (i, ii, and iii) must be sufficient to improve, or at least restore, lost livelihoods.

**Tenants:** Assistance will be provided to legal tenants of AGP-II property affected by the project to maintain their livelihoods and find alternative accommodation. Tenants of private landlords will seek redress from their private lessor by reference to the terms and conditions of their tenancy and civil law.

#### **Compensation for temporary losses**

According to *Proclamation 455/2005*, Article 8 (2), a rural landholder or holders of common land whose landholding has been provisionally expropriated, shall be paid until repossession of the land, compensation for lost income based on the average annual income secured during the five years preceding the expropriation of the land.

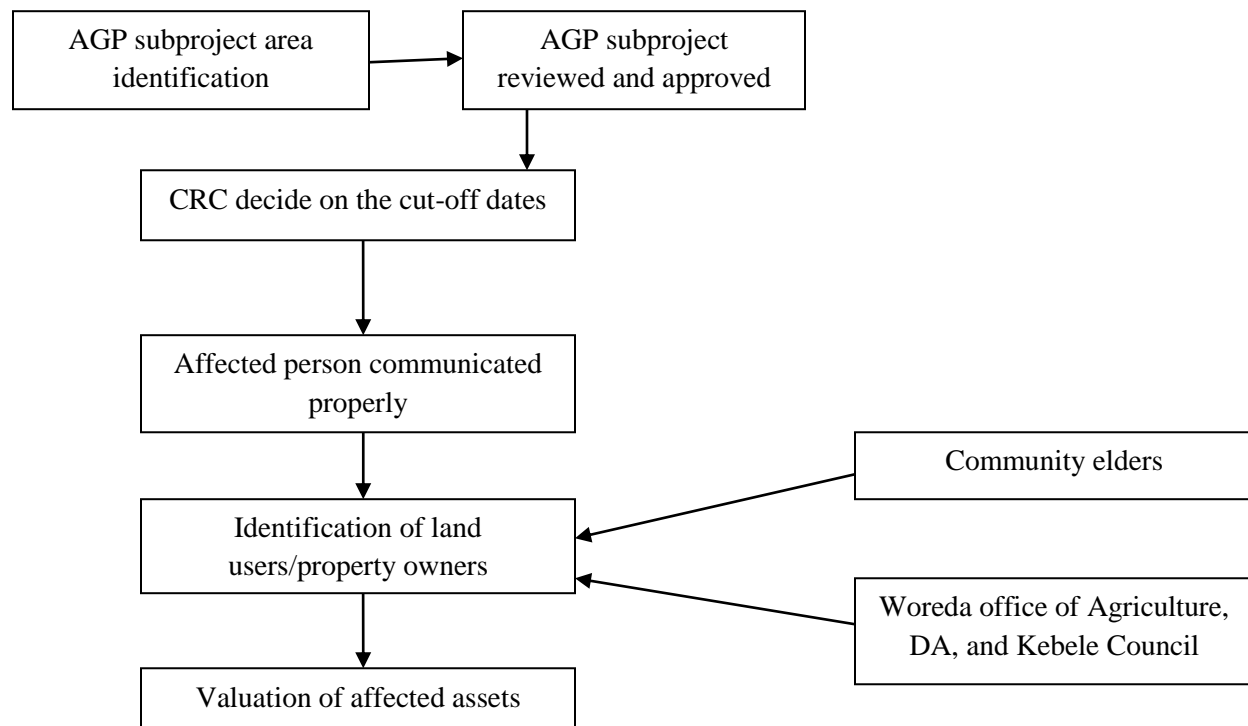
#### **5.4. Method to Determine Cut-Off Dates**

The cut-off date is the time when the affected persons and their properties are assessed. Once the sub-project has been legally approved and a permit provided, a RAP will be prepared (if required) for the sub-project that may result in Involuntary Resettlement. As part of the RAP, a census will be undertaken to identify cutoff date for eligibility for resettlement and compensation. It is key, therefore, that this date is fully communicated to all potential PAPs in the project affected area with sufficient time for these people to ensure their availability for the Census. The Woreda Compensation and Resettlement Committee (CRC) will set cut-off dates.

Kebele level CRC will also be charged with the responsibility to notify PAPs about the established cut-off date and its significance. The potential PAPs will be informed through both formal notification in writing and by verbal notification delivered in the presence of the community leaders or their representatives. The local community leaders will play a crucial role in identifying users of land since most of them would have acquired their customary rights to use the land from their local authorities and leaders.

Once the census had been undertaken, the lists will be verified physically and will then be reviewed and approved by the Woreda EPLAUA. Once these lists have been approved, thereafter, no new cases of affected people will be considered.

The establishment of a cut-off date is required to prevent opportunistic invasions/rush migration into the chosen land areas thereby posing a risk to the subproject. Therefore, establishment of a cut-off date is of critical importance. A brief procedure for setting cut-off dates is given in Fig. 5.1 below.



**Fig. 5.1: Procedure for determining cut-off dates and property valuation**

### 5.5. Valuing Affected Assets

As described in section 4.3 above, the Ethiopian legislation (Proclamation No. 455/2005, and Regulation No. 135/2007) clearly indicated the method for inventorying and valuing of those assets that deems eligible for compensation. Refer Annex 7, 8, & 9 of this RPF for detail of these proclamations and regulations.

According to these legislations, valuation of property is to be carried out by a certified private or public institution or private consultants as per the valuation formulae (*Proclamation No. 455/2005 Article 9*). The property situated on a land to be expropriated shall be valued by a committee of not more than five experts having the relevant qualification and to be designated by the Woreda and urban administration if the land is located in a rural and urban area respectively (*Proclamation No. 455/2005 Article 10*). A specialized committee of experts may also be set up separately by the same organization (Woreda and urban administration) if required.

Regulation No. 135/2007 clearly puts methods for inventorying and valuing different type of assets. The regulation also established a formula to calculate the amount of compensation payable. The Property Valuation Committee uses these provisions to value the affected assets. The committee will enumerate each asset and inscribe on a register included in Annex 2 of this RPF. Each asset enumerated by the committee should be given value. All compensation options and types must be clearly and plainly explained to the affected individual or household or the community. The Woreda CRC lists all property and surrender land and the types of compensation (cash and/or in-kind) sought. The compensation contract will be read aloud in the presence of the affected party and all others prior to signing it. The inventory and valuation will be signed and a copy given on the spot to the PAPs. This copy is not official until it is reviewed and approved by the Woreda EPLAUA, and returned to the PAPs. At that time, a copy of grievance procedure, presented in Annex 5, will be given to PAPs.

#### **5.6. Livelihood Restoration**

The World Bank's Operational Policy 4.12 requires that displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. 'Livelihood' refers to the capacity to gain a sustainable living – a flow of income and wealth accumulation – from a wide range of natural and social resources. Livelihood improvement, therefore, is not accomplished by *compensation for lost assets*. The policies clearly state that the displaced should become net beneficiaries of the project that is displacing them, over and above any general benefits accruing to the nation or overall community from the project. AGP-II will implement the following strategies to assist PAPs, in addition to compensation for their asset losses, to improve/restore their livelihood because of implementation of subprojects of AGP-II:

- ✓ Capacity building training on businesses which they want to engage;
- ✓ Technical support in Business Plan Preparation, and implementation of the businesses; and
- ✓ Follow up, supervision and monitoring of the implementation of business.

***Special Restoration Measures for Vulnerable Group/PAPs***

The income restoration measures will also target the vulnerable persons to ensure that they are reasonably assisted to overcome potential economic shock from the project, and maintain the quality of life not less than their pre-project state because; they are at higher risk than others based on their vulnerability status.

The type of livelihood restoration suitable to each PAP will be identified by the resettlement committee in consultation with PAP. As minimum indicator to be considered, PAPs level of education, age and present means of livelihood should be assessed.

## **6. Organizations, Procedures and Responsibilities**

### **6.1. Processes for RAP Preparation, Review and Approval**

The conditions of the land acquisition must be documented in the subproject application. RAP/ is required if land needs to be acquired, such that people are displaced from land or productive resources and the displacement results in relocation, the loss of shelter, the loss of assets or access to assets important to production; the loss of income sources or means of livelihood; or the loss of access to locations that provide higher income or lower expenditure to business or persons. When a subproject is expected to cause physical and economic resettlement, RAP/ must be prepared. The RAP will need to be as detail as possible in order to guide resettlement of each of the subprojects.

The steps to be undertaken for each individual RAP include a screening process; a socioeconomic census and land asset inventory of the area and identification of AGP-II investment project Affected Parties (PAPs). This is followed by the development of a Resettlement Action Plan (RAP), RAP review and approval, implementation of the RAP and monitoring of RAP implementation and success. These steps are described below.

#### **6.1.1. Sub-project Screening**

The first step in the process of preparing individual RAPs is the screening process to identify the land/ areas that may result in resettlement impacts. Subproject screening is used to identify the types and nature of potential impacts related to the activities proposed under AGP and provide adequate measures to address the impacts. It also ensures that the proponent, in consultation with the local community members, chooses a site with the least environmental and social impacts and lowest chance of resettlement.

Screening will be undertaken by the relevant Woreda AGP-II Implementing Agencies-IAs (rural roads, water/irrigation development agency/office, trade and marketing office, agriculture office, etc.) that proposes the AGP-II investment subproject, with the use of the screening tool as attached to the RPF (see Annex 1).

This screening will be part of the environmental and social screening process for each AGP-II investment subproject as detailed in the ESMF. It will take place as early in the AGP-II investment subproject identification process as possible and will identify land that is to be taken for the subproject and PAPs who will need to be resettled and/or compensated. This will be in consultation with the affected parties to ensure that it takes all considerations into account and all potential impacts are identified. The Screening Report will be submitted by the relevant AGP-II IAs for review to Woreda EPLAUA. If the Screening Report shows that no resettlement is required, the development of a Resettlement Action Plan is not necessary. If the Screening Report shows that resettlement will be required:

The next step will be complete Step 2: to conduct a socio- economic survey and asset inventory to determine the extent of resettlement required. This will be followed by the preparation of a Resettlement Action Plan (RAP) for the AGP-II investment subproject, or no further documentation is required.

### **6.1.2. Socio-economic Census and Asset Inventory**

An important aspect of preparing a RAP is to establish appropriate data to identify the persons/household/community and their assets who will be affected by the individual subproject, people eligible for compensation and assistance, and to discourage inflow of people who are ineligible for these benefits. In essence, the census will achieve the following:

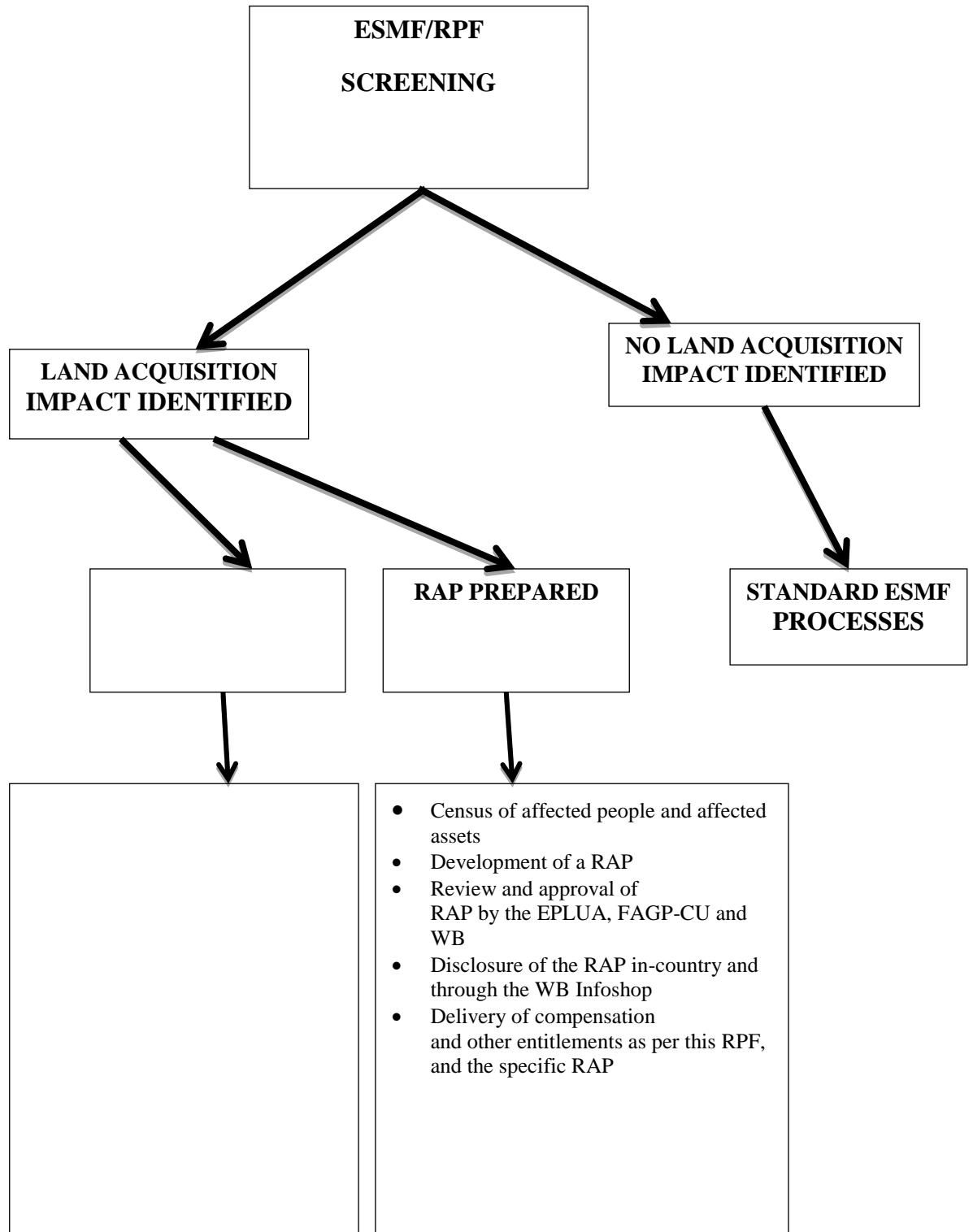
- provide initial information on the scale of resettlement to be undertaken;
- identifies gaps in information and gives an indication of further socio economic research needed to quantify losses to be compensated and, if required, to design appropriate development interventions; and
- establishes indicators that can be measured at a later date during monitoring and evaluation.

The socio-economic survey will be undertaken by the relevant IAs that is proposing the AGP-II investment subprojects with the use of the sample socio-economic survey indicated in Annex 2 of this RPF. It will be accompanied by a land asset inventory to determine what assets will need to be compensated for during the resettlement process. The land and asset inventory will be done under close supervision of the sub-project CRCs. A sample inventory form can also be found in Annex 2.

### **6.1.3. Development of RAP and**

Where relocation or loss of shelter occurs and following the socio-economic survey and identification of affected parties, a RAP or will be developed as structured in the Figure 6.1 below, and illustrated in Box 6.1 and Box 6.2.

**Figure 6.1. Resettlement Policy Framework**





### **Preparation of a Resettlement Action Plan (RAP)**

The preparation of a RAP will be done by the relevant IAs that is proposing the AGP-II investment subprojects, hiring independent consultant, in consultation with the affected parties, particularly in relation to the cut-off date for eligibility, disturbances to livelihoods and income-earning activities, methods of valuation, compensation payments, potential assistance and timeframes.

The basic elements of a RAP and are provided in summary in Boxes 6.1 and 6.2 as indicated below. The full description of the RAP and are attached in this RPF in Annex 3 and Annex 4 respectively. In order that this is not an unnecessarily difficult process, the level of detail and extent of the RAP must be related to the extent of the resettlement impact. The crucial aspect of a RAP process is that a specific, auditable process has been followed, that is appropriate to the impacts and that allows for consultation throughout the process.

#### **Box 6.1: Contents of RAP**

- 1. Identification of project impacts and affected populations;*
- 2. Legal framework for land acquisition and compensation;*
- 3. Compensation framework;*
- 4. Description of resettlement assistance and restoration of livelihood activities;*
- 5. Detailed budget; Implementation schedule;*
- 6. Description of organizational responsibilities;*
- 7. Framework for public consultation, participation, and development planning;*
- 8. Description of provisions for complaints and appeals; and*
- 9. Framework for monitoring, evaluation, and reporting*

For the detail information for RAP preparation and its detail content, refer Annex 3 of this RPF.

#### **6.1.4. Review and Submission to Woreda or Regional EPLAUA**

Following completion of the RAP or for AGP-II investment subproject, the Woreda relevant AGP-II IA together with the Woreda CRC will submit the RAP to the Woreda EPLAUA or Regional EPLAUA (if the scale of the impact is major) for approval and ensuring compliance with the RPF and the Ethiopian law. Capacity for RAP review and approval will be developed at Woreda level through training and technical assistance to ensure that all implementing agencies and other stakeholders involved discharge their different responsibilities effectively.

## 6.2. RAP/ Implementation Agencies

A number of government institutions at different level will play a role in the implementation of the RPF and individual RAPs/s, in line with the general AGP-II institutional arrangements and with national legislation. The development and implementation of the RAPs/s will be the responsibility of Woreda relevant IAs that is proposing AGP-II subprojects for financing. In this regard, the role of Woreda and Kebele level CRC is crucial. Woreda EPLAUA, Woreda administration and Kebele Council are mainly responsible for implementation of RAP/. Regional level line departments of AGP-II IAs, federal and regional level AGP-II coordination offices also play a key role for the implementation of the RAPs/s by providing technical supports and capacity building works. Woreda EPLAUA is the main responsible body in reviewing and approving the RAPs/s. If the level of resettlement impact is relatively major, regional level IAs that is proposing AGP-II investment subproject for financing with the support of independent consultant will prepare the RAP/, and the regional EPLAUA, FAGP-CU, and the World Bank are responsible for the review and approval of the same. For the detail of responsibilities of AGP-II implementing agencies, see table 6.1 below.

As indicated above, the role of the Woreda and Kebele level CRC is crucial. The composition and responsibilities of each CRC is indicated as follows: The Woreda level CRC includes: Woreda Administrator; Woreda Office of Finance and Economic Development; Woreda Office for Agriculture; Woreda Office of Rural Road if the subproject that lead to involuntary resettlement is road construction; Woreda office of Trade and Marketing (or other structure related to market center development and management) if the subproject that lead to involuntary resettlement is market center construction; Woreda Office for Water/Irrigation Development if the subproject that lead to involuntary resettlement is irrigation development subproject; Woreda Office for Women, Children and Youth; Woreda EPLAUA; Community Representative; and Representative from local NGO or CBO.

The *Woreda* CRCs are responsible for:

- evaluating the projects and determining if a RAP is necessary, establishing *Kebele* level CRCs;
- clarifying the policies to the *Kebele* CRCs;
- establishing standards to unit rates of affected assets and compensation estimates according to the guidelines in the RPF;
- coordinating and supervising implementation by *Kebele* CRCs as stipulated in the RPF;
- ensuring that appropriate compensation procedures are followed; and
- Overseeing the project's requirements related to social impacts included resettlement and compensation.

Kebele CRC include: *Kebele* Administrator (Chairperson); *Kebele* Development Agent (extension worker); two representative from PAPs; Village Elder/Leader (rotating position with one Leader representing a number of villages and attending in rotation, depending on the village

and affected party being dealt with); women representative and Representative from local NGO or CBO.

The local *Kebele* CRCs are responsible for:

- ✓ validating inventories of PAPs and affected assets;
- ✓ allocating land where required to permanently affected households;
- ✓ monitoring the disbursement of funds;
- ✓ guiding and monitoring the implementation of relocation;
- ✓ coordinating activities between the various organizations involved in relocation;
- ✓ facilitating conflict resolution and addressing grievances; and
- ✓ providing support and assistance to vulnerable groups (women, youth, and other disadvantages groups).

**Table 6.1: RAP/ Implementing Agencies and Responsibilities**

Task	Tool	Responsibilities	Supporting Institutions/Agencies
Screening	Screening checklist	Woreda AGP-II IAs	Woreda and Kebele CRC
Review and approval of screening report	National & the World Bank legal requirements, and this RPF	Woreda EPLAUA and Woreda Implementing Agencies	Woreda and Kebele CRC
Census and identification of PAPs	Census Survey form (Annex 2)	Woreda AGP-II IAs	Woreda and Kebele CRC
Land and asset inventory	Land and asset inventory form (Annex 2)	Woreda AGP-II IAs	Woreda and Kebele CRC
Development of RAP/	RPF	Woreda AGP-II IAs. If it is a RAP, it will be prepared by Woreda IAs supported with independent consultant	Woreda and Kebele CRC
Review and RAP/ approval	RPF	Woreda and/ or Regional EPLAUA, FAGP-CU, and ,the World Bank	Woreda and/ or Regional AGP-II IAs
RAP/ implementation	RAP	Woreda AGP-II IAs	Regional relevant AGP-II IAs, Woreda/Kebele CRC
RAP/ M&E, and reporting	List of indicators	Woreda and/ or Regional EPLAUA, Regional and Woreda AGP-II coordination units	Woreda & regional relevant AGP-II IAs, Woreda/Kebele CRC

## **7. RAP/ Implementation Procedure and Schedule**

### **7.1. RAP/ Implementation Procedures**

Following approval of the subproject RAP/, the process of implementation must take place. This will involve:

- *consultation* (a continuation of the process entered into during the site selection, screening and RAP/ development process)
- *notification* to affected parties
- *documentation* of assets
- *agreement* on compensation
- *disclose locally and internationally (if it is RAP)*
- *preparation of contracts*, compensation payments and provision of assistance in resettlement

#### ***Consultation***

An essential element in the RAP/ implementation process is consultation and public participation. This will be a continuation of the process entered into during the site selection, screening, census and RAP/ development process, and will depend on the extent of the resettlement impact. The community and landholder would be informed of the approval of the RAP/ and implications for all PAPs, as well as the likely implications in terms of resettlement, expropriation, and compensation. Essentially, this would need to be part of an ongoing process, to ensure that no affected individual/household is simply "notified" one day that they are affected in this way. Instead, this process seeks their involvement and wishes to inform communities in a participatory approach about the project, from the beginning. Public consultations and participation take place through individual, group, or community meetings, and are adopted as on-going strategy throughout the entire project cycle.

The role of traditional political and cultural leaders, including community elders, in the participation strategy will be important. The CRC should ensure that these leaders and local representatives of PAPs are fully involved in designing the public consultation procedures. During implementation, PAPs will be informed about their rights and options.

During public consultation, there is the need to negotiate compensation and resolve conflicts. Cost effective and accessible Grievance redress (see section 8 of this RPF) is a very important process to ensure success of implementation of RAP/.

#### ***Notification***

Where a Woreda or an urban administration decides to expropriate a landholding in accordance with Proclamation No. 455/2005, it shall notify the landholder (PAPs), in writing, indicating the time when the land has to be vacated and the amount of compensation to be paid. In special cases where there are no clearly identifiable owners or users of the land or asset, Woreda relevant

AGP-II IA and CRC at Woreda and Kebele must notify the respective local authorities and leaders. According to Article 4 (2) of Proclamation No. 455/2005, the period of notification may not, in any way, less than ninety days.

### **Documentation**

The relevant AGP-II IAs together with Woreda and Kebele CRC will arrange meetings with affected individuals and/or households to discuss the compensation process. For each individual or household or community affected, a compensation dossier containing the following information will be filled. These are:

- required personal information on the affected party and those that s/he claims as household members (community information if it is a community land/asset);
- total landholdings;
- inventory of assets affected;
- the concerns, worries, and issues of the PAPs related with the resettlement process; and
- required information for monitoring purposes.

This information is confirmed and witnessed by the Kebele CRC. Dossiers will be kept current and will include documentation of lands surrendered and assets lost. Each concerned individual/household/community will be provided with a copy of the dossier at the time of negotiations. All claims and assets will be documented in writing. This is necessary so that the resettlement process for each individual PAP can be monitored over time.

### ***Agreement on compensation and preparation of contracts***

All compensation options and types must be clearly and plainly explained to the affected individual or household or community. The Woreda AGP-II IA lists all property and surrendered land and the types of compensation (cash and/or in-kind) sought. The compensation contract will be read aloud in the presence of the affected party and all others prior to signing it.

### ***Compensation Payments and Development Initiatives***

All handing over of property such as land and buildings and compensation payments will be made in the presence of the affected party and the Kebele CRC. The Committee is also responsible in ensuring that development initiatives that are part of the resettlement package are implemented in an inclusive and participatory manner and to the benefit of the affected households.

## **7.2. RAP/ Implementation Schedule**

It is essential that the timeframes and action plans associated with the RAPs/s are linked to the AGP-II implementation schedule. Provisions must be made for compensation and assistance prior to loss of access to the asset or resource. The assistance includes provision and preparation of resettlement sites with adequate facilities. For AGP-II subprojects/activities requiring relocation or resulting in loss of assets, this RPF further requires that measures to assist the

project affected persons are implemented in accordance with the individual RAPs/s. In the Implementation Schedule of each RAP/, details on resettlement and compensation must be provided. The schedule for the implementation of activities, as agreed between the Woreda and Kebele CRC, Woreda AGP-II IA and PAPs must include:

- target dates for start and completion of subproject implementation
- timetables for transfers of compensation (cash or kind) to PAPs
- timetables for start of the development initiative or income generating activity
- dates of possession of land that PAPs are using (this date must be after transfer date for completed subproject to PAPs and for payments of all compensation)
- link between RAP/ activities to the implementation of the overall AGP-II subproject.

## **8. Grievance Redress Mechanisms**

A key element of resettlement activities will be the development and implementation of cost effective and accessible grievance handling mechanism. Grievances will be actively managed and tracked to ensure that appropriate resolution and actions are taken. A clear time schedule will be defined for resolving grievances, ensuring that they are addressed in an appropriate and timely manner, with corrective actions being implemented if appropriate and the complainant being informed of the outcome.

Grievances may arise from members of communities who are dissatisfied with (i) the eligibility criteria, (ii) community planning and resettlement measures, or (iii) actual implementation. This chapter sets out the measures to be used to manage grievances.

The grievance procedure does not replace existing legal processes. Based on consensus, the procedures will seek to resolve issues quickly in order to expedite the receipt of entitlements, without resorting to expensive and time-consuming legal actions. If the grievance procedure fails to provide a result, complainants can still seek legal redress. The overall process of grievance is as follows:

1. During the initial stages of the valuation process, the affected persons will be given copies of grievance procedures as a guide on how to handle the grievances (See the form in Annex 5).
2. The process of grievance redress will start with registration of the grievances to be addressed for reference, and to enable progress updates of the cases.
3. The project will use a local mechanism, which includes CRC, peers, local leaders of the affected people, and 2 representatives from the PAPs. These will ensure equity across cases, eliminate nuisance claims and satisfy legitimate claimants at low cost.
4. The response time will depend on the issue to be addressed but it should be addressed with efficiency.
5. Compensation will be paid to individual PAPs only after a written consent of the PAPs, including both husband and wife.

Resolution of different types of grievances regarding land acquisition and or resettlement will be attempted at different levels:

- i. Solutions to grievances related to land acquisition impacts should be pursued at the community level with facilitation by CRC at Woreda and Kebele level and design consultants that AGP-II IA will assign in order to find technical solutions that avoid or further minimize the need for land acquisition.
- ii. Solutions to grievances related to voluntary land donations (e.g. pressure on individuals to donate land) or sale of private land for project use should likewise be attempted at the community level with facilitation by CRC at Woreda and Kebele level and design consultants that AGP-II IA will assign.

- iii. Solutions to grievances related to compensation amounts, delays in compensation payments or provision of different types of resettlement assistance should be pursued directly by the designated CRC at Woreda and Kebele level and design consultants which AGP-II IA will assign through liaison with the relevant actors.
- iv. Arbitration by appropriate local institutions such as Local Authorities, including CRC at Woreda and Kebele and through community leaders.
- v. Where satisfactory solutions to grievances cannot be achieved, the aggrieved party may take the matter before the courts.

In all the above cases (# i-v), two PAPs representatives will be members of the Grievance Redress Committee. See section 6.2 for the composition of CRC members.

More importantly, any grievance that may arise from the Compensation/ resettlement action plan will be filed at first instance to the implementation agency of the sub-program, and will be registered by the agency for further action using the above mentioned registered. The RAP, when prepared, will include an indicative time or timeframe in each of the steps from the time the complaint is registered and a first hearing is held so that the PAPs will have an idea of how long it will take to hear, resolve or escalate their complaint.

#### **First Instance – Amicable Settlement**

While there are courts of law for handling grievances, local communities may often be reluctant to expose family members to courts of law, which could trigger the separation of families or worsen conflicts between neighbors. Also, courts of law may be viewed as slow and involving somewhat complicated procedures. People may prefer such matters to be first handled by a “first instance” mechanism, on the model of traditional dispute-resolution mechanisms.

In such compensation and resettlement operations, it usually appears that many grievances have roots in misunderstandings, or result from neighbor conflicts, which usually can be solved through adequate mediation using customary rules. Most grievances can be settled with additional explanation efforts and some mediation. This is why a first instance of dispute handling will be set up with the aim of settling disputes amicably, in the form of a locally selected Mediation Committee (See proposed process in Figure 3).

This Mediation Committee will consist of the following members:

- Implementation agency;
- Local NGO (chairperson),
- Local representatives of Program Affected Persons (2 to 5) – these should be selected in the interested area.

When a grievance/dispute is recorded as per above-mentioned registration procedures, mediation meetings will be organized with interested parties. Minutes of meetings will be recorded. Solutions to grievances related to compensation amounts, delays in compensation payments or provision of different types of resettlement assistance should be pursued directly by the



designated RAP team through liaison with the relevant actors. The sub-program RAP team will ensure that community members and in particular PAPs are informed about the avenues for grievance redress, and will maintain a record of grievances received, and the result of attempts to resolve these. All PAPs will be informed about how to register grievances or complaints, including specific concerns about compensation and relocation. The existence and procedural details related with this first instance mechanism will be widely disseminated to the interested population as part of the consultation undertaken for the subprogram in general.

It should be noted that complainants may also resort to the court system if they are not satisfied with the grievance redress process.

## 9. RPF Implementation Budget and Funding Arrangement

In the case of AGP-II, any required physical resettlement will be financed through counterpart funds from the Government of Ethiopia. At this stage, it is not possible to estimate the exact number of people who may be affected since the technical designs and details have not yet been developed. It is therefore not possible to provide an estimated budget for the total cost of resettlement that may be associated with implementation of AGP-II. However, when these locations are known, and after the conclusion of the site specific socio-economic study, information on specific impacts, individual and household incomes and numbers of affected people and other demographic data will be available, a detailed and accurate budgets for each RAP will be prepared. An indicative RAP budget outline can be found in Table 9.1 below.

**Table 9.1: Indicative Outline of a RAP Budget**

Asset acquisition		Amount or number	Total estimated cost	Agency responsible
Land				
Structure				
Crops and economic tress				
Community infrastructure				
Land Acquisition and Preparation				
Land				
Structures				
Crops areas and others				
Community infrastructure				
Relocations				
Transfer of possessions				
Installation costs				
Economic Rehabilitation				
Training				
Special Livelihood restoration for Vulnerable Groups				
Capital Investments				
Technical Assistance				
Monitoring				
Contingency				
#	Item	Costs	Assumptions	
1	Compensation for loss of Land	/hectare	For land acquisition purposes, based on Ethiopian average market cost, or from similar projects	
2	Compensation for loss of Crops	/hectare of farm lost	Includes costs of labor invested and average of highest price of staple food	

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

## **10. Supervision and Monitoring Arrangement**

### **10.1. Monitoring and Evaluation**

#### **10.1.1. Introduction**

It is important that the objective of the Policy on Involuntary Resettlement is achieved and therefore monitoring whether the project affected people have had their livelihoods restored to levels prior to project or improved is critical.

To establish the effectiveness of the all the resettlement activities, this monitoring and evaluation (M&E) procedures for the RAP/ has been designed. With this, it is possible to readily identify problems and successes as early as possible. Monitoring involves period checking to ascertain whether activities are going according to the plan. It provides the feedback necessary for the project management to keep the performance on schedule. By contrast, evaluation is essentially a summing up, the end of the project assessment of whether those activities actually achieved their intended aims.

#### **10.1.2. Purpose of Monitoring**

The purpose of monitoring is to provide project management, and directly project affected persons with timely, concise, indicative information on whether compensation, resettlement and other impact mitigation measures are on track to achieve sustainable restoration and improvement in the welfare of the affected people, or that adjustments are needed.

In short, monitoring answers the question: Are project compensation, resettlement and other impact mitigation measures on time and having the intended effects?

Monitoring verifies that:

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

### **10.1.3. Monitoring Framework (Internal and External)**

Monitoring will consist of

- a) Internal monitoring by the PCU as an integral part of its management, working with the impacted communities; and
- b) External monitoring by the PCU appointed consultants, working with the impacted communities.

#### **10.1.3.1. Internal Monitoring**

The internal monitoring, carried out by the PCU itself, is conventional monitoring related factors such as, numbers of persons affected, resettled, assistance extended, and other financial aspects, such as, compensation paid, etc. The internal monitoring must be carried out simultaneously with the implementation of the RAP/.

The objectives of internal monitoring are: (i) Daily Operations Planning; (ii) Management and Implementation; (iii) Operational Trouble Shooting and Feedback. The periodicity of internal monitoring could be daily or weekly depending on the issues and level.

All aspects of internal M&E shall be supervised by the regional and federal AGP-II PCU teams and will provide high level evaluation of internal performance and impact monitoring and other reports. The PCU teams will be supplemented by staff with appropriate skills to carry out:

- RAP/ project resettlement requirements as defined by RAP/ to be prepared for each subprojects;
- Gathering and presentation of monitoring indicators to be used;
- Design and implementation of basic technique to be used for collecting information and feedback from PAPs; and reporting requirements and formats.

Regular process report will be prepared and submitted as described in section 10.2 below. The internal monitoring will look at inputs, processes, and outcome of compensation/resettlement/other impact mitigation measures.

Input monitoring will establish if staff, organization, finance, equipment, supplies and other inputs are on schedule, in the requisite quantity and quality.

Process monitoring will:

- ✓ Assess program implementation strategies and methodologies and the capacity and capability of program management personnel to effectively implement and manage the programs; and
- ✓ Document lesson learned and best practices and provide recommendations to strengthen the design and implementation of RAP/.

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

- Communication with the affected communities;
- Agreed resettlement and compensation policies, procedures and rates;
- Compensation for crops, buildings, and lost business;

- Construction and occupation of infrastructure and housing;
- Livelihood program delivery and uptake;
- Grievance resolution;
- Attention to vulnerable people.

Outcome (or effectiveness monitoring) will determine the degree to which the program objectives and performance targets have been achieved.

#### **10.1.3.2. External Monitoring and Evaluation**

This should be seen in the eye of compliance and impact monitoring. For compliance monitoring, federal AGP-II PCU will appoint a consultant to work closely with the PAPs to track the progress of RAP/ implementation. The consultant (s) will be a person (s) with deep experience in the conduct of resettlement, hands on experience in monitoring and evaluation, no previous involvement in this project, and proven ability to identify actions that improve implementation and mitigate negative impact of resettlement.

The consultant will provide support in the proper implementation of resettlement program. It should also bring the difficulties faced by the PAPs to the notice of AGP-II PCUs so as to help in formulating corrective measures. As a feedback to the PCU and others concerned, the external consultant should submit quarterly report on progress made relating to different aspects of resettlement and livelihood restoration activities.

Compliance monitoring will:

- Determine compliance of RAP/ implementation with RAP/ objectives and procedures;
- Determine compliance of RAP/ implementation with the laws, regulations and applicable;
- Determine RAP/ impacts on standard of living, with a focus on the “no worse-off if not better-off” objective;
- Determine international best practices;
- Verify results of internal monitoring;
- Assess whether the resettlement objectives have been meet: specifically, whether livelihood program have restored the livelihood of PAPs and their living conditions have improved;
- Assess the resettlement efficiency, effectiveness, impact and sustainability, drawing lessons for future resettlement activities and recommending corrections in the implementation process;
- Ascertain whether the resettlement entitlements are appropriate to meet the objectives, and whether the objectives are suitable to PAPs conditions;
- Assess grievance records, to identify implementation problems and status of grievance resolution;

- Ensure RAP/ implementation is in compliance with World Bank policy and the national legal requirement.

Impact Monitoring/concurrent evaluation will be carried out simultaneously with the monitoring. For Concurrent Impact Evaluation, the M&E who should have resettlement and social development experience shall:

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

Thus, after one year the expropriation has been completed and the assistance to the PAPs has been made, there will be an impact evaluation to assess whether the PAPs have improved their living conditions in relation with the baseline socioeconomic status established during the socioeconomic studies.

- ✓ Impact monitoring will cover issues such as:
- ✓ Public perception of the Project: judgments on the PCUs, project and RAP/ implementation;
- ✓ Social structures: traditional authorities, community cohesion;
- ✓ Economic status of PAPs: livelihood restoration and enterprise, employment, land holdings, non-agricultural enterprise;
- ✓ Cost of market basket of essentials including rental accommodation;
- ✓ Employment: on the project and in the impact area.

#### **10.1.4. Indicators to Monitor**

Indicators, which will be monitored during the project, may be divided into two categories.

- Process input and output indicators for internal monitoring; and
- Outcome or impact indicators for external monitoring.

These are highlighted briefly below:

Input indicators include the resources in terms of people, equipment and materials that go into the RAP/. Examples of input indicators in the RAP/ are the sources and amounts of funding for various RAP/ activities.

Output indicators concern the activities and services, which are produced with the inputs. Examples of output indicators in the RAP/ include (a) a database for tracking individual compensation; and (b) the payment of compensation for losses of assets.

Process indicators represent the change in the quality and quantity of access and coverage of the activities and services. Examples of process indicators in the RAP/ include:

- ✓ The creation of grievance mechanisms;
- ✓ The establishment of stakeholder channels so that they can participate in the RAP/ implementation;
- ✓ Information dissemination activities.

Outcome indicators include the delivery of compensation and other mitigation to avoid economic and physical displacement caused by the project. They measure whether compensation is paid and received, whether the affected populations who preferred cash compensation to in-kind resettlement assistance offered to them was able to use compensation payment for sustained income.

Indicators that will be monitored broadly centered around delivery of compensation, resolution of grievance, land access, increase or decrease in PAPs assets, social stability, health, level of satisfaction of PAPs and number of PAPs that benefits from the livelihood restoration programs. Specifically some monitoring indicators for RAPs/s are outlined in table 10.1 below.

**Table 10.1: Monitoring Indicators**

<b>Indicators</b>	<b>Variable</b>
<b>Consultation</b> Consultation and reach out	Number of people reached or accessing information, information request, issues raised, etc Number of local CBOs participating
Compensation and re-establishment PAPs	<b>Physical Progress of Compensation and Assistance</b> Number of PAPs affected (building, land, trees, crops, etc) Number of PAPs compensated by the type of loss Amount compensated by type and owners Number of replacement asset recovered Compensation disbursement to the correct parties
<b>Socioeconomic changes</b>	Level of income and standard of living of the PAPs Number of income restored, improved or declined from the pre-displacement levels
<b>Training</b>	Number of AGP-CU IAs, and CRC trained
<b>Grievance redress mechanism</b>	Number of cases referred to GRC/CRC Number of cases settled by GRC/CRC Number of cases pending with GRC/CRC Average time taken for resettlement of cases Number of GRC/CRC meetings Number of PAPs moved court Number of pending cases with the court Number of cases settled by the court
<b>Overall Management</b>	Effectiveness of compensation delivery system Timely disbursement of compensation Census and asset verification/quantification procedures in place Coordination between local community structures, PAPs, AGP-II IAs, and PCU



## 10.2. Reporting Requirement

Monitoring reports of the RPF and RAP/ implementation is prepared for the following tasks: internal monitoring, expert monitoring, completion audit and compensation. The AGP-II PCU both regional and federal level will prepare regularly (quarterly) performance monitoring report beginning with the commencement of any activities related to resettlement, including income restoration. These reports will summarize information that is collected and compiled in the quarterly narrative status and compensation disbursement reports and highlights key issues that have arisen. As a result of the monitoring of inputs, processes, outputs and outcomes of RAP/ activities, PCM will be advised of necessary improvements in the implementation of the RAP/s. Table 10.2 below shows the reporting template to be used for the reporting of the RAP/ implementation.

**Table 10.2: RAP/ Implementation Monitoring Template**

<b>Table 10.2: Reporting Format on Land Acquisition and property losses</b>					
Name & Location of Sub-project:					
Project Sponsor:					
Project cost:					
Key Dates of implementation					
For example—application, approval, public consultation, court dates, work start dates etc					
<i>Inventory of Land &amp; Assets Acquired from Private Owners</i>					
Name of Owners/land user	Project Component: Area(s) / plots(s) acquired (ha)	Owner's/user's % of total land (ha) and %taken	Land use: pasture, agriculture, residence, etc. Inventory of any structures or other fixed or productive assets (wells, fences, trees, field crops, etc) affected. Indicate if land is rented or informally used by another party. Indicate if non-owner users have assets, trees, crops, etc affected Indicate if land-based activity is primary source of income for owner or land user.	Compensation paid. Other actions taken for renters or users. Dates delivered.	Impact on income of owner. Impact on lease or informal land users.
1.					
2.					
3.					
<i>Inventory of Public, Community, or State Land Acquired</i>					
Land parcels for	Land type / land	Ownership: State, community, other.	Compensation, land transfer, or		

Project Components Area acquired / parcel	use: Forest, commons for grazing, other.	Structures or other fixed assets.	other measures to mitigate impacts on land users. Specify measures and dates of delivery.

**Public Awareness, Consultations, and Communication (Report on consultation/meeting process)**

Concerns raised at the public consultation	Concerns raised outside public consultation	How these concerns were resolved?	

***Status of land Acquisition***

Completed	Pending Court decision	ongoing	

***Special Assistance provided beyond cash compensation payment of acquired land***

Alternative land	Relocation assistance	Livelihood restoration measures	Summary of impact which it addressed

<b><i>Identification of vulnerable groups</i></b> For example elderly, disabled, widows, etc	Sources of information for vulnerable groups	Methods and channels used to contact them	Assistance provided to them

***Grievance Redress process***

Mechanisms available for project impacted persons to register their grievances and complaints.	PAPs awareness of the grievance protocol	Are the Grievance mechanisms and procedures affordable and accessible	Any third party settlement mechanism, involvement of community leaders, NGOs

Report on how project monitoring (land acquisition) will be done to preclude any future social issues after the project is completed.

**10.3. Completion Audit**

The AGP-II PCU shall commission an external party to undertake an evaluation of RAP's/s' physical inputs to ensure and assess whether the outcome of RAP/ complies with the involuntary resettlement policy of the World Bank, and the national legal requirement related to expropriation of landholding and payments of compensation. The completion audit shall be undertaken after the RAP/ inputs. The audit shall verify that all physical inputs committed in the RAP/ have been delivered and all services provided. It shall evaluate whether the mitigation measures prescribed in the RAP/ have the desired effect. The completion audit should bring to closure AGP-II PCU's liability for resettlement.

**Technical Annexes**

**Annex 1: AGP-II RAP/ Extended Screening Checklist**

The results of the Screening Report – whether an ESIA, ESMP, RAP or are required - will be included by the AGP-II in the **AGP-II Subproject Application Form**.

AGP-II Investment subproject name:

Location: *(e.g. region, district, Kebele, etc)*

Type of activity: *(e.g. new construction, rehabilitation, periodic maintenance)*

Estimated Cost: (Birr)

Proposed Date of Works Commencement:

**Table 1: Site Selection:**

<b>Physical Data</b>	<i>Yes/No answers and bullet lists preferred except where descriptive detail is essential.</i>
Site area in ha	
Extension of or changes to existing alignment	
Any existing property to transfer to project	
Any plans for new construction	

*Refer to project application for this information.*

**2. Impact identification and classification:**

When considering the location of AGP-II investment project, rate the sensitivity of the proposed site in the following table according to the given criteria. Higher ratings do not necessarily mean that a site is unsuitable – it indicates a real risk of causing adverse impacts involving resettlement and compensation. The following table should be used as a reference.

**Table 2: Impact Identification and Classification**

Issues	Site sensitivity		
	Low	Medium	high
Involuntary Resettlement	Low population density; dispersed population; legal tenure is well defined; well-defined water rights	Medium population density; mixed ownership and land tenure; well-defined water rights	High population density; major towns and villages; low-income families and/or illegal ownership of land; communal properties; unclear water rights

**Table 3: Checklist of Impacts**

AGP-II infrastructure & services: Roads, Footpaths & Street lighting, Water supply, etc	Potential for Adverse Impacts				
	None	Low	Medium	High	Unknown
Economic or physical resettlement required					
New settlement pressures created					
Other (specify):					

**Table 4: Detailed Questions**

<b>Public participation/information requirements:</b> <i>Yes/No answers and bullet lists preferred except where descriptive detail is essential.</i>	
Does the proposal require, under national or local laws, the public to be informed, consulted or involved?	
Has consultation been completed?	
Indicate the time frame of any outstanding consultation process.	
<b>Land and resettlement:</b> <i>Yes/No answers and bullet lists preferred except where descriptive detail is essential</i>	
What is the likelihood of land acquisition and property losses for the AGP-II investment subproject under question?	
How will the AGP-II go about land acquisition and property losses?	
Will people's livelihoods be affected in any way, therefore requiring some form of compensation?	
Will people need to be displaced, and therefore require compensation and resettlement assistance?	
Are the relevant authorities aware of the need for a Resettlement Process, involving a census, valuation, consultation, compensation, evaluation and monitoring?	
What level or type of compensation is planned?	
Who will monitor actual payments?	
<b>Actions:</b>	
List outstanding actions to be cleared before AGP-II investment subproject appraisal.	
<b>Approval/rejection:</b>	

If proposal is rejected for environmental reasons, should the AGP-II investment subproject be reconsidered, and what additional data would be required for reconsideration?	
<b>Recommendations</b>	
Requires an RAP is to be submitted on date	
Requires an to be submitted on date	
Does not require further social studies	

Reviewer Name: \_\_\_\_\_; Sig.: \_\_\_\_\_; Date: \_\_\_\_\_

Prepared by ----- Sig \_\_\_\_\_ Date \_\_\_\_\_

## Annex 2: Census Survey and Land Asset Inventory

### a. Socio-economic Household Datasheet of AGP-II PAPs

Names of Interviewer	Signature	Date
1.		
Name of Supervisor		
3.		
Name of Head of Extended Family :		
Number of Nuclear Families in Extended Residential Group (including household of head of extended family)		
Region: _____; Zone: _____; Woreda: _____; Kebele: _____; Sub-Kebele: _____; Site/Village: _____		

### b. Land asset inventory for AGP-II investment sub-project Affected People

A. General Information about Project Component:	
Type/brief description of component	
Site location	
Total amount of land (community assets expropriated) required for subproject (m2)	
When was site selected?	
Why was this site selected, and why is this amount of land necessary?	
Attach land plan or map	

B. Information on Each Land Acquisition/Expropriation:	
Identification number	
Ownership (private, Municipal or Treasury)	
Name and address of registered owners	
Gender (Male/Female)	
Ethnic Minority (if yes, describe)	
Educational Level	
Primary occupation	
Monthly Income	

Location of job/business (within or outside the acquired land)	
Total size of plot (m2)	
Amount of plot required (m2)/% taken	
Expropriation status (if complete, give date of completion)	
Compensation amount (estimated or actual)	
If municipal or state land, are private individuals living on it?	
If municipal or state land, are private individuals using it for economic gain (cropping, grazing , fruit trees)?	
Will structures (houses, shops, utility buildings) or fixed assets (fences, wells, etc.) be affected? If so, list all structures and assets by purpose, name of owner or user, size (m2), and compensation amounts (actual or estimated).	

<b>C. Information about Affected People:</b>	
If houses (legally owned or occupied by squatters) are to be demolished, how many families reside there, and how many people are in each family?	
Are residents owners or tenants?	
If shops are to be demolished, how many people are paid employees?	
Do any of the affected people (owners, tenants, family members) need special assistance? If so, how many (by category: elderly living alone, blind, physically disabled, mentally impaired, or other such as??)? What special assistance will be provided?	
<b>D. Temporary Impacts:</b>	
Identify all plots of land that must be used temporarily during the construction phase, but which will not be permanently expropriated.	
Describe compensation or other assistance negotiated with the owner for temporary use.	
Describe measures taken to ensure that land is returned to original or improved condition after temporary use is complete.	

<b>E. Consultation:</b>	
Description of Consultation undertaken with Project Affected People –PAPs ( land and asset owners, people using the premises for businesses, squatters etc. ??	
Public notification (means of notification ex. Workshops, radio announcement, public	

notices in the site, etc.)	
Who was invited?	
Who attended it?	
What kind of Contact information was provided?	
Issues raised during consultations	
What procedures agreed were agreed on as next steps?	
What Information was collected about the PAPs (affected households, business etc.???)	
How and when were the PAPs notified?	
Who met with the PAPs?	
How many meetings were held and which phase?? did they reach?	

<b>F. Grievance Procedures:</b>	
Place and address to register grievance/complaints (eg , which office number or address was given or was there a phone line established, etc)	
Advertised??—public awareness of the process	
Which Project level person (s) were designated to follow-up on the resolution of the grievances?	
Consultative Grievances group/committee including community /municipality members, local authorities to review the negotiation process	
Court/payment for court process	

Total number of people affected by the land acquisition plan (sum of all categories above) and use attachment, if needed

**Reviewed By (Name and Title)** \_\_\_\_\_  
**Signature** \_\_\_\_\_



**c. Entitlements of AGP-II Investment Subproject Affected People**

Woreda: \_\_\_\_\_; Kebele: \_\_\_\_\_; Sub-Kebele/village: \_\_\_\_\_

Survey no.	Name of Head of HH	Compensation for Land			Compensation for structures			Compensation for crops and trees			Compensation for other assets and losses (e.g., graveyards, wells, businesses, etc)			Total (Birr)
		Quantity (m <sup>2</sup> )	Unit price (Birr) per m <sup>2</sup>	Entitlement (Birr)	Quantity (m <sup>2</sup> )	Unit price (Birr) per m <sup>2</sup>	Entitlement (Birr)	Quantity (m <sup>2</sup> )	Unit price (Birr) per m <sup>2</sup>	Entitlement (Birr)	Quantity (m <sup>2</sup> )	Unit price (Birr) per m <sup>2</sup>	Entitlement (Birr)	

### **Annex 3: Resettlement Action Plan – RAP Guideline**

The scope and level of detail of the RAP will vary depending on the magnitude and complexity of resettlement or displacement. The RAP is prepared based on the most recent and accurate information on the: (i) proposed resettlement and its impacts on displaced persons and other adversely affected groups; and (ii) legal issues affecting resettlement. The RAP covers elements that are specific to the project context.

A broad outline of the RAP, as applied to sub-projects covered under a RPF includes, but is not limited to, the following:

#### **1. *Description of the Sub-project***

General description of the sub-project activities that will cause displacement and the efforts made to reduce the number of people affected. Description of the sites and services currently available and their distance from the site should be done.

#### **2. *Potential Impacts***

Identification of the: (i) the sub-project components or activities that require resettlement or restriction of access; (ii) zone of impact of components or activities; (iii) alternatives considered to avoid or minimize resettlement or restricted access; and (iv) mechanisms established to minimize resettlement, displacement, and restricted access, to the extent possible, during project implementation.

#### **3. *Objectives***

The main objectives of the resettlement program as these apply to the sub-project.

#### **4. *Socio-economic Study***

The findings of socio-economic studies to be conducted in the early stages of subproject preparation, and with the involvement of potentially affected people will be needed. These generally include the results of a census of the affected populations covering:

- (i) Current occupants of the affected area as a basis for design of the RAP and to clearly set a cut-off date, the purpose of which is to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;
- (ii) Standard characteristics of displaced households, including a description of production systems, labor, and household organization; and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population;
- (iii) 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, 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, and to measure impacts (or changes) in their livelihood and living conditions.

There may be other studies that the RAP can draw upon, such as those describing the following:

- (i) Land tenure, property, and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, non-title-based usufruct systems (including fishing, grazing, or use of forest areas) governed by locally recognized land allocation mechanisms, and any issues raised by different tenure systems in the sub project area;
- (ii) Patterns of social interaction in the affected communities, including social support systems, and how they will be affected by the sub-project;
- (iii) Public infrastructure and social services that will be affected; and
- (iv) Social and cultural characteristics of displaced communities, and their host communities, including a description of formal and informal institutions. These may cover, for example, community organizations; cultural, social or ritual groups; and non-governmental organizations (NGOs) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

#### 5. *Legal Framework*

The analysis of the legal and institutional framework should cover the following:

- i. Scope of existing land and property laws governing resources, including state-owned lands under eminent domain and the nature of compensation associated with valuation methodologies; land market; mode and timing of payments, etc;
- ii. Applicable legal and administrative procedures, including a description of the grievance procedures and remedies available to PAPs in the judicial process and the execution of these procedures, including any available alternative dispute resolution mechanisms that may be relevant to implementation of the RAP for the sub-project;
- iii. Relevant laws ( including customary and traditional law) governing land tenure, valuation of assets and losses, compensation, and natural resource usage rights, customary personal law; communal laws, etc related to displacement and resettlement, and environmental laws and social welfare legislation;
- iv. Laws and regulations relating to the agencies responsible for implementing resettlement activities in the sub-projects;
- v. Gaps, if any, between local laws covering resettlement and the Bank's resettlement policy, and the mechanisms for addressing such gaps; and
- vi. Legal steps necessary to ensure the effective implementation of RAP activities in the sub-projects, including, as appropriate, a process for recognizing claims to legal rights to

land, including claims that derive from customary and traditional usage, etc and which are specific to the sub-projects.

#### **6. *Institutional Framework***

The institutional framework governing RAP implementation generally covers:

- a. Agencies and offices responsible for resettlement activities and civil society groups like NGOs that may have a role in RAP implementation;
- b. Institutional capacities of these agencies, offices, and civil society groups in carrying out RAP implementation, monitoring, and evaluation; and
- c. Activities for enhancing the institutional capacities of agencies, offices, and civil society groups, especially in the consultation and monitoring processes.

#### **7. *Eligibility***

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

#### **8. *Valuation of and Compensation for Losses***

The methodology to be used for valuing losses, or damages, for the purpose of determining their replacement costs; and a description of the proposed types and levels of compensation consistent with national and local laws and measures, as necessary, to ensure that these are based on acceptable values (e.g. market rates).

#### **9. *Resettlement Measures***

A description of the compensation and other resettlement measures that will assist each category of eligible PAPs to achieve the objectives of OP 4.12. Aside from compensation, these measures should include programs for livelihood restoration, grievance mechanisms, consultations, and disclosure of information.

#### **10. *Site selection, site preparation, and relocation***

Alternative relocation sites should be described and cover the following:

- (i) Institutional and technical arrangements for identifying and preparing relocation sites, whether rural or urban, for which a combination of productive potential, location advantages, and other factors is at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;
- (ii) Any measures necessary to prevent land speculation or influx of eligible persons at the selected sites;
- (iii) Procedures for physical relocation under the project, including timetables for site preparation and transfer; and
- (iv) Legal arrangements for recognizing (or regularizing) tenure and transferring titles to those being resettled.

### 11. *Housing, infrastructure, and Social Services*

Plans to provide (or to finance provision of) housing, infrastructure (e.g. water supply, feeder roads), and social services to host populations; and any other necessary site development, engineering, and architectural designs for these facilities should be described.

### 12. *Environmental Protection and Management*

A description of the boundaries of the relocation area is needed. This description includes an assessment of the environmental impacts of the proposed resettlement and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).

### 13. *Community Participation*

Consistent with the World Bank's policy on consultation and disclosure, a strategy for consultation with, and participation of, PAPs and host communities, should include:

- (i) Description of the strategy for consultation with and participation of PAPs and hosts in the design and implementation of resettlement activities;
- (ii) Summary of the consultations and how PAPs' views were taken into account in preparing the resettlement plan; and
- (iii) Review of resettlement alternatives presented and the choices made by PAPs regarding options available to them, including choices related to forms of compensation and resettlement assistance, to relocating as individual families or as parts of pre-existing 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); and
- (iv) Arrangements on how PAPs can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that vulnerable groups (including indigenous peoples, ethnic minorities, landless, children and youth, and women) are adequately represented.

The consultations should cover measures to mitigate the impact of resettlement on any host communities, including:

- a. Consultations with host communities and local governments;
- b. Arrangements for prompt tendering of any payment due the hosts for land or other assets provided to PAPs;
- c. Conflict resolution involving PAPs and host communities; and
- d. Additional services (e.g. education, water, health, and production services) in host communities to make them at least comparable to services available to PAPs.

### 14. *Grievance Procedures*

The RAP should provide mechanisms for ensuring that an affordable and accessible procedure is in place for third-party settlement of disputes arising from resettlement. These mechanisms

should take into account the availability of judicial and legal services, as well as community and traditional dispute settlement mechanisms.

#### **15. *RAP Implementation Responsibilities***

The RAP should be clear about the implementation responsibilities of various agencies, offices, and local representatives. These responsibilities should cover (i) delivery of RAP compensation and rehabilitation measures and provision of services; (ii) appropriate coordination between agencies and jurisdictions involved in RAP implementation; and (iii) measures (including technical assistance) needed to strengthen the implementing agencies' capacities of responsibility for managing facilities and services provided under the project and for transferring to PAPs some responsibilities related to RAP components (e.g. community-based livelihood restoration; participatory monitoring; etc).

#### **16. *Implementation Schedule***

An implementation schedule covering all RAP activities from preparation, implementation, and monitoring and evaluation should be included. These should identify the target dates for delivery of benefits to the resettled population and the hosts, as well as clearly defining a closing date. The schedule should indicate how the RAP activities are linked to the implementation of the overall project.

#### **17. *Costs and Budget***

The RAP for the specific sub-projects should provide detailed (itemized) cost estimates for all RAP activities, including allowances for inflation, population growth, and other contingencies; timetable for expenditures; sources of funds; and arrangements for timely flow of funds. These should include other fiduciary arrangements consistent with the rest of the project governing financial management and procurement.

#### **18. *Monitoring and Evaluation***

Arrangements for monitoring of RAP activities by the implementing agency, and the independent monitoring of these activities, should be included in the RAP section on monitoring and evaluation. The final evaluation should be done by an independent monitor or agency to measure RAP outcomes and impacts on PAPs' livelihood and living conditions. The World Bank has examples of performance monitoring indicators to measure inputs, outputs, and outcomes for RAP activities; involvement of PAPS in the monitoring process; evaluation of the impact of RAP activities over a reasonable period after resettlement and compensation, and using the results of RAP impact monitoring to guide subsequent implementation.

### Annex 5: Sample Grievance Procedure Form

<b>Grievance/Complaint form</b>	
Compliant Number	Copies to forwarded to:
Name of the Recorder and its Responsibilities	(Original) Responsible Party/Agency to implement the Resettlement*
Region	(Copy) Complainant
Woreda	(Copy) CRC at Kebele and Woreda level
Kebele	
Date	
<b>Information about the Complainant</b>	
Full Name including Surname	
Address	
Telephone number	
Region	
Woreda	
Kebele	
Site	
Date	
Signature of the Complainant	
<b>Grievance Procedure</b>	
Description of the compliance/grievance	
Does the grievance procedure advertised? public awareness of the process	
Which project level person (s) was designated to follow up on the resolution of the grievance?	
Consultative grievance group/committee including community/municipality members, two representatives from PAPs, local authorities to review the negotiation process	
Court/payment for court process	

\*The responsible party is AGP-II implementing agency that is proposing AGP-II subproject for financing, and the subproject is to cause displacement.

**NB:** The resolution of the Grievance will be addressed using the Grievance Redress Mechanism as indicated in section 8 of this RPF.

## Annex 6: National Relevant Laws

Property Rights and Land Rights	Law/Regulation
Ownership of land is now vested in the State and Ethiopian citizens have only a use right (usufruct) over the land. This gives the user ownership of his/her possessions with the right to benefit from the fruits of his/her labor. This includes crops, perennial crops, trees for timber etc found on the land or any other permanent fixtures such as residential houses, business installations, stores and fences, amongst others. This overturned the 1960 Constitutional degree of private ownership of land.	Public Ownership of Rural Land ( <i>No 31/1975</i> )
In 1975 Ethiopia nationalized urban land and extra houses ( <b>Proc. No. 47/1975</b> ). Residents have usage rights, urban centers must take inventory of land and plan sustainable land use. Urban residents get one plot of land for personal housing.	Proclamation No. 47/1975
A) All urban lands shall be property of the Government. B) Tenant shall be free from payment to the landowner. C) Any person or family own only a single dwelling.	Proclamation No. 47/1975, Article 2(3), Article 6(1) and Article 11(1)
According to these proclamations, land holders have open-ended usufruct rights over their possessions (i.e. there is no time limit on this usufruct), subject to a proof of permanent physical residence, ability to farm continuously and should meet administrative dues and obligations. In rural villages, farm households have a legal right to possess land through state mandated peasant associations.	Constitution of Ethiopia (No 1/1987, Article 13(2) and No 1/1995, Article 40(3))
Proclamation No. 89/1997 establishes the principles of rural land administration, which is devolved to the Regions <ul style="list-style-type: none"> <li>• states that each Regional Council shall enact a law on land administration, which is in conformity with the provisions on environmental protection and federal utilization policies.</li> </ul>	Proclamation No. 89/1997 "Federal Rural Land Administration Proclamation"
Proclamation No. 89/1997 recognizes the lawfulness of "holding rights" over land;	Proclamation No. 89/1997 "Federal Rural Land Administration Proclamation"
Proclamation No. 89/1997 confirms and details the Constitution principle that holding rights on land can be assigned to peasants and nomads, and that these are to be secured from eviction and displacement;	Proclamation No. 89/1997 "Federal Rural Land Administration Proclamation"
It provides various details with respect to redistribution of land, including that this redistribution is a Region responsibility It establishes the possibility for Regions to perceive fees for the use of land and forest.	Proclamation No. 89/1997 "Federal Rural Land Administration Proclamation"
The leasehold policy ( <b>Proc No. 80/1993</b> ) allows individuals and companies to attain access to land through auction, allocation, or lottery.	Proclamation No. 80/1993
Article 26 of the Constitution states that "Everyone shall have the right to his privacy and physical integrity. This right shall include protection from searches of his person, his home, his property and protection from seizure of property under his possession."	Constitution Article 26
The 1995 Constitution of the Ethiopia, <i>Article 40(2), 40(4), 40(5) and 40(8)</i> includes legal frameworks that protect the Ethiopian citizen's rights to private property and set conditions for expropriation of such property for state or public interests.	Constitution Article 40(2) Constitution Article 40(4) Constitution Article 40(5) Constitution Article 40(8)
<b>Article 40(3)</b> vests the right to ownership of rural and urban land, as well as of all	Constitution Article 40(3)



Property Rights and Land Rights	Law/Regulation
natural; resources, in the government and in the peoples of Ethiopia;	
<b>Article 40(3)</b> recognizes land as a common property of the Nations, Nationalities of, and peoples of Ethiopia and prohibits sale or any other exchange of land;	Constitution Article 40(3) Proclamation N° 89/1997 "Federal Rural Land Administration Proclamation"
<b>Article 40(4)</b> guarantees the right of farmers to obtain land without payment and the protection against eviction from their possession; and	Constitution Article 40(4)
<b>Article 40(5)</b> guarantees the right of pastoralists to free land for grazing and cultivation as well as the right not to be displaced from their own lands.	Constitution Article 40(5)
<b>Article 40(7)</b> states that "Every Ethiopian shall have the full right to the immovable property he builds and to the permanent improvements he brings about on the land by his labour or capital. This right shall include the right to alienate, to bequeath, and, where the right to use expires, to remove his property, transfers his title, or claim compensation for it.	Constitution Article 40(7)
<b>Article 41(9)</b> sets out the State responsibilities to protect and preserve historical and cultural legacies.	Constitution Article 41(9)
The Research and Conservation of Cultural Heritage <b>Proclamation No. 209/2000</b> of Ethiopia defines cultural heritage broadly as "anything tangible or intangible which is the product of creativity and labour of man in the pre-history and history times, that describes and witnesses to the evolution of nature and which has a major value in its scientific, historical, cultural, artistic and handcraft content."	Proclamation No. 209/2000
<ul style="list-style-type: none"> <li>• Prior approval of the Authority for Research and Conservation of Cultural Heritage is required to remove from its original site of an immovable cultural heritage (<b>Art. 21/1</b>).</li> </ul>	Proclamation No. 209/2000, Article 21/1
<ul style="list-style-type: none"> <li>• Whenever registered, movable cultural heritage is encountered during the execution of the project it is possible to remove such property by notifying the Authority in advance (<b>Art. 21/2</b>).</li> </ul>	Proclamation No. 209/2000, Article 21/2
Zikre Hig Regulation No.6 2002 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	Zikre Hig Regulation No. 6/2002
Several Regions of Ethiopia have taken steps to develop regional land regulations.	<i>Regional Land Regulations</i> <ul style="list-style-type: none"> <li>• <i>Land use Administration Proclamation, (No 456/2005 Article 17(1))</i></li> </ul>
Eligibility for compensation is discussed in <i>Article 44(2)</i> of the 1995 Constitution and <i>Proclamation No 455/2005</i> . These two legal documents give entitlement only to those who have formal legal rights over their holdings (properties).	Constitution Article 44(2) Proclamation No 455/2005
<i>Proclamation No 455/2005, Article 2 (3)</i> stipulates that "Landholder" means an individual, government or private organization or any ...other ...organ which has legal personality and has lawful possession over the land to be expropriated and owns property situated thereon."	Proclamation No 455/2005
<b>Rural Land Administration and Land use Administration Proclamation (No. 456/2005 Article 17(1))</b> gives regional states the power to enact regional laws for rural land administrations. The regional laws are to be consistent with the Federal	Proclamation No. 456/2005

Property Rights and Land Rights	Law/Regulation
Constitution (No. 1/1995, Article 52(2) (d))	
<p>Several regional states (including Amhara, Oromia and Tigray) are now building on the constitutional provisions to improve security of tenure, albeit within the general framework of State ownership of land. Leases are being introduced, that would guarantee lessees a long-term right of usage.</p> <p>Where leases are concluded between a regional administration and peasant farmers, it does not seem that these leases are reflected in any cadastral documentation (including maps) kept at <i>woreda</i> or region level.</p>	<i>Land Tenure</i>
<p>“Non-owners like renters and business are eligible for relocation and other assistance in finding a new location, compensation at replacement value for any immovable assets, compensation for loss of income during transition, assistance for physical transfer and follow-up services.”</p>	Uncited
<p>“People without titles or use right (e.g. squatters, encroachers) will be for specific assistance. They typically claim use rights or even ownership after occupation of unused or unprotected lands. They are likely to have invested in structures or land improvements that are eligible for compensation.”</p>	Uncited

## **Annex 7: Proclamation on Expropriation of Landholdings for Public Purposes and Payment of Compensation Proclamation**

### **Proclamation No. 455/2005**

#### **Expropriation of Landholdings for Public Purposes and Payment of Compensation Proclamation**

#### **A PROCLAMATION TO PROVIDE FOR THEE EXPRORIATION OF LANDHOLDINGS FOR PUBLIC PURPOSE AND PAYMENT OF COMPENSATION**

**WHEREAS**, the government needs to use land for development works it carries out for public services;

**WHEREAS**, urban centers of the country have, from time to time, been growing and the number of urban dwellers has been increasing and thereby land development for the construction of dwelling houses, infrastructure, investment and other services has become necessary in accordance with their respective plans as well as preparation and provision of land for development works in rural areas has become necessary;

**WHEREAS**, it has become necessary to define the basic principles that have to be taken into consideration in determining compensation to a person whose landholding has been expropriated;

**WHEREAS**, it has become necessary to define organs that shall have the power to determine and the responsibility to pay the compensation;

**WHEREAS**, Article 51(5) of the Constitution empowers the Federal Government to enact laws regarding the utilization of land and it is deemed necessary to regulate in detail, based on the requirement of advance payment of compensation for private property expropriated for public purpose as provided for under Article 40(8) of the Constitution.

**NOW, THEREFORE**, in accordance with Article 55 (1) of the Constitution, it is hereby proclaimed as follows;

### **PART ONE GENERAL**

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

This Proclamation may be cited as the "Expropriation of landholdings for Public Purposes and Payment of Compensation Proclamation No. 455/2005."

#### **2. Definitions**

In this Proclamation, unless the context requires otherwise:

- 1) "compensation" means, payment to be made in cash or in kind or in both to a person for his property situated on his expropriated landholding;

- 2) "region" means any region referred to in Article 47 of the Constitution and includes the Addis Ababa and Dire Dawa city administrations;
- 3) "landholder" means an individual, government or private organization or any other organ which has legal personal.ity and has lawful possession over the land to be expropriated and owns property situated thereon;
- 4) "urban administration" means an organ to which urban administrative powers and duties have been given by law or delegated by the concerned government body to exercise such powers and duties;
- 5) "public purpose" means the use of land defined as such by the decision of the appropriate body inconformity with urban structure plan or development plan in order to ensure the interest of the peoples to acquire direct or indirect benefits from the use of the land and to consolidate sustainable socio economic development;
- 6) "utility line" means water, sewerage, electric or telephone line existing on or under a land to be expropriated for public purpose;
- 7) "implementing agency" means a government agency or, public enterprise undertaking or causing to be undertaken development works with its own force or through contractors.

## **PART TWO**

### **EXPROPRIATION OF LANDHOLDINGS**

#### **3. Power to Expropriate Landholdings**

- 1) A woreda or an urban administration shall, upon payment in advance of compensation in accordance with this Proclamation, have the power to expropriate rural or urban landholdings for public purpose where it believes that it should be used for a better development project to be carried out by public entities, private investors, cooperative societies or other organs, or where such expropriation has been decided by the appropriate higher regional or federal government organ for the same purpose.
- 2) Notwithstanding the provisions of Sub-Article (1) of this Article, no land lease holding may be expropriated unless the lessee has failed to honor the obligations he assumed under the Lease Proclamation and Regulations or the land is required for development works to be undertaken by government.

#### **4. Notification of Expropriation Order**

- 1) Where a woreda or an urban administration decides to expropriate a landholding in accordance with Article 3 of this Proclamation, it shall notify the landholder" in writing, indicating the time when the land has to be vacated and the amount of compensation to be paid.
- 2) The period of notification to be' given in accordance with Sub-Article (1) of this Article shall be determined by directives; provided however, that it may not, in any way, be less than ninety days.

- 3) Any landholder who has been served with an expropriation order in accordance with Sub-Article (1) of this Article, shall hand over the land to the woreda or urban administration within 90 days from the date of payment of compensation or, if he refuses to receive the payment, from the date of deposit of the compensation in a blocked bank account in the name of the woreda or urban administration as may be appropriate.
- 4) Notwithstanding Sub-Article (3) of this Article, where there is no crop, perennial crop or other property on the expropriated land, the holder shall hand over the land to the woreda or urban administration within 30 days from the date of receipt of the expropriation order.
- 5) Where a landholder who has been served with an expropriation order refuses to handover the land within the period specified in Sub Article (3) of (4) of this Article, the woreda or urban administration may use police force to take over the land.

### **5. Responsibilities of the Implementing Agency**

The implementing agency shall have responsibilities to:

- 1) prepare detail data pertaining to the land needed for its works and send same, at least one year before the commencement of the works, to the organs empowered to expropriate land in accordance with this Proclamation and obtain permission from them; and
- 2) pay compensation in accordance with this Proclamation to landholders whose holding: have been expropriated.

### **6. Procedures for removal of Utility Lines**

- 1) Where land over or under which utility lines, owned by federal or regional government office or public enterprise, pass is to be expropriated, the body requiring the land shall submit, in writing, its request to the owner by indicating the exact location of the lines to be removed.
- 2) The body which has received a request under Sub Article (1) of this Article shall, within 30 days from receipt of such request, determine a fair compensation required to replace the lines to be removed and send details of its valuation to the requesting body.
- 3) The body which requested the removal of utility lines shall pay compensation to the owner within 30 days from the date of receipt of the valuation under Sub-Article (2) of this Article. The owner shall also remove the utility lines and vacate the land within 60 days from the date of receipt of compensation.

## **PART THREE DETERMINATION OF COMPENSATION**

### **7. Basis and Amount of Compensation**

- 1) A landholder whose holding has been expropriated shall be entitled to payment of compensation for his property situated on the land and for permanent improvements he made to such land.
- 2) The amount of compensation for property situated on the expropriated land shall be determined on the basis of replacement cost of the property.
- 3) Where the compensation referred to under Sub- Article (2) of this Article is payable to an urban dweller, it may not, in any way, be less than the current cost of constructing a single room low cost house in accordance with the standard set by the concerned region.

- 4) Compensation for permanent improvement to land shall be equal to the value of capital and labour expended on the land.
- 5) The cost of removal, transportation and erection shall be paid as compensation for a property that could be relocated and continue its service as before.
- 6) Valuation formula for determining compensation for various properties and detail prescription applicable thereto shall be provided for by regulations.

## **8. Displacement Compensation**

- 1) A rural landholder whose landholding has been permanently expropriated shall, in addition to the compensation payable under Article 7 of this Proclamation, be paid displacement compensation which shall be equivalent to ten times the average annual income he secured during the five years preceding the expropriation of the land.
- 2) A rural landholder or holders of common land whose landholding has been provisionally expropriated shall, in addition to the compensation payable under Article 7 of this Proclamation, be paid until repossession of the land, compensation for lost income based on the average annual income secured during the five years preceding the expropriation of the land; provided, however, that such payment shall not exceed the amount of compensation payable under Sub-Article (1) of this Article.
- 3) Where the woreda administration confirms that a substitute land which can be easily ploughed and generate comparable income is available for the land holder, the compensation to be paid under Sub-Articles (1) and (2) of this Article shall only be equivalent to the average annual income secured during the five years preceding the expropriation of the land.
- 4) An urban landholder whose landholding has been expropriated under this Proclamation shall:
  - a) be provided with a plot of urban land, the size of which shall be determined by the urban administration, to be used for the construction of a dwelling house; and
  - b) be paid a displacement compensation equivalent to the estimated annual rent of the demolished dwelling house or be allowed to reside, force or charge, for one year in a comparable dwelling house owned by the urban administration.
- 5) Where the house demolished is a business house, the provisions of Sub-Article (4) of this Article shall, mutatis mutandis apply,
- 6) When an urban land lease holding is expropriated prior to its expiry date, the lease holder shall, in addition to the compensation referred to under Article 7 of this proclamation and this Article, be provided with a similar plot of land to use it for the remaining lease period. The lease holder shall also be allowed to use the new plot of land for a longer period if its rent is less than the former land or the holding did not want take the land he can take the remain rant payment.
- 7) The detail prescriptions applicable to compensation payable under the Article shall be provided for by regulations.

## **9. Valuation of Property**

- 1) The valuation of property situated on land to be expropriated shall be carried out by certified private or public institutions or individual consultants on the basis of valuation formula adopted at the national level.
- 2) Until such time that the Ministry of Federal Affairs, in consultation with the appropriate federal and regional government organs, ascertains the creation of the required capacity to take valuation of property as specified under Sub-Article (1) of this Article, such valuation shall be carried out by committees to be established in accordance with Article (10) of this Proclamation and owners of utility lines in accordance with Article (6) of this Proclamation.

## **10. Property Valuation Committees**

- 1) Where the land to be expropriated is located in a rural area, the property situated thereon shall be valued by a committee of not more than five experts having the relevant qualification and to be designated by the woreda administration.
- 2) Where the land to be expropriated is located in an urban center, the property situated thereon shall be valued by a committee of experts having the relevant qualification and to be designated by the urban administration.
- 3) Where the property situated on a land to be expropriated requires specialized knowledge and experience, it shall be valued by a separate committee of experts to be designated by the woreda or the urban administration.
- 4) The working procedures for the committees established in accordance with this Article shall be determined by directives.

## **11. Complaints and Appeals in Relation to Compensation**

- 1) In rural areas and in an urban center where an administrative organ to hear grievances related to urban landholding is not yet established, a complaint relating to the amount of compensation shall be submitted to the regular court having jurisdiction.
- 2) Where the holder of an expropriated urban landholding is dissatisfied with the amount of compensation, he may lodge his complaint to the administrative organ established by the urban administration to hear grievances related to urban landholdings.
- 3) 3/ The organ referred to in Sub-Article (2) of this Article shall examine the complaint and give its decision within such short period as specified by directives issued by the region and communicate its decision to the parties in writing,
- 4) A party dissatisfied with a decision, rendered in accordance with Sub-Article (1) and (3) of this Article may appeal, as may be appropriate, to the regular appellate court or municipal appellate court within 30 days from the date of the decision. The decision of the court shall be final.
- 5) The period specified in Sub-Article (4) of this Article for submitting an appeal shall not include the time taken to provide the appellant with a copy of the decision.
- 6) An appeal submitted, pursuant to Sub-Article (4) of this Article, by any landholder served with an expropriation order may be admitted only if it is accompanied with a document that proves the handover of the land to the urban or woreda administration.
- 7) The execution of an expropriation order may not be delayed due to a complaint regarding the amount of compensation.

**PART FOUR**  
**MISCELLANEOUR PROVISIONS**

**12. Powers and Duties of the Ministry of Federal Affairs**

With respect to the implementation of this Proclamation, the Ministry of Federal Affairs shall have the powers and duties to:

- 1) Follow up and ensure that the provisions of this Proclamation are complied with in regions;
- 2) Give technical and capacity building support to regions so that they will be able to implement this Proclamation;
- 3) Prepare, in collaboration with other relevant organs of the Federal Government, national valuation formula for the determination of compensation payable under this Proclamation and submit same to the Council of Ministers for approval.

**13. Responsibilities of Woreda Administrations and Urban Administration**

With respect to the, implementation of this Proclamation Woreda and urban administration" shall have the responsibilities and duties to:

- 1) Pay or cause the payment of compensation to holders or expropriated land in accordance with this Proclamation, and provide them with rehabilitation support to the extent possible.
- 2) Maintain data of properties removed from expropriated landholdings Particulars and conditions of maintaining such data shall be prescribed by directives.

**14. Power to Issue Regulations and Directives**

- 1) The Council of Ministers may issue regulations necessary for the proper implementation of this Proclamation.
- 2) Regions may issue directives necessary for the proper implementation of this Proclamation and regulations issued hereunder.

**15. Repelled and Inapplicable Laws**

- 1) The Appropriation of Land for Government Works and Payment of Compensation for Property Proclamation No. 401/2004 is hereby repealed.
- 2) No law, regulation, directive or practice shall, in so far as it is inconsistent with this Proclamation, be applicable with respect to matters provided for by this Proclamation.

**16. Effective Date**

The Proclamation shall enter into force on the 15th day of July, 2005.

**Done at Addis Ababa, the 15th day of July, 2005**

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



## **Annex 8: Compensation and Expropriation Regulations**

### **Regulations No. 135/2007 on the Payment of Compensation for Property Situated on Landholdings Expropriated for Public Purposes Council of Ministers Regulations No. 135/2007**

#### **COUNCIL OF MINISTERS REGULATIONS ON THE PAYMENT OF COMPENSATION FOR PROPERTY SITUATED ON LANDHOLDINGS EXPROPRIATED FOR PUBLIC PURPOSES**

These Regulations are issued by the Council of Ministers pursuant to Article 5 of the Definition of Powers and Duties of the Executive Organs of the Federal Democratic Republic of Ethiopia Proclamation No. 471/2005 and Article 14(1) of the Expropriation of Landholdings for Public Purposes and Payment of Compensation Proclamation No. 455/2005 with a purpose of not only paying compensation but also to assist displaced persons to restore their livelihood.

#### **PART ONE GENERAL**

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

These Regulations may be cited as the “Payment of Compensation for Property Situated on Landholdings Expropriated for Public Purposes Council of Ministers Regulations No. 135/2007”

##### **2. Definitions**

In these Regulations unless the context requires otherwise: “Proclamation” means the Expropriation of Landholdings for Public Purposes and Payment of Compensation Proclamation No. 455/2005;

1. “Committee” means a property valuation committee established pursuant to the Proclamation;
2. “Crops” means any plant sown or planted and harvested in one season;
3. “Ripe crops” means plant sown or planted on a land holding to be expropriated for public purpose and that could be harvested within the notice period given under Article 4 of the Proclamation;
4. “Perennial crops” means species of crops harvested regularly for years;
5. “Building” means any structure constructed or under construction in an urban centre or a rural area for residential, manufacturing, commercial, social or any other service;
6. “Formula” means the methodology used for valuating compensation in accordance with these Regulations for Properties Situated on Landholdings Expropriated in Accordance with the Proclamation;
7. The terms “region”, “compensation”, “public purpose”, “utility lines” and “implementing agency” shall have the meanings given to them under the Proclamation;
8. “Person” means any natural or juridical person.

## **PART TWO ASSESSMENT OF COMPENSATION**

### **3. Compensation for Buildings**

1. The amount of compensation for a building shall be determined on the basis of the current cost per square meter or unit for constructing a comparable building
2. The compensation for a building shall include:
  - a) The current cost for constructing floor tiles of the compound, septic tank and other structures attached to the building; and
  - b) The estimated cost for demolishing, lifting, reconstructing, installing and connecting utility lines of the building.
3. The owner of a building shall have the right to claim compensation for the entire building by surrounding the total land in his possession where part of the building is ordered to be removed.
4. Compensation shall be paid only for the demolished part of a building where the owner prefers to use the unwanted part of the land; provided, however, that such preference shall be acceptable only where the condition of the partly demolished building conforms to the requirements of the appropriate city plan.

### **4. Compensation for Fences**

The amount of compensation for a fence shall be determined by calculating the current cost per square meter or the unit cost required for constructing a similar fence.

### **5. Compensation for Crops**

1. The amount of compensation for crops shall be calculated by multiplying the amount of yield that would have been collected from the land at maturity by the current market price of the crops.
2. The owner of ripe crops may, in lieu of compensation, harvest and collect the crops within the period fixed pursuant to Article 4 of the Proclamation.

### **6. Compensation for Perennial Crops**

1. The amount of compensation for unripe perennial crops shall be determined by calculating the estimated cost for growing the plant.
2. The amount of compensation for ripe perennial crops shall be determined on the basis of the average annual yield, the current local market price of the crops and the cost of permanent improvement on land.

### **7. Compensation for Trees**

1. The amount of compensation for trees shall be determined on the basis of the level of growth of the trees and the current local price per square meter or per unit.
2. The owner of trees may, in lieu of compensation, cut and collect the trees within the period fixed pursuant to Article 4 of the Proclamation.

### **8. Compensation for Protected Grass**

1. The amount of compensation for protected grass shall be determined on the basis of the productivity of the land and the current market price of the grass per square meter.

2. The owner of protected grass may, in lieu of compensation, cut and gather the grass within the period fixed pursuant to Article 4 of the Proclamation.

### **9. Compensation for Permanent Improvement on Rural Land**

The amount of compensation for permanent improvement made on a rural land shall be determined by computing the machinery, material and labour costs incurred for clearing, levelling and terracing the land, including the costs of water reservoir and other agricultural infrastructure works.

### **10. Compensation for Relocated Property**

The amount of compensation for a relocated property shall be determined by computing the estimated costs of labour, material and transport to be incurred at market value for removing, transferring and installing the property.

### **11. Compensation Payable to a Mining Licensee**

Where a mining site is expropriated pursuant to the provisions of the Proclamation, the compensation due to the licensee shall be determined by the relevant mining law.

### **12. Compensation for Burial-ground**

1. The amount of compensation for a burial-ground shall be determined on the basis of the estimated costs to be incurred for removing the grave stones, preparing other burial-ground, transferring and relocating the corpse and for conducting religious and cultural ceremonies in relation thereto.

2. The amount of costs stipulated under Sub-Article (1) of this Article shall be determined on the basis of the current local market prices of materials, transport services and labour.

### **13. Formula**

The formula for calculating the amount of compensation payable in accordance with the Proclamation and these Regulations shall be as follows:

1. Compensation for building = cost of construction (current value).

+ cost of permanent improvement on land

+ the amount of refundable money for the remaining term of lease contract

2. Compensation for crops = the total area of the land (in square meters) x value of the crops per kilo gram x the amount of crops to be obtained per square meter

+ cost of permanent improvement on land

3. Compensation for unripe Perennial Crops = number of plants (legs) x cost incurred to grow an individual plant

+ cost of permanent improvement on land

4 Compensation for ripe Perennial crops = the annual yield of the Perennial Crops (in Kilograms) x the current price of the produce of the perennial crops

+ cost of permanent improvement on land

5. Compensation for relocated Property = cost of removal

+ cost of transferring

+ cost of reinstallation

6. Compensation for protected grass = area covered by the grass per square meter x the current market price of the grass per square meter

**PART THREE**  
**PROVISION OF REPLACEMENT LAND AND PAYMENT OF DISPLACEMENT**  
**COMPENSATION**

**14. Provision of Replacement Urban Land**

The provision of replacement land to an urban dweller whose landholding has been expropriated for public purpose shall be governed by directives issued by Regional States in accordance with Article 14 (2) of the Proclamation.

**15. Provision of Replacement Rural Land**

Where land used for growing crops or a protected grass or pastoral land is expropriated for public purpose, the possessor of such land shall, as much as possible, be provided with a plot of land capable of serving a similar purpose.

**16. Displacement Compensation for Land Used for Crops and Perennial Crops**

1. Where a replacement land has been provided in accordance with Article 15 of these Regulations with respect to expropriated land used for crops or perennial crops, displacement compensation equivalent to the following amounts, shall be paid:

- a) The price of the annual average yield of crops obtained from the land; or
- b) The price of the annual average yield of perennial crops multiplied by the number of years required to attain the level of growth of the perennial crops.

2. The amount of displacement compensation payable with respect to land used for growing crops or perennial crops shall, where it is impossible to provide replacement land in accordance with Article 15 of these Regulations, be ten times the price of the average yield of crops or perennial crops obtained from the land.

3. The average annual yield of crops or perennial crops shall be calculated on the basis of:

- a) The yield obtained from the land for the last five years; or
- b) Where the land was used for less than five years, the yield obtained for the actual years the land was used; or
- c) Where the crops or perennial crops have not yet started giving annual yield, the yield of similar crops or perennial crops obtained from a similar area of land in the locality for the last five years.

**17. Displacement Compensation for Protected Grass or Grazing Land**

1. Where a replacement land is provided in accordance with Article 15 of these regulations with respect to expropriated protected grass or grazing land, displacement compensation equivalent to the annual average income obtained from the land shall be paid.

2. The amount of displacement compensation payable with respect to the protected grass or grazing land shall, where it is impossible to provide replacement land in accordance with Article 15 of these Regulations, be ten times the annual average income obtained from the land.

3. The provisions of Sub-Article (3) of Article 16 of these Regulations shall, mutatis mutandis, be applicable with respect to calculating the average annual income derived from a protected grass or grazing land.

### **18. Displacement Compensation for Provisional Expropriation of Rural Land**

Where a rural land is expropriated only for a limited period of time, the multiplication factor for calculating the displacement compensation shall be the number of years for which the land is cleared; provided, however, that the compensation obtained by such calculation shall not exceed the amount payable under Article 16 or 17 of these regulations

## **PART FOUR MISCELLANEOUS PROVISIONS**

### **19. Properties for which Compensation Is Not Payable**

There shall be no payment of compensation with respect to any construction or improvement of a building, any crops sown, perennial crops planted or any permanent improvement on land, where such activity is done after the possessor of the land is served with the expropriation order.

### **20. Furnishing of Data**

1. The committee shall request the relevant federal, regional or other bodies to furnish any data necessary for determining the value of a property in accordance with the Proclamation and these Regulations.
2. Anybody requested under Sub-Article (1) of this Article shall hand over the data immediately to the Committee.
3. Where the data is not available with the requested bodies, the committee shall conduct its own survey on the local market price of the property.

### **21. Records of Property**

A Woreda or a city administration shall, for the purpose of the implementation of the Proclamation and these Regulations, record properties situated on a landholding subjected to an expropriation order.

### **22. Evidence of Possession and Ownership**

Any person who claims for payment of compensation in accordance with the Proclamation and these Regulations shall produce proof of legitimate possession of the expropriated landholding and ownership of the property entitling compensation.

### **23. Valuation Costs**

1. Woreda and city administrations shall cover the costs of valuation of properties in accordance with these regulations, including payment of per diem to members of the Committee in accordance with the relevant laws.
2. The costs referred to Sub-Article (1) of this Article shall be covered by the concerned implementing agency where the expropriation is made upon its request.

## **24. Effective Date**

These Regulations shall enter into force on the date of their publication in the Federal Negarit Gazeta.  
Done at Addis Ababa this 4th day of July 2007

**MELES ZENAWI  
PRIME MINISTER OF THE FEDERAL DEMOCRATIC REPUBLIC OF  
ETHIOPIA**

## **Annex 9: Proclamation on Rural Land Administration and Land Use Proclamation**

### **PROCLAMATION NO. 456/2005**

#### **Federal Democratic Republic of Ethiopia Rural Land Administration and Use Proclamation**

WHEREAS, it is confirmed in the Constitution of the Federal Democratic Republic of Ethiopia that the right to ownership of land is exclusively vested in the state and in the people;

WHEREAS, it has become necessary to sustainably conserve and develop natural resources and pass over to the coming generation through the development and implementation of a sustainable rural land use planning based on the different agro-ecological zones of the country;

WHEREAS, it has become necessary to establish an information database that enables to identify the size, direction and use rights of the different types of landholdings in the country such as individual and federal and regional states holdings;

WHEREAS, it has become necessary to resolve problems that arise in connection with encouraging individual farmers, pastoralists and agricultural investors and establish a conducive system of rural land administration;

WHEREAS, it is deemed necessary to put in place legal conditions which are conducive to enhance and strengthen the land use right of farmers to encourage them to take the necessary conservation measures in areas where mixed farming of crop and animal production is prevalent and where there is threat of soil erosion and forest degradation;

WHEREAS, it has become necessary to establish conducive system of rural land administration that promotes the conservation and management of natural resources, and encourages private investors in pastoralist areas where there is tribe based communal landholding system;

WHEREAS, Article 52 (2) (d) of the Constitution stipulates that the power entrusted to regions to administer land and natural resources is to be implemented in accordance with the law to be enacted by the federal state;

**NOW, THEREFORE**, in accordance with Article 55 (1) of the Federal Democratic Republic of Ethiopia, it is hereby proclaimed as follows:

## **Part One General**

### **1. Short Title**

This Proclamation may be cited as the Federal Democratic Republic of Ethiopia Rural Land Administration and Land Use Proclamation No. 456/2005,"

### **2. Definition**

In this Proclamation, unless the context requires otherwise:

- 1) "Rural land". means any land outside of a municipality holding or a town designated as such by the relevant law;
- 2) "Rural land administration" means a process; whereby rural land holding security is provided, land use planning is implemented, disputes between rural land holders are resolved and the rights and obligations of any rural landholders are enforced, and information on farm plots and grazing landholders are gathered analyzed and supplied to users;
- 3) "Rural land use", means a process whereby rural land is conserved and sustainably used in a manner that gives' better output;
- 4) "Holding right" means the right of any peasant farmer or semi-pastoralist and pastoralist shall have to use rural land for purpose of agriculture and natural resource development, lease and bequeath to' members of his family or other lawful heirs, and includes the right to acquire property produced on his land thereon by his labor or capital and' to sale, exchange and bequeath same;
- 5) "Family member" means any person who permanently lives with holder of holding right sharing the livelihood of the later;
- 6) "Rural land use plan" means a practice whereby the options that give greater economic benefits without,' causing land degradation and environmental pollution are determined and implemented from among the different use options a rural land can give on the basis of physical, economic and social information;
- 7) "Peasant" means member of a rural community who has been given a rural landholding right and, the livelihood of his family and himself is based on the income from the land;
- 8) "Pastoralist" means a member of a rural community that raises cattle by holding rangeland and moving from one place to the other, and the livelihood of himself and his family is based on mainly on the produce from cattle;
- 9) "Semi pastoralist" means a member of a rural community whose livelihood is based mainly on cattle raising and to some extent on crop farming;

- 10) "Minimum size holding" means size of rural land holding the productivity of which can ensure the food security of a peasant and semi-pastoralist and pastoralist family, or which suffices for crop farming perennial crop farming, grazing, house construction and garden;
- 11) "Minimum private holding" means rural land in the holding of peasants Semi-Pastoralists and Pastoralists other bodies who are entitled by law to use rural land;
- 12) "Communal holding" means rural land which is given' by the .government to local residents for common grazing, forestry and other social services;
- 13) "State holding" means rural land demarcated and those lands to be demarcated in the future at federal or regional states holding; and includes forest lands, wild life, protected areas, state farms, mining lands, lakes, rivers and other rural lands;
- 14) "Holding certificate" means certificate of title issued by a competent authority as proof of rural land use right;
- 15) "Land registration" means the process whereby information on the expression of rural land use, right and holding is gathered, and analyzed;
- 16) "Land information system" means a system whereby rural land related information is gathered, analyzed, and distributed to users;
- 17) "Competent authority" means a body established in accordance with the constitution of a region to ensure that a system of rural land administration and utilization is realized in region;
- 18) "Person" means a natural or legal person.

### **3. Gender Reference**

The provisions of this Proclamation that are referring to masculine gender shall also apply to feminine gender.

### **4. Scope of Application**

This Proclamation shall apply to any rural land in Ethiopia.

## **SECTION TWO** **THE RIGHT TO HOLD AND USE RURAL LAND**

### **5. Acquisition and Use of Rural Land**

- 1) In accordance with land administration law;
  - a) Peasant farmers/pastoralists engaged in agriculture for a living shall be given rural land free of charge;
  - b) Any citizen of the country who is 18 years of age or above and wants to engage in agriculture for a living shall have the right to use rural land; children who lost their mothers and fathers due to death or other situation shall have the right to use rural land through legal guardians until they attain 18 years of age;
  - c) Women who want to engage in agriculture shall have the right to get and use rural land.



- 2) Any person who is member of a peasant farmer, Semi-pastoralist and pastoralist family having the right to use rural land may get rural land from his family by donation, inheritance or from the competent authority,
- 3) Government being the owner of rural land, communal rural land holdings can be changed to private holdings as may be necessary;
- 4) Subject to giving priority to peasant farmers/semi-pastoralists and pastoralist:
  - a) Private investors that engage in agricultural development activities shall have the right to use rural land in accordance with the investment policies and laws at federal and regional levels;
  - b) Governmental and non-governmental organizations and social and economic institutions shall have the right to use rural land in line with their development objectives.

## **6. Rural land Measurement, Registration and Holding Certificate**

- 1) The sizes of rural lands under the holdings of private persons, communities, governmental and non-governmental organizations shall be measured as appropriate using cultural and modern measurement equipments; their land use and level of fertility shall be registered as well in the data base center by the competent authorities established at all levels.
- 2) Rural landholdings described under Sub-Article 1 of this Article shall be measured by the competent authority and shall be given cadastral maps showing their boundaries.
- 3) Any holder of rural land shall be given holding certificate to be prepared by the competent authority and that indicates size of the land, land use type and cover, level of fertility and boarders, as well as the obligation and right of the holder.
- 4) Where land is jointly held by husband and wife or by other persons, the holding certificate shall be prepared in the name of all the joint holders.
- 5) The information that describes the holder of rural land, the holders of the bordering lands, the types of use, and the rights and obligation of the holder thereof shall be registered in the database and kept by the competent authority.
- 6) Any rural land that is held through lease or rental shall be registered by the competent authority.

## **7. Duration of Rural Land Use Right**

- 1) The Rural land use right of peasant farmers, semi-pastoralists and pastoralists shall have no time limit.
- 2) The duration of rural land use right of other holders shall be determined by the rural land administration laws of regions.
- 3) Holder of rural land who is evicted for purpose of public use shall be given compensation proportional to the development he has made on the land and the property acquired, or shall be given substitute land thereon. Where the rural landholder is evicted by federal government, the rate of compensation would be determined based on the federal land administration law. Where, the rural land holder is evicted by regional governments, the rate, of compensation would be determined based on the rural land administration laws of regions.

## **8. Transfer of Rural Land Use Right**

- 1) Peasant farmers, semi-pastoralist and pastoralist who are given holding certificates can lease to other farmers or investors land from their holding of a size sufficient for, the intended development in a manner that shall not displace them, for a period of time to be determined by rural land administration laws of regions based on particular local conditions,
- 2) The rural land lease agreement to be concluded in accordance with Sub-Article (1) of this Article shall secure the consent of all the members who have the right to use the land and be approved and registered by the competent authority,
- 3) A landholder may, using his land use right, undertake development activity jointly with an investor in accordance with the contract he concludes. Such contract shall be approved and registered by the competent authority,
- 4) An investor who has leased rural land may present his use right as collateral,
- 5) Any holder shall have the right to transfer his rural land use right through inheritance to members of his family.

## **9. Distribution of Rural Land**

- 1) In accordance with land administration laws of the regions farmlands whose holders are deceased and have no heirs or are gone for settlement or left the locality on own wish and stayed over a given period of time shall be distributed to peasant farmers, semi-pastoralist and pastoralist who have no land and who have land shortage,
- 2) Distribution may be, undertaken on irrigable land in order to use irrigable land properly and equitably,
- 3) Upon the wish and resolution of peasants farmers, semi-pastoralists and pastoralists where land distribution becomes the only alternative, it shall be undertaken in such a way that it shall not be less than the minimum size of holding and in a manner that shall not result in fragmentation of land and degradation of natural resources,
- 4) Where peasant farmers, semi-pastoralist and pastoralists are evicted from their holdings for purpose of constructing irrigation structure, land distribution shall be undertaken to make them get equitable benefit from the irrigation development to be established.

## **10. Obligations of Rural Land Users**

- 1) A holder of rural land shall be obliged to use and protect his land. When the land gets damaged, the user of the land shall lose his use right. Particulars shall be given in the land administration laws of the regions,
- 2) Where irrigation canals are constructed, the holder shall have the obligation to allow the construction of irrigation lines and other infrastructures if they cross his landholding,
- 3) The holder of rural land shall have the obligation to cooperate when requested by the competent authority to measure and survey his land,
- 4) Any rural landholder shall have the obligation to notify the competent authority when he abandons at will his land use right.

## **11. Determining Minimum Rural Land Holding Size and Encouraging Land Consolidation**

- 1) Without prejudice to the former holding or farm plot size of a family, the farm plot to be given in the future shall not be less than the minimum size holding,
- 2) Where rural land is transferred by succession, it shall be made in such a way that the size of the land to be transferred is not less than the minimum size holding,
- 3) In order to make small farm plots convenient for development, farmers are encouraged to voluntarily exchange farmlands,
- 4) The information of the land its fertility of the farm plots which farmers intend to exchange holding shall be distributed through Kebele administration to let other farmers residing in the Kebele know about it,
- 5) A settlement and villagization program to be undertaken at the request and the participation of the community shall be undertaken taking into account the objective of land consolidation.

## **12. Dispute Resolution**

Where dispute arises over rural landholding right, effort shall be made to resolve the dispute through discussion and agreement of the concerned parties,

Where the dispute could not be resolved through agreement, it shall be decided by an arbitral body to be elected by the parties or be decided in accordance with the rural land administration laws of the region.

## **PART THREE** **RURAL LAND USE RESTRICTIONS**

### **13. Land Use Planning and Proper Use of Sloppy, Gully and Wetlands**

- 1) A guiding land use master plan, which takes in to account soil type, landform weather, condition, plant cover and socio-economic conditions and which is based on watershed approach, shall be developed by the competent authority and implemented,
- 2) An equitable water use system shall be established between upper and lower watershed communities,
- 3) In any type of rural land where soil and water conservation works have been undertaken a system of free grazing shall be prohibited and a system of cut and carry feeding shall be introduced step by step,
- 4) The management of rural lands the slope of which is less than 30 percent shall follow the strategy of soil conservation and water harvesting. The details shall be determined by rural land administration law of regions,
- 5) Development of annual crops on rural lands that have slopes between 31-60 percent may be allowed only through making bench terraces,
- 6) Rural lands, the slope of which is more than 60 percent, shall not be used for farming and free grazing; they shall be used for development of trees, perennial plants and forage production,
- 7) Rural land of any slope which is highly degraded shall be closed from human and animal interference for a given period of time to let it recover, and shall be put to use when ascertained that it has recovered. Unless the degradation is caused by the negligence of the peasant farmers, semi-pastoralist and pastoralist the users shall be given compensation or other alternatives for the interim period,

- 8) Rural lands that have gullies shall be made to rehabilitate by private and neighboring holders and, as appropriate, by the local community, using biological and physical works,
- 9) Rural lands that have gullies and are located on hilly areas shall be rehabilitated and developed communally and as appropriate by private individuals,
- 10) The biodiversity in rural wetland shall be conserved and utilized as necessary in accordance with a suitable land use strategy.

#### **14. Utilization of Rural Land for Villagization and other Social Services**

A strategy of settlement, villagization and development of social services that helps to bring about a better system of rural land utilization shall be formulated.

### **PART FoUR** **MISCELLANEOUS PROVISIONS**

#### **15, Rural Land Administration and use Study**

A system of study that focuses on identification of problems on land administration and use, and recommends solutions shall be established.

#### **16. Responsibility of Federal Ministry of Agriculture and Rural Development**

The Federal Ministry of Agriculture and Rural Development shall:

- 1) have the responsibility to implement this Proclamation by providing the necessary professional support and by coordinating the competent authorities;
- 2) initiate, on the basis of the information gathered at national level and those to be obtained from time to time through monitoring and evaluation, development of new policy ideas, and the amendment of the existing policy, as necessary;
- 3) create the system for the exchange of information between regions and the Federal Government pertaining to rural land administration and use.

#### **17, Responsibility of Regions**

- 1) Each regional council shall enact rural land administration and Land use law, which consists of detailed provisions necessary to implement this Proclamation,
- 2) Regions shall establish institutions at all levels that shall implement rural land administration and Land use systems, and shall strengthen the institutions already established.

#### **18. Obligation to Cooperate**

Any person shall have the obligation to cooperate with relevant bodies for the implementation of this proclamation.

#### **19. Penalty**

Any person who violates this Proclamation or the regulations and directives issued for the implementation of this Proclamation shall be punishable under the applicable criminal law.

**20. Repealed and Inapplicable laws**

- 1) The Federal Government Rural Land Administration Proclamation No. 89/1997 is hereby repealed,
- 2) No law, regulation, directive or practice shall, in so far as it is inconsistent with this Proclamation, be applicable with respect of matters provided for in this proclamation.

**21. Effective Date**

This Proclamation shall enter into force on this 15<sup>th</sup> date of July, 2005.

**Done at Addis Ababa, this 15<sup>th</sup> day of July, 2005**

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

## **Annex 10: Glossary of Terms**

Census	A field survey carried out to identify and determine the number of Project Affected Persons (PAPs) or Displaced Persons (DPs) as a result of land acquisition and related impacts. The census provides the basic information necessary for determining eligibility for compensation, resettlement, and other measures emanating from consultations with affected communities and the local government institutions.
Compensation	The payment in kind, cash or other assets given in exchange for the acquisition of land including fixed assets, is called compensation. These include other impacts resulting from activities to rehabilitate or cushion the impacts from displacement.
Cutoff Date	The cut-off date is the date of commencement of the census of PAPs or DPs within the EASP program area boundaries. This is the date on and beyond which any person whose land is occupied for EASP program, will not be eligible for compensation.
Grievance Mechanism	The RPF contains a grievance mechanism based on policies and procedures that are designed to ensure that the complaints or disputes about any aspect of the land acquisition, compensation, resettlement, and rehabilitation process, etc. are being addressed. This mechanism includes a procedure for filing of complaints and a process for dispute resolution within an acceptable time period.
Implementation Schedule	The RPF contains an implementation schedule that outlines the time frame for planning, implementation, and monitoring and evaluation of the RAPs for sub-projects, if applicable.
Land	Land refers to all types of agricultural and/or non-agricultural land and any structures thereon whether temporary or permanent and which may be acquired by the project.
Land Acquisition	Land acquisition means the possession of or alienation of land, buildings, or other assets thereon for purposes of the project.
Project Affected Persons (PAPs) or Displaced Persons (DPs)	Project affected persons (PAPs) or Displaced Persons (DPs) are persons affected by land and other assets loss as a result of EASP activities. These person(s) are affected because they may lose, be denied, or be restricted access to economic assets; lose shelter, income sources, or means of livelihood. These persons are affected whether or not they will move to another location. Most often, the term DPs applies to those who are physically relocated. These people may have their: standard of living adversely affected, whether or not the Displaced Person will move to another location ; lose right, title, interest in any houses, land (including premises, agricultural and grazing land) or any other fixed or movable assets acquired or possessed, lose access to productive assets or any means of livelihood.
Project Impacts	Impacts on the people living and working in the affected areas of the project, including the surrounding and host communities are assessed as part of the overall evaluation of the project.

Rehabilitation Assistance	Rehabilitation assistance is the provision of development assistance in addition to compensation such as livelihood support, credit facilities, training, or job opportunities, needed to assist PAPs or DPs restore their livelihoods.
Replacement Cost	Replacement cost refers to the amount sufficient to cover full recovery of lost assets and related transaction costs. The cost should be based on <b>Market rate (commercial rate)</b> according to Ethiopian laws for sale of land or property. It is normally calculated based on a willing buyer-willing seller basis, but also applies in Ethiopia to acceptable market valuation or from an assessment from the Land Commission and government valuer.
Resettlement Action Plan (RAP)	The RAP is a resettlement instrument (document) to be prepared when sub-project locations are identified. In such cases, land acquisition leads to physical displacement of persons, and/or loss of shelter, and /or loss of livelihoods and/or loss, denial or restriction of access to economic resources. RAPs are prepared by the implementing agency and contain specific and legal binding requirements to resettle and compensate the affected people before project implementation.
Resettlement Assistance	Resettlement assistance refers to activities that are usually provided during, and immediately after, relocation, such as moving allowances, residential housing, or rentals or other assistance to make the transition smoother for affected households.
Resettlement Policy Framework (RPF)	The RPF is an instrument to be used throughout the project’s implementation. The RPF sets out the objectives and principles, organizational arrangements, and funding mechanisms for any resettlement, that may be necessary during implementation. The RPF guides the preparation of Resettlement Action Plans (RAPs), as needed, for sub-projects.
Rights and Entitlements	Rights and entitlements are defined for PAPs and DPs (with the cut-off date) and cover those losing businesses, jobs, and income. These include options for land-for-land or cash compensation. Options regarding community and individual resettlement, and provisions and entitlements to be provided for each affected community or household will be determined and explained, usually in an entitlement matrix.

### Annex 11: Entitlement Matrix

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
Agricultural land	Cash compensation for affected land equivalent to market value Less than 20% of land holding affected Land remains economically viable.	Farmer/ title holder	Cash compensation for affected land equivalent to replacement value
		Tenant/ lease holder	Cash compensation for the harvest or product from the affected land or asset, equivalent to average market value of last 3 years, or market value of the crop for the remaining period of tenancy/ lease agreement, whichever is greater.
	Greater than 20% of land holding lost Land does not become economically viable.	Farmer/ Title holder	Land for land replacement where feasible, or compensation in cash for the entire landholding according to PAP's choice. Land for land replacement will be in terms of a new parcel of land of equivalent size and productivity with a secure tenure status at an available location which is acceptable to PAPs. Transfer of the land to PAPs shall be free of taxes, registration, and other costs. Relocation assistance (costs of shifting + assistance in re-establishing economic trees + allowance up to a maximum of 12 months while short- term crops mature ) Relocation assistance (costs of shifting + assistance in re-establishing economic trees + allowance up to a maximum of 12 months while short- term crops mature )
		Tenant/Lease holder	Cash compensation equivalent to average of last 3 years' market value for the mature and harvested crop, or market value of the crop for the remaining period of tenancy/ lease agreement, whichever is greater. Relocation assistance (costs of shifting + assistance in re-establishing economic trees + allowance up to a maximum of 12 months while short- term crops mature ) Relocation assistance (costs of shifting + assistance in re-establishing economic trees + allowance up to a maximum of 12 months while short- term crops mature ) Relocation assistance (costs of shifting + allowance).
Commercial Land	Land used for business partially affected  Limited loss	Title holder/ business owner	Cash compensation for affected land Opportunity cost compensation equivalent to 5% of net annual income based on tax records for previous year (or tax records from comparable business, or estimates where such records do not exist).
		Business owner is lease holder	Opportunity cost compensation equivalent to 10% of net annual income based on tax records for previous year (or tax records from comparable business, or estimates



Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
	<p>Assets used for business severely affected</p> <p>If partially affected, the remaining assets become insufficient for business purposes</p>	Title holder/business owner	<p>where such records do not exist)</p> <p>Land for land replacement or compensation in cash according to PAP's choice. Land for land replacement will be provided in terms of a new parcel of land of equivalent size and market potential with a secured tenure status at an available location which is acceptable to the PAP.</p> <p>Transfer of the land to the PAP shall be free of taxes, registration, and other costs.</p> <p>Relocation assistance (costs of shifting + allowance)</p> <p>Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates)</p>
		Business person is lease holder	<p>Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher.</p> <p>Relocation assistance (costs of shifting)</p> <p>Assistance in rental/ lease of alternative land/ property (for a maximum of 6 months) to reestablish the business.</p>
Residential Land	<p>Land used for residence partially affected, limited loss</p> <p>Remaining land viable for present use.</p>	Title holder	Cash compensation for affected land
		Rental/lease holder	Cash compensation equivalent to 10% of lease/ rental fee for the remaining period of rental/ lease agreement (written or verbal)
		Title holder	<p>Land for land replacement or compensation in cash according to PAP's choice.</p> <p>Land for land replacement shall be of minimum plot of acceptable size under the zoning law/ s or a plot of equivalent size, whichever is larger, in either the community or a nearby resettlement area with adequate physical and social infrastructure systems as well as secured tenure status.</p> <p>When the affected holding is larger than the relocation plot, cash compensation to cover the difference in value.</p> <p>Transfer of the land to the PAP shall be free of taxes, registration, and other costs.</p>

<b>Land and Assets</b>	<b>Types of Impact</b>	<b>Person(s) Affected</b>	<b>Compensation/Entitlement/Benefits</b>
			Relocation assistance (costs of shifting + allowance)
	Land and assets used for residence severely affected Remaining area insufficient for continued use or becomes smaller than minimally accepted under zoning laws	Rental/lease holder	Refund of any lease/ rental fees paid for time/ use after date of removal Cash compensation equivalent to 3 months of lease/ rental fee Assistance in rental/ lease of alternative land/ property Relocation assistance (costs of shifting + allowance)
Buildings and structures	Structures are partially affected  Remaining structures viable for continued use	Owner	Cash compensation for affected building and other fixed assets  Cash assistance to cover costs of restoration of the remaining structure
		Rental/lease holder	Cash compensation for affected assets (verifiable improvements to the property by the tenant). Disturbance compensation equivalent to two months rental costs
	Entire structures are affected or partially affected  Remaining structures not suitable for continued use	Owner	Cash compensation for entire structure and other fixed assets without depreciation, or alternative structure of equal or better size and quality in an available location which is acceptable to the PAP. Right to salvage materials without deduction from compensation Relocation assistance (costs of shifting + allowance) Rehabilitation assistance if required (assistance with job placement, skills training)
		Rental/lease holder	Cash compensation for affected assets (verifiable improvements to the property by the tenant) Relocation assistance (costs of shifting + allowance equivalent to four months rental costs) Assistance to help find alternative rental arrangements Rehabilitation assistance if required (assistance with job placement, skills training)
		Squatter/informal dweller	Cash compensation for affected structure without depreciation Right to salvage materials without deduction from compensation Relocation assistance (costs of shifting + assistance to find alternative secure accommodation preferably in the community of residence through involvement of the project Alternatively, assistance to find accommodation in rental housing or in a squatter settlement scheme, if available) Rehabilitation assistance if required assistance with job

<b>Land and Assets</b>	<b>Types of Impact</b>	<b>Person(s) Affected</b>	<b>Compensation/Entitlement/Benefits</b>
			placement, skills training)
		Street vendor (informal without title or lease to the stall or shop)	Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher. Relocation assistance (costs of shifting) Assistance to obtain alternative site to re- establish the business.
Standing crops	Crops affected by land acquisition or temporary acquisition or easement	PAP (whether owner, tenant, or squatter)	Cash compensation equivalent to average of last 3 years market value for the mature and harvested crop.
Trees	Trees lost	Title holder	Cash compensation based on type, age and productive value of affected trees plus 10% premium
Temporary Acquisition	Temporary acquisition	PAP (whether owner, tenant, or squatter)	Cash compensation for any assets affected (e. g. boundary wall demolished, trees removed)