



Coal and Energy Development Department,
Government of Sindh



Draft Resettlement Policy Framework – Thar Coalfields

Environmental and Social Studies including Resettlement
Frameworks and Land Use Plan for Thar Coal Fields

September, 2013



In association with



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and Land Use Plan for Thar Coal Fields

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Abbreviations and Acronyms

CEDD	Coal and Energy Development Department, Government of Sindh
CLO	Community Liaison Officer
CSO	Civil Society Organization
CSR	Corporate Social Responsibility
DC	Deputy Commissioner
EIA	Environmental Impact Assessment
EPC	Engineering and Procurement Contract
GoS	Government of Sindh
GRC	Grievance Redress Committee
ICC	Information and Communication Centre
IFC	International Finance Corporation
IFI	International Financial Institution
LAA	Land Acquisition Act 1894
LARC	Land Acquisition and Resettlement Committee
M&E	Monitoring and Evaluation
MML	Mott MacDonald Ltd.
MMP	MM Pakistan Private Limited
NEQS	National Environmental Quality Standards
NGO	Non Government Organisation
OP	Operational Policy (World Bank's)
PAs	Project Affectees
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
SCA	Sindh Coal Authority
SEPA	Sindh Environmental Protection Agency
US\$	United States Dollars
WB	World Bank

Definitions of Terms

The following terms have been used in this Resettlement Policy Framework (RPF):

Collector – The District Revenue officer with the role defined in the Land Acquisition Act 1894; mostly vested with Deputy Commissioner of district.

Compensation - Payment in cash or in kind of the replacement cost of the acquired assets, loss of income and livelihood.

Cut-off-date - The date after which newcomers, to the defined sub-project area, shall not be eligible for compensation and rehabilitation assistance. Any development or expansion thereafter in private property will not be compensated. This is usually declared prior to commencement of census and survey in the specified area of the sub-project.

Displacement - It could be physical, i.e. where the affected persons are required to be relocated, or economic, where the impact of loss of income or livelihood forces the affected persons to move or to initiate alternative strategies of income restoration.

Eligibility Criteria - Provides definition of Project Affectees and criteria for determining their eligibility for compensation and other resettlement assistance.

Expropriation - The power to take private property for public use by a state, municipality, or private person or corporation authorized to exercise functions of public character, following the payment of just compensation to the owner of that property.

Entitlement – It comprises compensation, income restoration, transfer assistance, income or living substitution, and relocation which are due to affected people, depending on the nature of their losses, to restore their economic and social base.

These are packages of compensation and other resettlement measures that will assist each category of eligible displaced persons to achieve the objectives of the policy. They should be technically and economically feasible, compatible with the cultural preferences of the displaced persons, and prepared in consultation with them.

Host Community - The communities residing in or in close proximity to the area proposed for resettlement or relying on resources proposed to be shared by the re-settlers.

Income Restoration - It includes re-establishing income sources and livelihood of the affected persons according to their current living standard.

Involuntary Resettlement - It is the state in which a project causes unavoidable resettlement losses wherein Project Affectees have no option other than to re-establish their lives, income and assets basis elsewhere.

Indigenous People - Refers to people, if identified and located, who are declared as “aboriginals” whose social or cultural beliefs and practices are distinct from the mainstream society and are, therefore, at greater risk of being disadvantaged in the development process.

Land Acquisition - The process of Acquiring of Land for some public purpose by government/government agency, as authorized by the law, from the individual land owner(s) after paying compensation in lieu of losses incurred by land owner(s) due to surrendering of his/her/their land to the concerned government agency or the company.

Market Value - The value of an asset based on market transactions of similar assets and finally arrived at after negotiations with the owners. It includes transaction costs and without depreciation and deductions for salvaged building material.

Participation - The process through which stakeholders (communities, organizations) are consulted and involved in planning and decision making for resettlement, rehabilitation and development initiatives.

Project - Various time bound development endeavours carried out in Thar coalfields for exploration of coal, power generation, transmission of power, coal gasification, associated infrastructure, community development and resettlement and rehabilitation of affected communities.

Project Affectees (PAs) - Any individual person or household or group of persons affected by Project-related change in use of land, house, assets, water, natural resources, livelihoods, social and business or income losses.

Project Area - The concession area for lignite mining or an area of operations for mining or any development activity within Thar Coalfields.

Project Proponent - The public or private entity that is responsible for development of a project or sub-project and in that respect carrying out land acquisition and resettlement process according to this Resettlement Policy Framework.

Relocation - The physical displacement of Project Affectees from her / his current place of residence or business to a new place of residence or business provided by the Project.

Replacement Value - Replacement value of an affected asset is equivalent to the amount required to replace the asset in its existing condition. The replacement cost of structures should be equal to the cost of constructing / purchasing a new structure, without making any deductions for depreciation,

salvaged building material, registration and transfer taxes. It is usually the market value for land, structures, crops, trees, and other commodities.

Resettlement - All measures, taken to mitigate adverse impacts of project on PAs' property and / or livelihood, including compensation, relocation and rehabilitation.

Resettlement Assistance - It may consist of land, other assets, cash, employment, etc. as deemed appropriate.

Resettlement Action Plan - Systematic preparation of set of rational decisions and actions to mitigate adverse impacts of the Project on Project Affectees' property and / or livelihood, including compensation, relocation and rehabilitation.

Stakeholders - Refer to the affected persons and communities, Project Proponents, private and public businesses, Non Government Organizations, host communities and other concerned departments / agencies.

Sub-Project - Every individual project or venture that requires a Resettlement Action Plan and falls under the initiatives of Coal and Energy Development Department (CEDD) for Thar coal fields. This may include the development of an entire block (if the development will be carried out all at the same time) or individual project such as mining, power plants, transmission lines, roads, airport, etc.

Thar Coal Blocks – A specific area / tract demarcated by Government for coal mining projects in Thar area of Sindh Province, Pakistan.

Thar Coalfields - An approximate area of 9100 Sq Kms in District Tharparkar and District Umerkot, Sindh Province, Pakistan.

The Study - Environmental and Social Studies including Resettlement Framework and Land Use Plan for Thar Coal Fields.

Usufruct Rights - The right to use and profit from land belonging to others or to a larger entity, such as a tribe, community or collectively owned.

Vulnerable - The marginalized or those distinct people who might face the risk of marginalization and suffer disproportionately from resettlement effects, including the women, children, destitute and disabled persons.

Local Terms

Gaucher: Gauchers are acknowledged as permanent pastures and can be defined as the designated pasturelands of the village for livestock.

Pacca House: House made of baked bricks and cement.

Katcha House: House made of un-baked bricks.

Chaunwara: A hut with one or more rooms.

Patwari: A Junior employee of District Revenue Office that surveys land, performs boundary demarcation, resolves conflicts, and in many jurisdictions registers land ownership, land transactions and mutations of records, and manages land distribution.

1. Project Description and Background

1.1 Overview

Coal and Energy Development Department (CEDD), Government of Sindh (GoS) has the objective to develop Thar coal as a major source of power generation for energy and economic security of the country. Simultaneously it will endeavour economic growth for Thar region through the utilization of coal deposits and consequent industrial growth. It aims to do so by attracting national and international investors into the area to lease and develop blocks of land to produce coal and subsequently energy. Furthermore, this process shall create multiplier effect on overall socioeconomic progress in Thar region.

MM Pakistan (Pvt) Ltd (MMP), in association with Mott MacDonald Ltd (MML), has been appointed as the Consultant for preparing Resettlement Policy Framework (RPF). Coal and Energy Development Department (CEDD), Government of Sindh is the executing agency for Thar Coal Project (the Project) and will deal with all of the policy issues and stakeholder relations that occur during the course of the Project at the provincial level.

This Resettlement Policy Framework (RPF) is designed to guide the process for the Project's land acquisition, compensation and resettlement. The document has been developed taking into account relevant federal and provincial legislations and international guidelines. Final Resettlement Framework will be evolved as a result of exchanging views with stakeholders as well as accommodating their observations and comments on the draft document. The final RPF will address the inputs of stakeholders and international guidelines which can be exercised in the regulatory framework of Pakistan.

The final RPF will supersede the Interim Resettlement Guidelines prepared by Project Management Unit of CEDD during 2011. The legal framework of this RPF is based on LAA 1894 whereas international agencies' safeguard policies have been given as references.

This RPF is valid for land acquisition, compensation and resettlement activities for development of Thar Coal Projects that will be executed under CEDD's supervision and coordination. Sub-projects may include the development of individual blocks or the construction of infrastructure to service the block development (such as transmission lines, roads, airport etc). The sub-project donors are the entities that will be responsible for funding the sub-project as well as for resettlement costs. Sub-project donor could be a private company, the government or an international financier or any combination of these.

The RPF will be translated into Sindhi and disclosed on the CEDD website (<http://www.sindhcoal.gos.pk/>).

1.2 The Project Area

District Tharparkar is located in the south eastern arid zone of the Province of Sindh with India on its eastern side. The area of District Tharparkar is 19,638 km², of which most land lies within Thar Desert.

The geography of District Tharparkar consists of mostly desert characterized with barren tracts of sand dunes covered with thorny bushes. The district is divided into different ecological zones, the South Eastern is hilly and rich in mineral deposits; the central area is Thar Desert which predominantly comprises sandy dunes; and on the western side a very small portion has a canal irrigated area and is fertile.

The soil is generally infertile and because of severe wind erosion it remains dry for most of the year. When there is rain these soils are moist enough to allow cultivation otherwise they yield wild grasses and bushes. Due to the short span of monsoon and inconsistent rains, agricultural activities are at subsistence level.

District Tharparkar is one of the poorest districts in Sindh Province and the area is prone to shortages of food and drinking water. The population of District Tharparkar is divided into four Talukas¹ named Charchro, Diplo, Mithi and Nagarparkar.

The majority of the population is rural and scattered across the district. There are over 2,300 villages, ranging in size from 50 to over 2,000 people. The urban population (approximately 4.5% of the total) is located in three main towns: Mithi, Islamkot and Diplo.

The last census carried out in District Tharparkar was in 1998. At that time the total population was 914,291 comprising of 163,147 households. An estimate of the population for 2012 has been made based on an overall growth rate of 3.13% per annum. The estimated mid-year population for 2012 is 1,407,585. Assuming the average household size of 6.92², the total number of household is estimated to be 203,998.

Education and literacy levels are low for people in the district that was 18.3% according to 1998 census. It now emerged as 31.8% from the socioeconomic survey carried out under the study – Environmental and Social Studies including Resettlement Framework and Land Use Plan for Thar Coal Fields. This literacy rate is an area of concern that will need to be addressed when consulting and informing Project Affectees (PAs) during the resettlement process and ascertaining their entitlements.

A survey of 1,810 households, undertaken as a course of the study, showed that the average household size is 5.8. The area has a higher percentage of men than women (117 Vs 100). The

¹ Recently Islamkot has emerged as New Taluka as per the notification issued by the Government of Sindh.

² Overall average house hold size of the rural Sindh, The Household Integrated Economic Survey, 2011.

household survey revealed that 54.03% of the residents belonged to “working age” group between 15 to 64 years.

On the basis of source of income, the majority of households (59.1 %) rely on labour³ (predominantly agricultural labour) for their livelihoods, 14.0% of respondents rely on agriculture and rearing livestock, 6.2% of respondents were engaged in government or public service, 3.5% owned businesses, and 17.2% stated that their income was from other sources (these include small business, shops, hotels and labour in the mining and mineral sector). The data shows that 85.8% of households in the sample area are living below the poverty line (calculated at US\$1.25 per person per day)⁴.

According to socioeconomic survey, overall 23.15% respondents had their own land. They were classified into three categories as per their operational land holdings. First category constituted about 95% and was small farmers operating up to 25 acres of land. Second category amounts to 4% and was of farmers having 25.01 to 50 acres of land, while the third category comprised of large farmers that amounts to 1% of respondents having their own land and operating more than 50 acres of land. The overall average farm size was 7.90 acres.

The survey results further revealed that 80.94% respondents owned livestock. In terms of average number of livestock heads per 100 households it was estimated at: cow 69, bull 7, buffalo 8, camel, 20, goat 581, horse 1, sheep 123, donkey 37 and poultry 10.

According to census 1998 more than 98% of the population owned their own residential property. According to socioeconomic survey 83.5% of the population lives in ‘Chaunwra’, 8.93% were living in pacca houses while remaining 5.2% and 2.3% lived in Katcha and Katcha cum Pacca houses respectively.

Islamkot, the only urban area in Thar Coal Fields is located some 400 km east of Karachi, Pakistan's primary seaport and largest city. The coalfields themselves occupy an area of approximately 9,000 km² (average dimensions: 140 km north to south x 65 km east to west), approximately 45% of the total area of District Tharparkar. It is estimated that the Coal Fields contain a total of 175 billion tons of Lignite coal. The mining activities for extraction of coal will mostly consist of surface mining but may also include underground coal gasification methods. Figure 1.1 and 1.2 presents the location of the coalfields and the concession blocks.

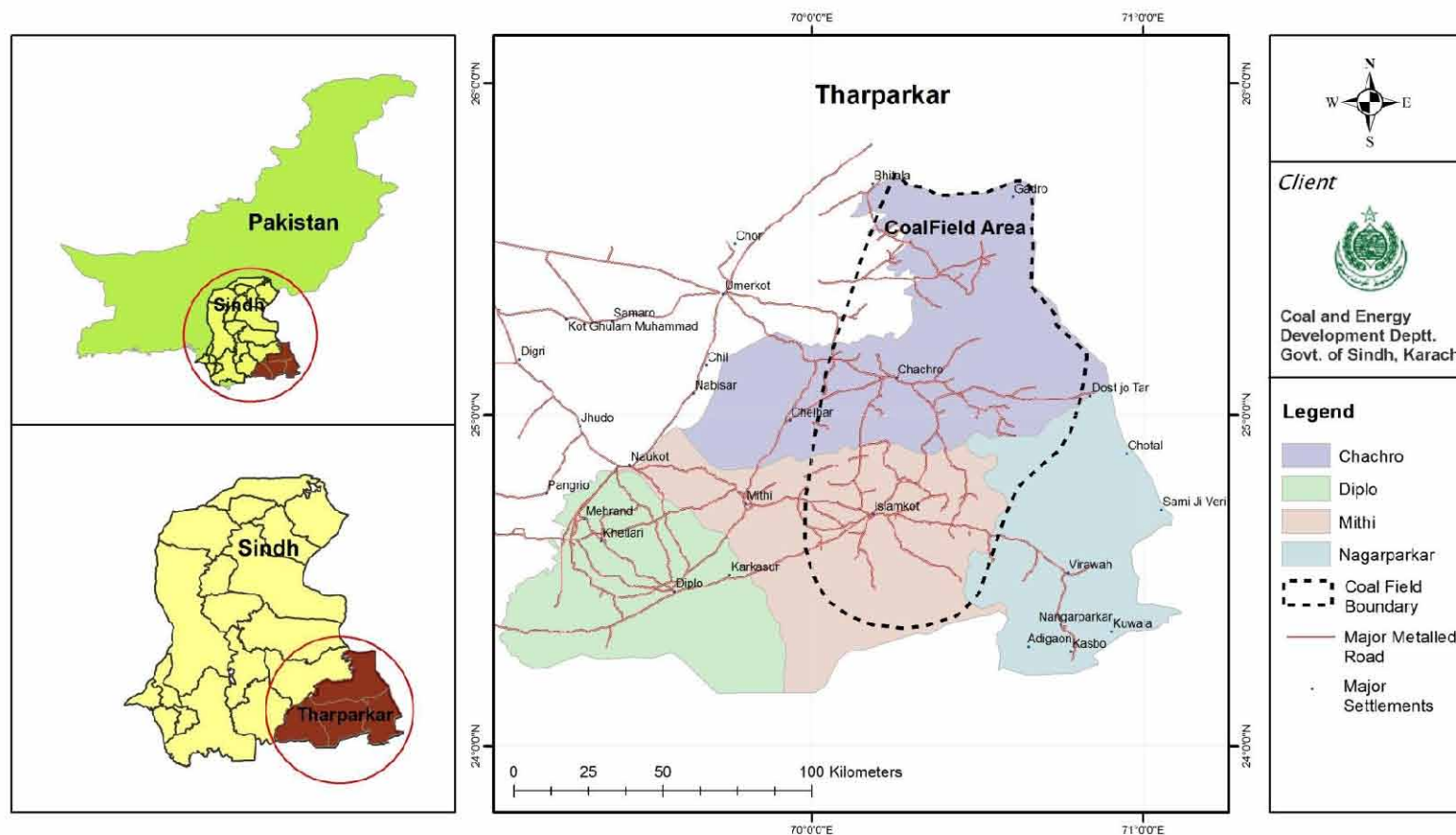
Thar Desert is one of the most cultivated and populated⁵ deserts in the world. Land used in Thar Coal Fields is for housing, cattle grazing, growing vegetable crops (subsistence farming) and crop cultivation as well as shops, restaurants and cottage industry. According to 2012 projections, average population in project area is 72 persons per square kilometre.

³ The percentage given for labor (59.01%) includes those who are related to agriculture adding to it 14% of households having their own agriculture land and their sole source of income is agriculture confirms that a majority of the people in Tharparkar are associated with Agriculture and livestock.

⁴ As per Economic Survey of Pakistan 2010-11, 90% of the population in Tharparkar district is living below the poverty line.

⁵ According to 1998 census, the population density of the district was 47 persons per sq.km. Whereas according to population projection made for 2012, this figure has increased to 72 persons per sq. km.

Figure 1.1: Location of Project Area



MMP MM Pakistan (Pvt) Ltd. Dolmen Estate, 1st Floor, 18-C Union Commercial Area Shaheed-e-Millat Road Karachi Tel: (92) (21) 34320527, 34385312 Fax: (92) (21) 34524819 E-mail: thar.coal@mmpakistan.com	Description	Project: Environmental and Social Studies, Landuse Plan Including Resettlement Framework for Thar Coal Fields Project.
	Notes	Title: Location of Tharparkar District and CoalField Area
		Drawing Reference: <i>MMP-976-400-</i>

Drawn	Hammad
Checked	Sadia Awan
Approved	S. M. Hussaini
Scale: 1:1,768,000	Sheet Size: A4
Drawing No. 3016	Status: Draft

Figure 1.2: Concession Blocks within Thar Coal Fields



1.3 Current Status of Development of Thar Coal Fields

At the time of writing, the coal development sites comprise thirteen concession blocks (Figure 1.2) spread over the southern and central parts of the coal fields. Each block will have its own mining area, power house and transmission line connecting the national grid.

Roads, an airport, water supply and other related infrastructure will also be constructed to provide access to and from the project area and; to assist Project Proponents in developing the area. Therefore, the majority of these infrastructure sub-projects will need to be developed at the initial stages of the Project.

This RPF has been prepared to provide guidelines and criteria that will be used for land acquisition and resettlement within Thar Coal Fields for the developments that will take place in different time periods.

1.4 National Laws and Policies on Land Acquisition and Resettlement

This section provides an overview of Pakistani laws and regulations on land acquisition and resettlement as well as the international guidelines, requirements and standards on land acquisition and involuntary resettlement. Sub-project proponents will be contractually required to ensure that resettlement issues are addressed in line with this RPF.

1.4.1 The Constitution of Islamic Republic of Pakistan

The constitution of Pakistan is the basic law of the land. According to Article (23 and 24); Right to acquire, hold and dispose of property is one of the fundamental rights enshrined by article 23 of the constitution and guarantee for protection of the right has been laid down under article 24(1).

1.4.2 Land Acquisition Act (LAA) of 1894

The Land Acquisition Act (LAA) of 1894 is the primary law governing land acquisition in Pakistan. It has undergone amendments since its ratification. A copy of this document is provided as Appendix A.

LAA will be further described in Chapter 6 - Legal Framework.

1.4.3 Draft National Resettlement Policy, 2002

To address the need for an updated Act that directly provides for the changed cultural, social, economic and environmental landscape in which resettlement is taking place in Pakistan, a draft National Resettlement Policy was formulated in 2002. The draft Policy aimed to cover all affected persons, titled and untitled, and to provide an equitable and uniform treatment of resettlement issues throughout the whole country. The draft Policy reflects tenets of the various international policies which address involuntary resettlement, including the World Bank and IFC.

The drafting of Pakistan's National Resettlement Policy included the development of the Project Implementation and Resettlement Ordinance for enactment by provincial and local governments, to supplement the Land Acquisition Act however this has not yet occurred. The draft Policy provides direction on how resettlement and rehabilitation of affected persons should be perceived today and is used as national guidance.

1.5 International Guidelines on Involuntary Resettlement

1.5.1 World Bank Operational Policy 4.12 on Involuntary Resettlement

The World Bank Operational Policy on Involuntary Resettlement (OP 4.12) recognises the need to mitigate the effects of involuntary resettlement based on an appreciation of the detrimental effects of involuntary resettlement. In comparison to Pakistani law that defines rights to land ownership and ownership of property per se, the policy goes further to highlight the important relationship between property rights, human settlement and the need to maintain people's source of livelihood. It compliments existing law in Pakistan related to property rights and land ownership by recognising the socio economic value this presents to affected persons.

OP 4.12 applies to all components of a project or programme and to all economically and physically affected persons, regardless of the number of people affected, the severity of impacts and the legality of the land holding. It requires particular attention to be given to the needs of vulnerable groups especially those below the poverty line, the landless, the elderly, women and children, indigenous groups, ethnic minorities and other disadvantaged persons.

OP 4.12 is triggered in situations involving involuntary taking of land and involuntary restrictions of access to legally protected areas. The policy aims to avoid involuntary resettlement to the extent feasible, or to minimize and mitigate its adverse social and economic impacts. It promotes participation of displaced people in resettlement planning and implementation. The policy prescribes compensation and other resettlement measures to achieve its objective of assisting displaced persons in their efforts to improve or at least restore their incomes and standards of living after displacement.

1.5.2 World Bank Operational Policy 4.10 on Indigenous People

According to WB OP 4.10 the borrower will ensure that (i) indigenous people affected by the project receive culturally appropriate social and economic benefits; and (ii) when potential adverse effects on indigenous people are identified, those adverse effects are avoided, minimized, mitigated, or compensated.

1.5.3 World Bank Operational Policy 4.11 on Physical Cultural Resources

WB OP 4.11 states that negative impacts on physical cultural resources should be mitigated and where possible avoided. Consultations should be carried out with local stakeholders in order to identify the cultural value of physical and natural resources that may be affected.

1.5.4 IFC's Performance Standard (PS) 5 (2012) on Involuntary Resettlement

The IFC is the private sector arm of the WB group. IFC's standards are more recent than WB's policies. As WB OP 4.12 and IFC's PS 5 are based on the World Bank Groups' Operational Directive on Involuntary Resettlement (OD 4.30), both policies embody the same basic principles and procedures to involuntary resettlement. Consequently, standards between WB OP 4.12 Policy and IFC PS 5 are very similar.

IFC's PS 5 recognises that project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons that use this land. Similar to WB OP 4.12, it is emphasised that involuntary resettlement should be avoided. However, where involuntary resettlement is unavoidable, PS 5 suggests it should be minimized and appropriate measures to mitigate adverse impacts on displaced persons and host communities should be carefully planned and implemented.

Resettlement is considered involuntary when affected individuals or communities do not have the right to refuse land acquisition resulting in their displacement. Under PS 5 involuntary resettlement refers to both physical displacement (relocation or loss of shelter) and to economic displacement (loss of assets or access to assets that leads to loss of income sources or means of livelihood).

Displaced / project affected persons are classified as:

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

According to PS 5, if people living in the project area are required to move to another location, the client will: (i) offer displaced persons choices among feasible resettlement options, including adequate replacement housing or cash compensation where appropriate; and (ii) provide relocation assistance suited to the needs of each group of displaced persons. New relocation sites built for displaced persons must offer improved living conditions. Existing social and cultural institutions of the displaced persons and any host communities will be respected.

In the case of projects involving economic displacement only, the client will ensure that project affected people received compensation based on the entitlements as agreed upon in the Livelihood Restoration Plan.

As in the WB OP 4.12, PS 5 recommends that particular attention be paid to vulnerable groups during involuntary displacement, especially pregnant women, children, the elderly and the handicapped.

1.6 Other National Laws and Regulations Pertinent to Acquisition and Resettlement

National Mineral Policy (2013): Pakistan's National Mineral Policy contains sections on social dimensions and Corporate Social Responsibility (CSR). The relevant policies are discussed as follows:

Section 15.1 states that Mining companies would contribute an amount as determined by respective government annually towards the social uplift of the local population through establishment and self-sustained maintenance of community improvement projects such as schools, dispensaries, supply of drinking water or upgrades of local roads etc., and would participate in government efforts to sustain the development level of mineral bearing areas on depletion of the mineral resource.

According to Section 15.2, the respective government will collect the contribution as described in above section and will spend on the welfare projects prepared in consultation with local representatives of the area/region. Out of such contributions, training shall be provided to Pakistani employees and government officials by foreign and local mineral exploration and production companies.

Illegal Disposition Act 2005: This Act provides protection to the lawful owners and occupiers of immovable properties from their illegal or forcible disposition by the property grabbers.

Sindh Land Revenue Act 1968: This law relates to the making and maintenance of records of rights, the assessment and collection of land revenue, the appointment and functions of revenue officers and other matters connected with the land revenue administration.

Evacuee Trust Properties (Management and Disposal) Act 1975: This law regulates the management and disposal of properties having been declared as Evacuee Trust Property.

Sindh Tenancy Act 1950: The object of Sindh Tenancy Act is to regulate the law relating to the rights and liabilities of agricultural tenants and their landlords in the land in the Province of Sindh. The expression agricultural includes horticulture, arboriculture and silviculture. Some of the important sections are given below;

Section 4; Permanent Tenants; A tenant shall be deemed to be a permanent tenant if at the commencement of this act,

- i. He has annually cultivated at least four acres of land for the same landlord for a continuous period of not less than two years; and
- ii. He has cultivated such land personally during the aforesaid period.

Enemy Property: The following laws deal with enemy properties:

- a. Enemy Property (custody and registration) Order 1965; This Order was notified in the Gazette of Pakistan, Extraordinary, 9th Sept, 1965 under sub rule(1) of rule 182 of the Defence of Pakistan Rules. The object of this Order was to authorize the Custodian of Enemy Property for Pakistan, to take measures to preserve and maintain Enemy Property so declared of any individual or his family.
- b. Enemy Property (Continuance of Emergency Provisions) Ordinance 1969(17 Feb, 1969.) & Ordinance XXXIV of 1977(26 Sept, 1977); The object of these Ordinances was to provide for the continuance of certain provisions of the Defence of Pakistan Rules relating to the control of trading with enemy and control of enemy firms, and the administration of the property belonging to them.

Registration Act 1908: It provides for registration of documents, etc. and the penalty for the non-registration of compulsory documents. It also provides for the powers of Registrar / Sub-Registrars to register the documents. Relevant section of the Act is given as follows;

Section 17 (d); Documents of which registration is compulsory - leases of immovable property from year to year or for any term exceeding one year or reserving an yearly rent.

Easement Act 1882: The terms easement means those accessorial rights which an owner or occupier of land may possess in addition to and besides his ordinary rights of property that are legally exercisable by him within the boundaries of his own land. This law protects the easmentary rights of the citizens that include right to have air, sun, privacy, etc.

Section 28 Extent of easements; With respect to the extent of easements and the mode of their enjoyment, the following provisioned shall take effect;

- i. Right of way; A right of way of any one kind does not include a right of way of any other kind;
- ii. Right to light or air acquired by grant. The extent of a right to the passage of light or air to a certain window, door or ether opening, imposed by testamentary or non-testamentary instrument;
- iii. Prescriptive right to light or air. The extent of a prescriptive right to the passage of light or air to a certain window, door or other opening is that quantity of light or air which has been accustomed to enter that opening during the whole of the prescriptive period irrespectively of the purposes for which it has been used;
- iv. Prescriptive right to pollute air or water, The extent of a prescriptive right to pollute air or water is the extent of the pollution at the, commencement of the period of user on completion of which the right arose; and
- v. Other prescriptive rights. The extent of every other prescriptive right and the mode of its enjoyment must be determined by the accustomed user of the right.

PEPA 1997: The Pakistan Environment Protection Act 1997 is the main law which provides for the protection, conservation, rehabilitation and improvement of the environment, for the prevention and control of pollution and promotion of sustainable development.

Sindh Mining Concession Rules 2002: These rules include following relevant and important sections regarding land acquisition:

Section 13(a); Exercise any right granted to the holder by or under these rules reasonably in such manner that the rights and interest of the occupier of any land to which the title relates are not adversely affected except to the extent the occupier is compensated.

Section 13(c); In the employment of all grades of employees, give preference to citizens of Pakistan and in particular, those in Sindh who possess appropriate qualification, expertise and experience for the purpose of the operations to be carried on under the mineral title.

Section 13(d); Implement measures including appropriate training programs in order to encourage and promote the education and development of citizens of Pakistan, and, in particular, those in Sindh, in modern mining skills and to equip them for employment in the mining sector.

Section 13(g); Take measures to prevent damage to the environment, and where some adverse impacts on the environment is unavoidable, take measures to minimize such impacts.

Section 13(h); Make good, any damage caused to the environment, insofar as possible, during the course of exploration or mining operations and on the cessation of such operations due to expiry, or cancellation of the mineral title or otherwise.

Section 13(2)(b); The holder of the title shall make such contributions to the Government for the benefit of the local population to be used for such purposes as may be specified in the title or the mineral agreement.

Section 14(8)(a); The holder of the mineral title shall pay such reasonable compensation as may be assessed by a lawful authority in accordance with the law enforced on the subject applying to the land to which the title relates, for all damages, injury or disturbance which may be done by the holder by exercise of the powers granted by the title.

Section 47; **Rights of Holder of Mining Lease – (1)** Subject to these rules and the conditions to the lease, a mining lease shall confer to the lessee

- a. The exclusive rights to carry on mining operations in the mining area in question in respect of a mineral to which the lease relates.
- b. The right to:
 - i. Carry on the mining area, in conjunction with mining operations referred to in paragraph (a), exploration operation in relation to the mineral, and
 - ii. Enter and occupy the land which comprises the mining area for the purpose of carrying on mining operation referred to in paragraph (a) and exploration operations referred to in sub-paragraph (i).

2. Potential Resettlement Risks and Mitigation Measures

2.1 Resettlement Risks

Involuntary resettlement included in development programs have worldwide recognition of its complexity and require policy-guided solutions. There are trends and common characteristics revealed by a number of development projects. The involuntary resettlement is associated with its identified key risks such as: (a) landlessness; (b) joblessness; (c) homelessness; (d) marginalization; (e) food insecurity; (f) loss of access to common property resources; (g) morbidity; and (h) social disarticulation.

Resettlement mitigation measures suggest reconstructing and improving the livelihood of those displaced require risk reversals through explicitly implementing strategies and plans. The project proponent needs to ensure that the commitments made in ESIA for social impacts are covered / addressed in the RAP.

Impoverishment of displaced people is the central risk in development-caused involuntary population resettlement. To counter this central risk, protecting and reconstructing displaced peoples' livelihoods is the central requirement for equitable resettlement programs. Empirical evidence shows that, more often than not, the risks of impoverishment and social disruption turn into a grim reality.

This chapter reviews the appropriate response resettlement risks. There are a number of possible risks to affected persons in Thar coal fields as a result of land acquisition and resettlement; these are provided in the sections below. Land acquisition and resettlement as a result of envisaged sub-projects including mining, coal to power generation, transmission of power and allied infrastructure projects may have short, medium or long term implications for PAs. Each of the risks listed below will need to be adequately addressed in each sub-project RAP in order to make the resettlement process successful.

The following expected risks are not the only ones that result in processes of economic and social deprivation, but are the most important ones. Depending on local conditions, these risks have variable intensities. They are:

- **Landlessness** - Expropriation of land removes the main foundation upon which people's productive systems, commercial activities, and livelihoods are constructed. This is the principal form of de-capitalization and pauperization of displaced people, as they lose both natural and man-made capital.
- Unless this basis of productive system is re-constructed elsewhere, or replaced with steady income-generating employment, landlessness sets in and the affected families become impoverished.

- Certain sociological and anthropological field studies suggest that for farm families, loss of land generally has far more severe consequences than the loss of a house. Loss of land for domestic and economic purposes can create insecurity for PAs and can trigger other risks including poverty, loss of shelter, social disarticulation, etc. If adequate land or compensation is not provided to PAs this can quickly become the cause of one or all the risks discussed in the following sections.
- **Joblessness** - The majority of households' livelihood is labour, agriculture, livestock rearing, foraging, and; small scale trade and industry; are based on land, infrastructure, community and the surrounding environment. Dislocation from any one of these could result in increased poverty for PAs.
- Those losing jobs include landless labourers, enterprise or service workers, artisans, or small businessmen. Yet creating new jobs is difficult and requires substantial investments. Unemployment or underemployment among re-settlers often endures long after physical relocation has been completed. The previously employed may lose in rural areas access to work on land owned by others (leased or share-cropped) and the use of assets under common property regimes.
- **Homelessness** - Loss of a person's home can create instability. Even if the house is replaced the transition period may cause stress to a household, particularly if the transition requires the use of temporary housing.
- **Food Insecurity** - The diet of the majority of the people living in Thar is made up of milk and various produce that can be gathered from the existing trees and shrubs. Wood for fuel is also gathered from the surrounding areas. Resettlement may cause PAs to lose access to these free resources, or may place strain on natural resources if communities are relocated close to existing host communities.
- **Loss of Access to Common Property** - Much of the land in Thar Coal fields is common land or community land locally known as 'Gaucher'. Many households rely on Gaucher for grazing animals, and collecting food and wood for fuel. If community land is not provided at relocation sites, PAs will need to be adjusted with alternative sites, or alternative livelihood activities to make up for the loss of access to community lands.
- After losing the use of natural resources under common property, displaced people tend either to encroach on reserved areas or to increase pressure on common property resources of the host population. This is a source of both social tension and increased environmental deterioration.
- **Social Disarticulation** - Relocation of PAs, particularly when not all of the community is relocated, or if PAs are relocated into areas with host communities can cause social upheaval and result in community members feeling that they have lost their identities or social status.
- **Non-availability of Water** – Mining and other associated activities may deteriorate the available water resources in the area. There is a possibility that the quantity and quality of water is affected due to industrial activities in the proximity. Furthermore if relocation sites are not appropriately selected, availability of water in terms of quality and quantity may become a major concern.
- **Marginalization** - Marginalization occurs when families lose economic power and slide on a "downward mobility" path: middle-income farm households do not become landless, they become small landholders; small shopkeepers and craftsmen may slip below poverty thresholds. Many individuals cannot use their previously acquired skills at the new location and human capital is lost or rendered inactive. Marginalization materializes also in a drop in social status and in a psychological downward slide of re-settlers' confidence in society and sell a sense of injustice.

- **Increased Morbidity** - Declines in health is expected to result from displacement-induced social stress, insecurity, and the relocation-related illnesses. Unsafe water supply and sanitation increase vulnerability to epidemics and chronic diarrhoea, dysentery, etc. Infants, children, and the elderly are expected to be affected more. In short stress, loss of regular food sources (affecting nutritional levels), outbreak of an epidemic disease and loss of traditional medicines may cause an increase in morbidity for more vulnerable groups, such as the elderly, children, women and the disabled.

There needs to be evidence that these risks have been assessed by the proponents as applicable for the specific sub-projects in Thar Coalfield development and corresponding mitigation measures need to be taken that are included in the respective RAPs.

2.2 Mitigation Measures

- **Landlessness** - The alternate site for residential purposes will be planned and will be having basic infrastructure that may currently be lacking in the existing settlements. The Entitlement matrix specifically addresses the compensation for loss of land in terms of cash or land if available. Furthermore the Project Proponent, to gain confidence of PAs, is expected to commit as their Corporate Social Responsibility, extra facilities like educational and health centres.
- **Joblessness** - The sub-projects and downstream projects will generate employment opportunities for local residents including the PAs that may substitute and improve the existing source of income. Furthermore, the agriculture land provided as replacement (land for land) will have potential to employ labour for assistance in growing and harvesting. The industrial activities will also open a market for local residents for supplying milk and dairy products. The Entitlement Matrix has kept provision for compensation of three month salary to PAs losing their income source.
- **Homelessness** - The PAs will be dislocated once all arrangements are made for their alternate homes as such there is no transition period. Furthermore PAs will have opportunity to build their houses according to their own requirements. This may be a motivational factor to move to their new houses. The RPF has kept provision for full compensation of the structures whether in the form of residential houses or commercial or any other purposes.
- **Food Insecurity** - It has been recommended that the relocation site should be closer to road network and access to natural resources. Provision is made in RPF for land for commercial units and compensation for constructing shops that will ensure access to basic items. Furthermore appropriate agriculture land will be provided to eligible PAs, as given in the entitlement matrix, that will help in sustaining food requirements. Additionally more job opportunities will be provided to PAs which will upgrade their dietary habits. PAs will be facilitated to take their livestock that may ensure availability of milk and related products. Every effort will be made to provide Gaucher land adjacent to the resettled site.
- **Loss of Access to Common Property** - As said earlier, every effort will be made to provide Gaucher land adjacent to the relocation site. This will ensure grazing land for the livestock, accessibility to fuel and any food item.
- **Social Disarticulation** - The RPF recommends that the resettlement process should be undertaken in a way that the whole community should be shifted and settled at one place so maintaining the fabric of the society. For that reason it is also recommended that the relocation site should be closer to their existing settlement.

- **Non-availability of water** - Water as one of the most essential and critical component should be made accessible by the Project Proponent. With respect to quantity and quality, the project proponent needs to maintain a standard that is within National Environmental Quality Standard limits. Additionally, the infrastructure projects envisaged to provide water to Thar coal project, among other things, are expected to improve water availability for Thar region.
- **Marginalization** - The process of mitigating marginalization is a fluctuating one, dependent on context, situation, and the interplay of conditional factors. Measures will be taken based on the information gathered from monitoring and evaluation reports about the income level and profession of PAs after resettlement. This information will help in providing corrective measures to avoid marginalization.
- **Increased Morbidity** - Special care will be needed during the relocation site selection and transition period of resettlement to avoid any stress, loss of regular food sources (affecting nutritional levels), outbreak of an epidemic especially for children, elderly, women and disabled.

Table 2.1 provides a layout of resettlement risks, mitigation measures and how these can be seen as opportunities.

Table 2.1: Project Risks and Mitigation Measures

Risks	Mitigation Measures	Opportunities
Landlessness: Loss of land for domestic and economic purposes can create insecurity for PAs and can trigger other risks including poverty, loss of shelter, social disarticulation, etc.	Land will be offered to PAs with equal or better yield (for agriculture purposes) and improved infrastructure facilities. They will be compensated according to entitlement matrix.	Improved living standard
Joblessness: Loss of regular source of income could result in increased poverty and insecurity for PAs.	Jobs will be provided for PAs in different projects. A salary of three months will be provided in case of permanent loss of job. Training will be provided to improve the skills developing potential for employment.	Skill development and employment
Homelessness: Loss of shelter can create instability and stress.	Better facilitated place of living will be provided with adequate water supply and other basic needs. PAs will be compensated for their structures with which they can build a structure of their own will and requirements.	Improved shelter
Food Insecurity: Loss of health and nutrition level.	PAs will be relocated at places where appropriate agriculture land is available for their consumption. Moreover, they will be relocated close to road network so that they could easily get all the food items they require. Additionally, job opportunities will be provided to PAs which will upgrade their dietary habits	Sustainable food resources and improved diet
Social Disarticulation: Loss of identities and social status	Social set-up of the society will be maintained through social mobilization	Improved social and cultural environment.

	and community participation and resettlement process.	
Non-Availability of Water: Loss of basic need for survival.	Provision of water as per NEQS will be provided at relocation sites for ready consumption by PAs and host community.	Improved water quality and quantity resulting healthy society
Marginalization: When families and individual lose economic and social power	Social and economic conditions of PAs will be regularly monitored and appropriate measures will be undertaken with their consultation.	Sustained social and economic conditions
Morbidity: Stress, loss of regular food sources (affecting nutritional levels), outbreak of an epidemic disease	Special care will be provided during the relocation site selection and transition period of resettlement to avoid any stress, loss of regular food sources, etc.	Improved health conditions

3. Outline of Resettlement Policy

3.1 Overview

This document details mechanisms, procedures and compensation entitlements to be applied in the planning and implementation of land acquisition, resettlement and rehabilitation tasks for the sub-projects in Thar coal fields. It provides overall guidance on process and procedure required for addressing the resettlement impacts caused by the sub-projects and for preparation and implementation of RAPs for sub-project development. Preparation of individual RAPs will be the responsibility of the Project Proponents; these may be:

- the individual block developer (for Thar coal fields related resettlements);
- a branch of the CEDD (for physical infrastructure related sub-projects); or
- any another entity that is responsible for constructing or developing a sub-project.

3.2 Policy Goals

- i. Avoid or minimize social and economic impacts of land use in Thar Coal Development projects.
- ii. Ensure fair and transparent resettlement measures and rehabilitation assistance to Project Affectees to improve their living standards.

3.3 Principles of Resettlement

This resettlement policy is guided by the following principles:

1. Involuntary resettlement will be avoided or minimised wherever feasible, exploring all viable alternative project designs;
2. Where involuntary resettlement is unavoidable, all PAs will be provided with sufficient compensation for lost assets and rehabilitation of livelihood;
3. The Resettlement and rehabilitation process will be fair and transparent;
4. Particular attention will be provided to women, the poor and most vulnerable peoples of affected and host communities;
5. Absence of legal title to land, to lost assets, structures and livelihood will not be a restriction to be eligible for the compensation that PAs will be entitled to.
6. Any social, economic and environmental risks/impacts of involuntary resettlement will be avoided, minimized and appropriately mitigated by the Project Proponent;
7. Persons to be displaced will have improved living standards and income earning capacity or at least restored;

8. PAs will be encouraged to participate in the planning and implementation of resettlement processes;
9. PAs losing land of all types will be given the option to choose 'land for land' compensation, wherever possible, and preferably in the same vicinity;
10. The usufruct rights of PAs will be protected;
11. The Project Proponent will secure legal title for PAs at the new relocation site;
12. Access or restriction of access to common resources will be compensated through arrangements to ensure access for PAs to equivalent resources at the relocation site;
13. PAs and members of host communities will be included in the selection of relocation site;
14. Environmental and social aspects will be considered while selecting relocation sites;
15. A monitoring mechanism in place to ensure that the PAs are attaining the envisaged objectives of resettlement;
16. Provide adequate measures to PAs during transition period;
17. The social infrastructure will be maintained as far as possible;
18. The Resettlement Plan should be in line and conformity of the social aspects covered in ESIA and mitigation measures committed therein; and
19. Multiple relocations of PAs will be avoided to the extent possible.

3.4 Policy Objectives

The policy objectives are:

1. Provide guidelines to project developers on the resettlement principles, institutional, legal and implementation framework regarding involuntary resettlement in Thar coal fields development projects;
2. Mitigate the adverse impact of displacement and involuntary resettlement with sustainable development approach; and
3. Ensure adequate on-going monitoring and grievance redressal mechanism for compliance of resettlement policy framework.

The resettlement associated with mining in Thar region will require progressive land acquisition over a longer period of time. During Project implementation, when the extent of resettlement for a sub-project is defined (i.e. when detailed design of the sub-project shows the boundaries of the proposed works and all affected land, structures, trees and crops affected by the sub-project can be identified) then a Resettlement Action Plan (RAP) will be prepared. This RPF will ensure that in each sub-project RAP a consistent approach to land acquisition and resettlement, compensation and income restoration is followed over the life of the Project in the line with the above stated policy goals, principles and objectives.

3.5 Conditions that Trigger Land Acquisition and Resettlement

Following are the main sub-projects that are envisaged in Thar coal fields and may trigger land acquisition and resettlement:

- Lignite Mining;
- Coal Gasification;
- Coal Bed Methane (CBM) Exploration and development;
- Power Generation;
- Power Transmission; and
- Associated Infrastructure.

The above sub-projects may create among other things following conditions that will trigger land acquisition and resettlement:

- Social and economic losses resulting from land use and restriction of access to livelihood resources; and
- Environmental impacts of sub-projects on water resources, ambient air quality, soil and other natural resources that necessitates physical or economic (or both) relocation of people from their native places.

For infrastructure sub-projects (such as transmission lines, roads, pipelines and railway lines) the impacts on individual PAs will likely to be limited, but the number of affected people may be relatively large. In these types of sub-project it is likely that PAs will stay on their land (or within the same community) and gain compensation for lost land and structures, with a relatively smaller number of households physically relocated.

For sub-projects such as coal mines and power stations requiring larger area, whole communities may need to be relocated to an alternate location. Instances may occur where the location of a mine or power station makes it unsafe for people to live (for example; due to hazardous levels of air emissions, excessive noise and odour and; deterioration of water sources) which would require groups of people to be relocated.

Each sub-project will need to assess the requirement for resettlement on a project to project basis and in consultation with local communities. Layout and design options should be prepared to find the alternate layout and design of the sub-project that causes the least impact to local communities. In case of no alternate option for layout and design is available that could avoid resettlement and impacts cannot be mitigated to the satisfaction of local communities then resettlement process will need to be implemented.

3.6 Sacred Locations

When areas such as graveyards, temples, mandir, gurdwara, mosques, churches or other socially or culturally significant areas are found to be within sites to be acquired, the Project Proponent should avoid relocation of such sacred sites. If relocation is unavoidable then the Project Proponent will need to consult with local population, including local elders and religious leaders, to decide on a case to case basis how resettlement of the sacred location should be carried out. As part of the RAP, the Project Proponent will need to document the results of the consultation process.

3.7 Consideration of Alternatives

For every sub-project that is found to necessitate any type of land acquisition and resettlement, alternatives should be considered to avoid or minimize resettlement. These alternatives could include changes to sub-project design (for example increasing the stack height of a power plant), or changes to the location of certain components of the sub-project (for example moving the location of transmission line towers to avoid the relocation of houses). The exact location of sub-project components will not be known until detailed design has been finalized therefore alternate relocation sites will be decided on a case-by-case basis and included in RAPs. Each RAP will provide a rationale of the decisions made to select the optimal design and location. Efforts to avoid or minimize resettlement will be documented in the RAP.

As a basic principle **resettlement should be avoided until it gets inevitable and absolutely compulsory**. It must be emphasized that the project developer should look for alternative ways and means before taking a decision on resettling a village or a community. Examples for alternates that can be considered for minimizing physical and economic displacement associated with a sub-project are as follows:

- i. Identifying alternate site for mining;
- ii. Transferring overburden to an alternate site;
- iii. Sprinkling and spraying water on overburden;
- iv. Vegetation on overburden;
- v. Adding pollution controlling equipment and technology;
- vi. Adjusting stack heights;
- vii. Provide water for villages near mines to avoid resettlement due to dewatering or deterioration of water quality;
- viii. Alternate designing of mines;
- ix. Minimizing buffers around Project components;
- x. Avoid annihilation of physical infrastructure wherever possible; and
- xi. Re-routing of linear infrastructure like road, power transmission line, rail, etc.

4. Project Affectees and Entitlement Matrix

4.1 Project Affected Persons

Project Affected Persons are those who will be affected permanently or temporarily by physical displacement, economic loss or restricted access to economic assets. Types of PAs in the Project Area include:

- **Residents with legal title to land:** Individuals or households who reside in the area with land tenure rights (legal title of land) to a plot of land or other land based assets.
- **Residents without legal title to land:** Individuals or households who reside in the area for more than one year, acquire livelihood in the area, but have no legal title to the land (provided that any other individual(s) do not have the title of the land).
- **Non-resident with Legal Title to Land:** Individuals or households who own land with legal title in the area, but do not reside on the land. They may be renting the house or land for use by other individuals or households.
- **Any other with Legal Title to Land:** Any other entity (company, trust, etc) that have legal title of the land.
- **Tenants:** Who are renting or leasing the land whether the lease is registered or not.

The number of PAs who will be affected will be confirmed on a sub-project by sub-project basis through a census and survey undertaken as part of the sub-project Resettlement Action Plans (RAPs)

4.2 Eligibility Criteria

Land Acquisition and Resettlement tasks under the Project will be implemented according to a compensation eligibility and entitlements framework. PAs entitled for compensation or rehabilitation under the Project is:

- PAs losing land either covered by legal title or without legal status⁶;
- Tenants of land or structures whether registered or not;
- Owners of buildings, trees and crops, or other objects attached to the land; and
- PAs losing sources of livelihood.

Compensation eligibility is limited by the Cut-off Date which will be discussed in chapter 10. PAs that settle in the affected areas or expand their structures after the cut-off date will not be eligible for compensation for these changes. Given that there will be a number of different sub-projects that will be carried out at different times, it is important that communities are enlisted to help reduce the

⁶ Those who are not having legal title should provide evidence of occupancy of land for at least one year

number of people entering into the area. Each eligible PA or affected household will be given a registration card during the census and survey by the Project Proponent.

As stated in the principles of resettlement the lack of legal title to land should not prevent PAs from receiving compensation. In order to restrict ineligible people receiving compensation, at the registration phase of the project PAs will have to provide a document that proves that they reside in the sub-project area. Some of these documents are listed in section 10.2.6 of this RPF. If the PA does not have any legal document proving that they are a resident of the sub-project area, they can obtain a verification letter signed by two respected elders settled in the area for considerable time period or community representatives that have been approved by the Project Proponent.

Any dispute over the eligibility of a PA can be brought up to the DC or referred to the Land Acquisition and Resettlement Committee (LARC), who will determine the eligibility of the PA. If the PA is still not happy with the decision a formal grievance can be lodged.

The assets that carry dispute over its ownership, the compensation due for that land or asset will be kept in treasury until the time that ownership can be determined. The case will initially be addressed by the LARC and Grievance Redress Committee (GRC), however if no suitable solution can be made the case may be referred to the court of law for a ruling.

In special cases such as collective property identified during (collective payment refers to the compensation of property, jointly owned by the PAs), compensation will be made under section 29 of LAA.

When land for land compensation is agreed with PAs, the land must be of the same quality or better than the PA's original land. The Project Proponent must carry out the legal processes to ensure that the PA is given legal title of the compensated land. This process must be completed prior to acquisition of land.

The procedure for the transfer of rights and title to land in relocation sites to PAs will be fully discussed in each individual RAP.

4.3 Compensation Entitlements

The Project Proponent while preparing RAP will adopt and apply the entitlement matrix presented in Table 4.1 to identify appropriate compensation and rehabilitation for the PAs in each sub-project. Losses will include those listed in the entitlement matrix, for example land, structure, common property, trees, crops, public infrastructure, etc. Entitlement packages are classified in terms of category of loss rather than category of PA, as they may suffer more than one loss.

Table 4.1: Entitlement Matrix

No.	Type of Loss	Application	Entitled/Eligible Project Affectees	Compensation Package
1	Loss of Agricultural Land	All land independent from impact severity	a) Residents with Legal Title of Land	Land of equivalent size and productive potential available in the area OR Cash compensation at replacement value with an addition of 15%. Transport allowance for shifting to new location.
			b) Non Residents with Legal Title of Land	Land of equivalent size and productive potential available in the area OR Cash compensation at replacement value with an addition of 15%.
			c) Any other with Legal Title of Land	Land of equivalent size and productive potential available in the area OR Cash compensation at replacement value with an addition of 15%. Transport allowance for shifting to new location, if applicable.
			d) Residents without Legal Title of Land	Land of equivalent size and productive potential available in the area OR Cash compensation at replacement value with an addition of 15%. Transport allowance for shifting to new location.
2	Loss of Residential, Commercial, Industrial or Institutional Land	All land independent from impact severity	a) Residents with Legal Title of Land	Land of equivalent size and of similar characteristics and access to facilities in the area OR Cash compensation at replacement value with an addition of 15%. Transport allowance for shifting to new location.
			b) Non Residents with Legal Title of Land	Land of equivalent size and of similar characteristics and access to facilities in the area OR Cash compensation at replacement value with an addition of 15%.
			c) Any other with Legal Title of Land	Land of equivalent size and of similar characteristics and access to facilities in the area OR Cash compensation at replacement value with an addition of 15%. Transport allowance for shifting to new location, if applicable.
			d) Resident without Legal Title of Land	Land of equivalent size and of similar characteristics and access to facilities in the area OR Cash compensation at replacement value with an addition of 15%.
3	Loss of Structures (Residential,	All structures including those with partial impact,	a) Residents with Legal Title of Land	Structure of equivalent standard at an acceptable location OR Cash compensation for entire structure at replacement value with an addition of 15%.

	commercial, industrial or institutional)	provided remaining structures are rendered unviable for continued use.		Transport allowance for shifting to new location.
			b) Non Residents with Legal Title of Land	Structure of equivalent standard at an acceptable location OR Cash compensation for entire structure at replacement value with an addition of 15%.
			c) Any other with Legal Title of Land	Structure of equivalent standard at an acceptable location OR Cash compensation for entire structure at replacement value with an addition of 15%. Transport allowance to new location, if applicable.
			d) Resident without Legal Title of Land	Structure of equivalent standard at an acceptable location OR Cash compensation for entire structure at replacement value with an addition of 15%. Transport allowance to new location, if applicable.
			e) Tenants	Transition allowance equivalent to two months' rent Transport allowance for shifting to new location. Note: Tenants are not compensated for the land. They are being compensated for the lease that they have on the land.
4	Loss of livelihood / occupation or business incomes	Agricultural / industrial / commercial or institutional wage employment impacts	Project Affectees with proof of residence in project area and loss of Trade/ Livelihood/ Occupation or business incomes due to the project	Relocation allowance equivalent to three months income or wages in case of permanent loss of income source. In case of temporary loss of income source, compensation will be paid for income or wages over the period not exceeding two months. Priority to a household member for project employment or training opportunities and other livelihood restoration measures. Transport allowance compensation, if required.
5	Loss of access to common resources and facilities	Loss of access to rural common property resources and amenities	Communities / Households of project affected area	Replacement of common property resources or amenities in an available and acceptable area. Access to equivalent land, amenities or services.
6	Loss of standing crops	Affected standing crops	Owner of affected crops	Cash compensation at replacement value of damaged crops plus replacement seeds for next season or their cost
7	Loss of perennial plants & trees	Affected plants and trees	Owner of affected plants and trees	Cash compensation at replacement value on the basis of type, age and productivity of plants and trees.

8	Loss of use of Gaucher land	Households that lose access to Gaucher land	Communities / Households with Usufruct rights	Access to alternative land of the same quality and size, or if not available provision of livelihood restoration training for development of skills or any other services. Transportation costs to move livestock and feed for livestock for three months
9	Loss of public infrastructure	Infrastructure (power, roads, water, and sewerage; public health centres, schools, etc).	Relevant agencies.	Public facilities will be replaced before the old facilities are demolished and will be under the same specifications as the existing infrastructure, if not improved specifications. Infrastructure such as buildings, tube-wells etc. will be compensated at full replacement cost without depreciation.
10	Temporary Losses	Affected structures for a temporary period	Eligible Project Affectees	Cash compensation at replacement cost of material and labour without deduction for depreciation or salvageable materials for the damages during the period of temporary possession.
		Loss of crops and trees	Eligible Project Affectees	Cash compensation at replacement value and for loss of net income from subsequent crops that cannot be planted for the duration of temporary possession plus replacement seeds for next harvest or their cost
		Temporary land and structure acquisition	Eligible Project Affectees	A monthly rent as per replacement value will be paid to PAs. PAs will be compensated immediately and damaged assets will be restored to their former condition.

Note:

1. Compensation will include a margin of 15% over the market value of 'land' (land including the benefits arising out of land, things attached to the earth or permanently fastened to anything attached to the earth). This margin of 15% is in accordance with Section 23 of LAA 1894.
2. PAs will be given the choice to accept cash and / or land for land compensation where available. Furthermore, the PAs should be thoroughly consulted and given the choice for selecting resettlement site whether inside (if appropriate land is available) or outside the Block area.

4.4 Land for Land Settlement

LAA has provision for compensation in shape of Land for Land. In case of resettlement it would be more appropriate to provide land closer to the relocation site. PAs interested in receiving land for land compensation, may choose to forego full or part of their cash compensation to procure land if it is available. The size of the land to be compensated to the PAs will be equal to the amount acquired by the project.

4.5 Special Allowances

The following special allowances will be provided for PAs who are considered to be indigenous people (if any), disable persons, women headed families, widows and spinsters:

- Indigenous people (if any) allowance –Start up kits based on subsistence living and health needs mitigating the general vulnerability will be provided. Priority will be given to a household member for Project-related jobs. A one-time paid allowance equal to one month household income.
- Disable persons' allowance – Special transportation and health care allowance for those who are medically unfit;
- Women headed families allowance – Employment should be given on priority basis for members of women headed families.; and
- Widows and Spinsters allowance – These shall be handled with due extra care and on case to case basis. A situation may arise where the family with whom they were living are not willing to accommodate them anymore, in such case equal compensation must be given to them.

4.6 Livelihood Restoration Measures

In addition to compensation that will be paid for loss of livelihoods (as discussed in Table 4.1), PAs will be given preference for employment during the construction and operation phases of the sub-project. Livelihood restoration measures may include the following:

4.6.1 Skill Development

The Project Proponents will also provide skills development and capacity building training sessions and workshops that will be tailored towards PAs needs and skill levels (and where relevant host communities). The RAP will define the number of people to be trained and the skills that PAs (and host communities) will be trained. The RAP will ensure that women are included for training and workshops (quotas of women to be trained should be specified in the RAP) preferably carried out by female trainers. The RAP will also outline the timeframe of the training / workshops and the expected budget. The RAP will provide a list of options for livelihood restoration measures and will need to define the reasoning behind the selection of the chosen interventions.

Need based skills concerned with coal mining and power generation can be developed that may support employment and local small businesses for PAs. In addition to that as the majority of the population rely on agriculture and livestock for their livelihoods, training that improves efficiency of

agricultural techniques, or teaches PAs to grow more high-yield or high profit crops will improve the livelihoods of PAs. Support to PAs can also include the provision of seeds and tool packs, or veterinary services.

4.6.2 Employment

Employment / work opportunities will be provided on priority to PAs, host communities, if any and other people from the district Tharparkar in particular and Sindh province in general.

4.6.3 Micro Insurance

The Project Proponent may set up a micro insurance scheme for PAs. Micro insurance includes a range of products that can help the PAs to manage economic hardships such as natural disaster, hospitalisation, or a death in the family.

4.6.4 Micro financing

Project Proponent may provide PAs with micro financing and credit facility so that they could start a small business of their own which will help in income generation and reducing poverty.

4.6.5 Provision of Social Services

As per the Pakistan's National Mineral Policy (2013), companies are required to provide 'social uplift' to the local population as part of its Corporate Social Responsibility (CSR). The cost will depend on the size of the company; however it should be spent on community improvement projects such as schools, dispensaries, drinking water, local roads, etc.

Project proponents that are planning to relocate whole communities will provide sufficient social services to relocated population. In case the planned social services are better than those of the host population, they will also need to upgrade the social services of host population. The 'social uplift' services are expected to be in addition to compensation and will contribute to an improvement of location conditions and services.

4.6.5 Gaucher

Livestock rearing is a key livelihood source for people living in Thar Coal fields. The majority of households use communal lands called gaucher for livestock grazing. While selecting a relocation site, consideration should be made for availability of gaucher equivalent to the one they are availing currently. If gaucher is required to be shared with host communities then consultation with these communities should be made prior to final selection of the site. The infrastructure proposed for PAs can be shared with the host communities and in return they may agree to share the gaucher. Furthermore measures can be made to improve the yield of gaucher so that it may sustain the livestock for both PAs and host communities.

If land is not available, people that use the land will receive a well structured, comprehensive livelihood restoration plan, to allow households to maintain the same level of income (if not better) as before resettlement starts. Households that lose the use of gaucher will need to be closely monitored and if they are found to be struggling, then further measures should be taken.

4.6.6 Agriculture and Livestock Development Services

Agriculture in the district needs to be improved which can play a key role in poverty alleviation. Canal irrigated agriculture is mainly restricted to Barrage area due to availability of sweet water whereas rest of the district is highly dependent on rain-water. Bio-saline agriculture methods need to be identified and encouraged in the area by provincial department of agriculture. Measures are needed to increase the yield by introducing new technologies and equipments suitable for the local conditions.

Animal grazing and foraging are essential and important parts of people living in the district. The Livestock department needs to provide specific attention towards this important source of living and exploit its potentials. Moreover marketing support will be given to bring maximum benefits in particular to PAs.

5. Host Communities

5.1 Overview

Host populations are those communities that are living in or using the natural resources in areas where PAs will be relocated. Thar Coal fields being mostly desert, is not very densely populated. If carefully planned, location of resettled communities within or near host communities may not be necessary, however where interaction with host populations is inevitable, special care should be taken to socially integrate the two communities.

In allocating relocation sites, consideration will need to be made regarding the livelihoods of the resettled PAs. If they predominantly depend on livestock or agriculture, then the relocation area will need to provide adequate grazing area or agricultural land respectively. The relocation of PAs should not result in physical displacement of any members of host communities or the loss, denial or restriction of their access to economic resources.

5.2 Risks and Concerns for Host Communities

Conflicts between host populations and PAs can be a risk. This could result from competition for jobs, food and natural resources. Social risks to host communities could result from the relocation of PAs from different religions or different beliefs and customs. An influx of new people may upset the social hierarchy of the group. Some host communities may speak a different language, or different dialect to PAs, which would restrict communication between the two communities. These risks will be minimal in Tharpakar as the population is contiguous and mostly have similar features. Nevertheless they are distributed in various tribes and clans and at the time of relocation they are required to be settled where the host communities have commonalities.

5.3 Guidelines for Integration of Host Communities and PAs

In case the proposed site for resettlement of PAs located in or close to an already established host community, an assessment including a survey and consultations with the host community will need to be carried out. This assessment will include, but will not be limited to, ethnic, religious and cultural aspects of the host community, public infrastructure (such as schools, clinics, electricity and water supply) and employment conditions. This assessment will reveal the extent to which the host community is likely to accept the resettled population and the extent to which potential issues or conflicts may arise.

PAs and host communities should be provided timely and relevant information, consulted on resettlement options and offered opportunities to participate in planning, implementing and monitoring of resettlement activities. Attempts should be made to retain the current social structure of

communities and if new community set-up appropriate to the changed circumstances is needed it should be based on choices made by PAs. Their preference with respect to relocating in pre-existing communities and groups should be honoured.

In case of PAs located near host communities, and are provided with new infrastructure (better than the infrastructure currently used by host communities), the infrastructure of host communities should be improved as well. When capacity building is provided to PAs to improve their employment skills (this is recommended as PAs will be disadvantaged in securing employment in host communities), capacity building should also be extended to those with similar socio-economic conditions within the host communities. As bargain the facilities proposed to be developed for PAs can be shared by host communities and in return sharing of the natural resources can reduce conflicts. In case PAs settling close to their existing locations, risk of cultural and livelihood differences can be minimized.

5.4 Conflict Resolution Process for PAs and Host Communities

In order to mitigate any possible conflicts between host communities and PAs, educational campaigns should be carried out both with host communities and PAs to educate them on any cultural or social differences of the resettled communities. As stated in section 5.3 some measures to mitigate possible conflicts between PAs and host communities include:

- Consultation with host communities, PAs, Project Proponent and Government departments;
- Arrangements for prompt tendering of any payment due to the hosts; and
- Any measures to augment services in host communities to make them at least comparable to services available to re-settlers.

Appropriate and accessible grievance mechanisms should be established for both groups to address grievances and conflicts as they arise. This may be taken care of through the normal course of dispute resolution mechanism prevalent in the region. In case these disputes are expected to be multiple and frequent the Grievance Redress Committee as proposed in this RPF can assume this role after including representatives from the host and PAs communities.

5.5 Assistance to Host Communities

Infrastructure and public services should be provided as necessary to improve, restore or maintain accessibility and levels of service for the displaced persons and host communities. Alternative or similar resources should be provided to compensate for the loss of access to community resources (such as gaucher, fuel or fodder). Host populations should also be provided with assistance to improve their livelihoods. Some of the budget provided for livelihood restoration measures should also be taken for host communities.

6. Legal Framework

6.1 Overview

This chapter provides the legal framework relevant for resettlement and rehabilitation proposed under this RPF. This legal framework is substantiated through the relevant Articles of Constitution of Pakistan and the primary Act (LAA 1894) governing land acquisition and compensation. Support from this legal framework can be drawn for implementation of the approach proposed under this RPF for resettlement and rehabilitation.

6.2 Constitution of Pakistan 1973

The Constitution of the Islamic Republic of Pakistan passed on the 10th April 1973 and as modified thereafter, is the supreme law of Pakistan. The Constitution of Pakistan provides legal cover to all Laws and Acts including those related to land acquisition and compensation. Some of the relevant Articles are given below;

Article 23: Provision as to Property

Every citizen shall have the right to acquire, hold and dispose of property in any part of Pakistan, subject to the Constitution and any reasonable restrictions imposed by law in the public interest.

Article 24: Protection of Property rights

1. No person shall be deprived of his property save in accordance with law.
2. No property shall be compulsorily acquired or taken possession of save for a public purpose, and save by the authority of law which provides for compensation therefore and wither fixes the amount of compensation or specified the principles on and the manner in which compensation is to be determined and given.
3. Nothing in this Article shall effect the validity of:-
 - a. Any law permitting the compulsory acquisition or taking possession of any property for preventing danger to life, property or public health; or
 - b. Any law permitting the taking over of any property which has been acquired by, or come into the possession of, any person by any unfair means, or in any manner, contrary to law; or
 - c. Any law relating to the acquisition, administration or disposal of any property which is or is deemed to be enemy property or evacuee property under any law); or
 - d. Any law providing for the taking over of the management of any property by the State for a limited period, either in the public interest or in order to secure the proper management of the property, or for the benefit of its owner; or
 - e. Any law providing for the acquisition of any class of property for the purpose of:-

- i. Providing education and medical aid to all or any specified class of citizens; or
 - ii. Providing housing and public facilities and services such as roads, water supply, sewerage, gas and electric power to all or any specified class of citizens; or
 - iii. Providing maintenance to those who, on account of unemployment, sickness, infirmity or old age, are unable to maintain themselves; or
- a. Any existing law or any law made in pursuance of Article 253.
1. The adequacy or otherwise of any compensation provided for by any such law as is referred to in this Article, determined in pursuance thereof, shall not be called in question in any court.

Article 172: Ownerless Property

1. Any property which has no rightful owner shall, if located in a Province, vest in the Government of that Province, and in every other case, in the Federal Government.
2. All lands, minerals and other things of value within the continental shelf or underlying the ocean 1[beyond] the territorial waters of Pakistan shall vest in the Federal Government.
3. Subject to the existing commitment and obligations, mineral oil and natural gas within the province or the territorial water adjacent thereto shall vest jointly and equally in that Province and the Federal Government.⁷

Article 173: Power to Acquire property and to make contracts, etc.

1. The executive authority of the Federation and of a Province shall extend, subject to any Act of the appropriate Legislature, to the grant, sale, disposition or mortgage of any property vested in, and to the purchase or acquisition of property on behalf of, the Federal Government or, as the case may be, the provincial Government, and to making of contracts.
2. All property acquired for the purposes of the Federation or of a Province shall vest in the Federal Government or as the case may be, in the Provincial Government.
3. All contracts made in the exercise of the executive authority of the Federation or of a Province shall be expressed to be made in the name of the president or, as the case may be, the Governor of the Province, and all such contracts and all assurances of property made in the exercise of that authority shall be executed on behalf of the President or Governor by such persons and in such manner as he may direct or authorize.
4. Neither the President, nor the Governor of a Province shall be personally liable in respect of any contract or assurance made or executed in the exercise of the executive authority of the Federation or, as the case may be, the Province, nor shall any person making or executing any such contract or assurance on behalf of any of them be personally liable in respect thereof.
5. Transfer of land by the Federal Government or a Provincial Government shall be regulated by law.

6.3 Land Acquisition, Resettlement and Rehabilitation

Land Acquisition Act 1894 provides the legal framework in case of land acquisition and compensation therefore it has been discussed in detail. CEDD will ensure that Resettlement Action Plan of a sub-

⁷ Substituted by the constitution (Eighteenth Amendment) Act, 2010 (10 of 2010), s.65, for "within.

project is in accordance and compliant to Resettlement Policy Framework based on that the department will approve the RAP submitted by the Project proponent.

The project proponent along with other papers will submit the RAP approved by CEDD to the Deputy Commissioner (DC) / Collector and provide an undertaking to resettle and rehabilitate PAs according to submitted RAP. This RAP will become a legal binding for the Project Proponent. The compensation under Entitlement Matrix provided in RAP will warrant that these areas are adequately ensured. Nevertheless, LAA 1894 also support these aspects wherein the DC will give award to PAs under Section 11. The scope of the award will be ascertained under Entitlement Matrix and the commitments made by the Project Proponent in RAP and reviewed in detail by LARC. This award will ensure compensation in cash or kind and rehabilitation measures.

6.4 Key Relevant Sections of Land Acquisition Act 1894

As LAA 1894 will be the main legal instrument for land acquisition and resettlement, following commentary has been prepared to highlight the relevant Sections and their coverage towards various aspects and process from initiation of land acquisition to final award and payment.

Part I: Preliminary

▪ Section 1

This section contains the statement of objectives and reasons for the enactment of Land Acquisition Act, 1894. It extends to the whole of Pakistan.

▪ Section 3

This section provides for the specific definitions such as;

- a. The expression “land” includes benefits to arise out of land, and things attached to the earth or permanently fastened to anything attached to the earth.

The expression “person interested” includes all persons claiming an interest in compensation to be made on account of the acquisition of land under this Act.

Part II: Acquisition

▪ Section 4

This section provides for publication of preliminary notification and powers of officers. Under this section when land in any locality is needed or is likely to be needed for any public purpose or a company, a notification to that affect shall be published in the official gazette.

The purpose of a notification under Section 4 of LAA is to enable the authorities to carry out a preliminary investigation for deciding whether the land intended to be acquired is suitable for the purpose for which it is needed. The notification permits entry, survey and investigation of the land in question by an authorized Government servant.

▪ **Section 5**

Where land is to be acquired for a public purpose, if the Commissioner and where the land is to be acquired, for a company, the Provincial Government is satisfied after considering the results of the survey if any, made under sub-section 2 of Section 4 or if no survey is necessary, at any time, that particular land included in a locality notified under sub section 1 of Section 4 is needed for a public purpose of a company as the case maybe, a notification to that affect shall be published in the official gazette.

Publishing of Notification under Section 5 shall not take place later than one year from the date of notification issued under Section 4.

▪ **Section 5A**

The object of service of the substance of the notice under this section is to afford an opportunity to the interested persons to file objections.

Any person interested in any land which has been notified under Section 5 of LAA may, within thirty days after the issue of the notification, object to the acquisition of the land under Section 5-A of LAA. The DC shall hear the objection, make necessary enquiries and submit a report within 90 days to the appropriate Government authority. This authority must announce its decision, which shall be final, within 90 days; otherwise the objection shall be deemed to have been admitted and the acquisition proceedings will come to an end.

▪ **Section 6**

When the Provincial Government is satisfied after considering the report if any made under Section 5, sub-section 2 that any particular land is needed for a public purpose or for a company, a declaration shall be made to that affect under the signature of Secretary to the Provincial Government or some other duly authorized officer, provided that no such declaration shall be made unless the compensation to be awarded for such property is to be paid by the party concerned.

The declaration shall be published in the official gazette within 6 months.

▪ **Section 7**

Under Section 7, after declaration, DC will take order for acquisition.

▪ **Section 8**

The DC shall cause the land (unless it has been already marked out under Section 4) to be marked out, measured and a plan to be made of the same.

▪ **Section 9**

Under Section 9, public notice to be given at convenient places on, near the land to be taken stating that the Government intends to take possession of the land and that claims to compensation for all interests in such land maybe made to the DC (Not earlier than 15 days after the date of publication of the notice).

▪ **Section 10**

The DC under this section may also require any such person to make or deliver to him at a time and place mentioned (not earlier then 15 days after the date of requisition) a statement containing the name of every other person possessing any interest in the land or any part thereof such as co-proprietor, tenant, mortgagee etc.

▪ **Section 11**

This section provides for DC to enquire into the objections of interested person if and shall make an award under his hand of:

- i. True area of the land;
- ii. The compensation which in his opinion should be allowed for the land;
- iii. The apportionment of the said compensation amongst the persons concerned; and
- iv. The cost to be allowed.

The award shall be announced by the DC within 6 months of the publication of declaration under Section 6, failing which the officials or the officer concerned found guilty of the inordinate delay shall reimburse the Provincial Government the amount of additional compensation assessed under Section 28-A for the period of delay.

▪ **Section 12 and 12-A**

This section provides for award that shall be filled by the office of the DC as final and conclusive evidence as between the DC and the person interested. Section 12-A provides for the correction of any clerical or arithmetical mistake in the award. It can be done on the request of any party of by the DC of his own motion.

▪ **Section 14**

Section 14 empowers the DC for the purpose of enquiries under the Act to summon and enforce attendance of witness and production of documents.

▪ **Section 15**

Under Section 15 determining the amount of compensation, the DC shall be guided by provisions containing Section 23 and 24 (provided the amount of compensation is to be paid to the owner of land or deposited in civil court in his name by the acquisition authority before taking over possession of land).

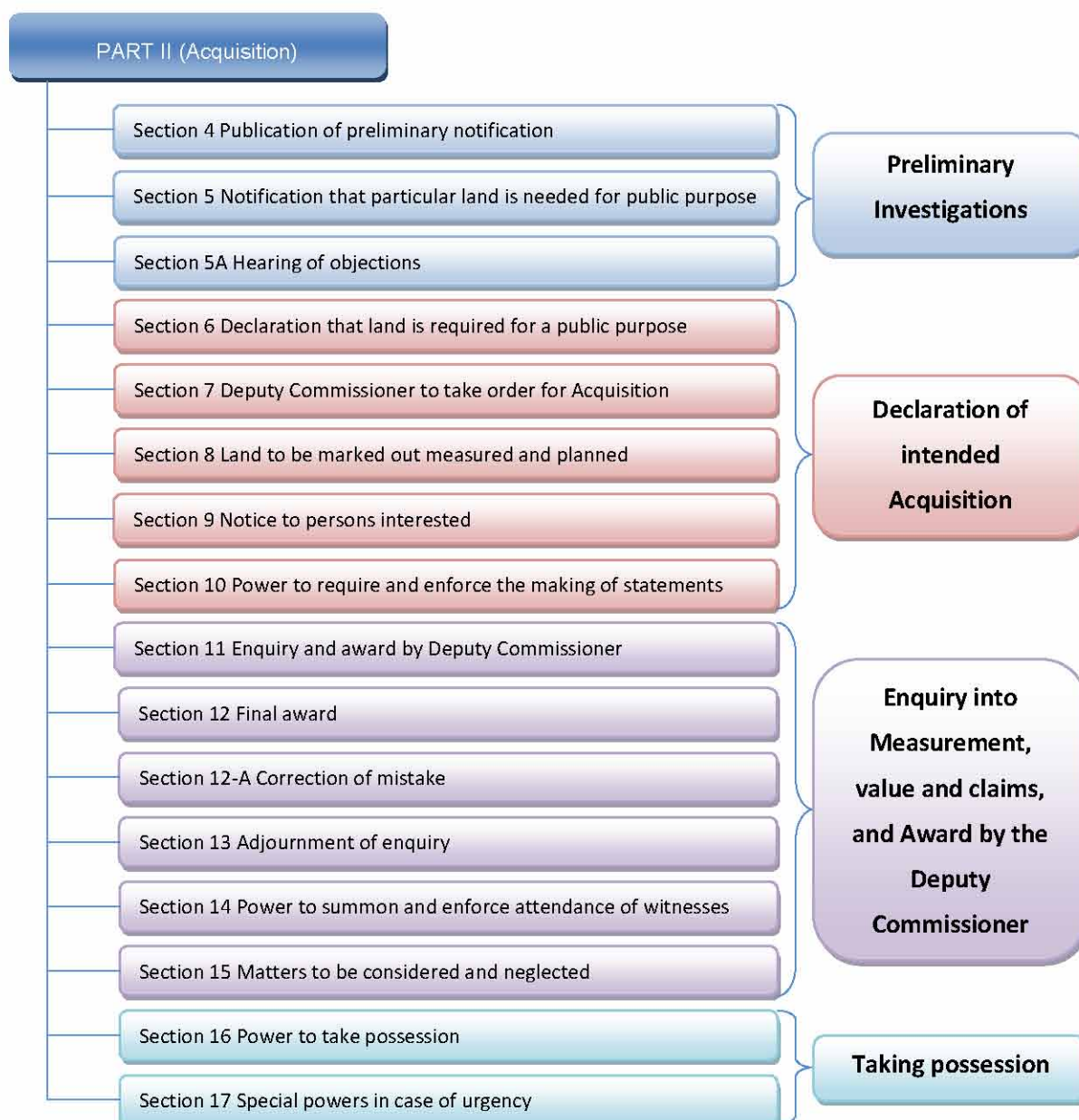
▪ **Section 16**

When an award under Section 11 has been made by the District Officer Revenue, he may (subject to the provision of Section 31) take possession of the land, which shall thereupon vest absolutely in the Government, free from all the encumbrances.

▪ **Section 17**

In case of an urgency, whenever the Commissioner so directs the DC, though no such award has been made, may on the expiration of fifteen days from publication of the notice under sub-section 1 Section 9 take possession of any land needed for public purposes, or for a company. Such land shall thereupon vest absolutely in the Government free from all encumbrances. Similarly the DC can acquire the immediate possession of any land for the purpose of maintaining traffic over a public road.

This part, primarily dealing with acquisition and compensation, is graphically presented as follows:



Part III: Reference to Court and Procedure Thereon

This part provides for reference to the court and procedure thereon.

▪ **Section 18**

Under Section 18, any person interested who has not accepted the award may, by written application to the DC, requires that the matter to be referred by the DC for the determination of the court, whether his objection be to the measurement of the land, the amount of the compensation, the persons to whom it is payable, the apportionment of the compensation among the person interested or the amount of cost allowed.

- **Section 19**

This section provides for the reference to be made by the DC to the court shall contain all essential details of the land, compensation etc.

- **Section 20, 21 and 22**

Under this section the court shall thereupon cause a notice specifying the day on which the court will proceed to determine the objections. The court shall after hearing all the parties concerns, except those who had accepted the award without protest.

- **Section 23**

In the matter of fixation of compensation, foremost importance is attached to the market value of the land at the date on publication of Notification under Section 4 of the Land Acquisition Act, 1894. The second consideration is to the damages, if any, to the standing crops or trees, etc sustained by the interested person by reason of such taking over at the relevant time. Thirdly, the damages, if any, caused by reason of severing the land acquired from any other lands. The fourth consideration is injury, if any caused to the property movable or immovable in any other manner. Fifth is the replacement of the person by reason of such a possession and the sixth is the damages if any, bona fide resulting from the diminution of the profits of the land between the time of the publication of the declaration under Section 6 and the taking over of the possession. Then lastly sub-section 2 requires that fifteen percent over and above the compensation would be given to the person concerned because of the compulsory nature of acquisition.

- **Section 24**

While section 23 lays down the matters which the court shall take into consideration in determining compensation for land acquired. Section 24 lays down matters which the court shall not take into consideration in determining compensation.

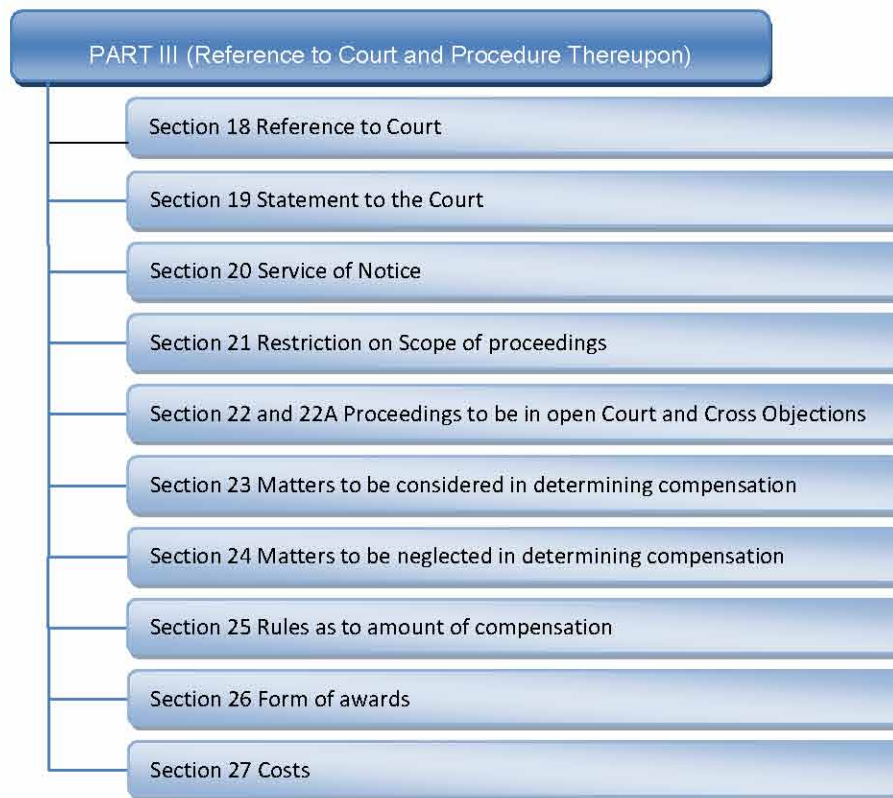
- **Section 25 and 26**

The rule laid down in section 25 is to the amount of compensation is that; the amount awarded to the applicant by the court shall not exceed the amount claimed by him. Section 26 provides for the form of the award which should be in writing and shall be deemed to be a decree as defined in the court of Civil Procedure 1908.

- **Section 27**

Section 27 provides for the amount of cost to be paid to the person concerned.

This part, dealing with court and procedure thereupon, is graphically presented as follows:



Part IV: Apportionment of Compensation

▪ Section 29 and 30

This part deals with apportionment of compensation therefore it provides that particulars of apportionment regarding several persons interested shall be specified in the award and shall be the conclusive evidence of the correctness of the apportionment. However when the amount of compensation has been settled under Section 11 if any dispute arises as to the apportionment of the same or any part thereof, or as to the persons to whom the same or any part thereof is payable, the DC may refer such dispute to the decision of court.



Part V: Payment

▪ Section 31

Provision of section 30, 31 and 32, LAA 1894, presupposes the determination, existence and the availability of compensation in terms of money as finalized by the award under Section 11. Where there is no complication, the amount is paid to the person interested and at times it is deposited in court and under certain conditions other arrangements are reported to. Such arrangements are the subject-matter of section 31(3) of LAA 1894.

The object of the section is to provide an alternative procedure for the DC for apportionment in complicated cases. He may himself decide the question of apportionment and complete his award as required by Section 11 leaving it to the parties to obtain a reference under Section 18 in case they are dissatisfied with his award. If they accept his award he would no doubt record the same as contemplated in Section 29. But if he experiences any difficulty on the question of apportionment he might act under Section 30, although he is not compelled to do so.

- **Section 31 (b)(3)**

Notwithstanding anything in this section the DC may, with the sanction of the Commissioner instead of awarding a money compensation in respect of any land, make any arrangement with a person having a limited interest in such land, either by the grant of other lands in exchange, the remission of land- revenue on other lands held under the same title, or in such other way as may be equitable having regard to the interests of the parties concerned.



Part VIII: Miscellaneous

- **Section 46 and 47**

This section is penal in nature. It lays down that whoever wilfully obstructs any person in doing any of the act authorized by the Section 4 or 8, or wilfully fills up, destroys, damages or displaces any trench or mark made under Section 4, shall, on conviction before a magistrate be liable to imprisonment for any term not exceeding one month, or to fine not exceeding fifty rupees, or both.

- **Section 48**

Except in the case provided for in Section 36, the Government shall be at liberty to withdraw from the acquisition of land of which possession has not been taken. The DC shall determine the amount of compensation due for the damage suffered by the owner and shall pay such amount to the person interested with reasonable cost.

▪ **Section 49**

The provision of this act shall not be put in force for the purpose of acquiring a part only of any house, or other building if the owner desires that the whole of such house or building should be acquired. However in case of any dispute on this issue the matter shall be settled by the court as per procedure lay down in this section.

▪ **Section 51**

No award or agreement made under this act shall be chargeable with stamp duty and no person claiming under any such award or agreement shall be liable to pay any fee for the copy of the same.

Note:

1. The final award / compensation will be determined as per eligibility of PAs and the entitlement matrix given in this RPF (chapter-4; Table 4.1)
2. GRC will assist DC and coordinate with PAs to resolve any objections or disputes on eligibility or compensation before approaching to court of law.

7. Institutional Framework

7.1 Overview

Coal and Energy Development Department will oversee, facilitate and monitor resettlement activities while implementation will be the responsibility of Project Proponent. The following sections identify roles and responsibilities of various Government bodies, committees and organisations in the implementation of Land Acquisition and Resettlement.

7.2 Coal and Energy Development Department and Associated Authorities

7.2.1 Coal and Energy Development Department, Government of Sindh

The Coal and Energy Development Department is responsible for ensuring smooth implementation of resettlement process. At the outset, the final Resettlement Policy Framework needs to be prepared in line with the social, legal and economic requirements of the region. Consequently CEDD is to approve this RPF. Subsequently, this RPF will be guiding document in evaluating the individual RAPs prepared for each of the sub-projects.

7.2.2 Sindh Coal Authority

Sindh Coal Authority will be acting as executing arm of CEDD. They need to represent provincial government at different stages of resettlement starting from approval of RAP to their presence in LARC to participate in land acquisition, compensation, resettlement and rehabilitation.

7.3 Institutions Involved in Land Acquisition and Resettlement

7.3.1 Office of the Deputy Commissioner

Deputy Commissioner (DC) is the chief administrative and revenue officer of a particular district. In the case of land acquisition and resettlement the DC is responsible for:

- Issuing Notification of Cut-off date to the Project Proponent;
- Notifying communities of the need to acquire land;
- Establishing LARC and conducting meetings;
- Receiving objections and grievances from communities and submitting a report to the relevant authority based on the grievances;
- Overseeing the marking, measurement and planning of land to be acquired;
- Recording the claims of PAs;
- Providing an assessment of losses;

- Issuing the final award; and
- Payments to PAs.

The DC is responsible for overseeing the tasks of other revenue officers in the district such as Assistant Commissioner, Mukhtiarkar, Patwari etc. The DC will decide whether land can be considered to be needed for 'public purpose or for a company' and any declaration shall be made under the signature of DC. The DC will approve the land surveys and provide the final decision on related objections.

This RPF has proposed that the DC should head the Land Acquisition and Resettlement Committee formed for the sub-project and ensures its smooth operation.

7.3.2 Land Acquisition and Resettlement Committees (LARC)

For ensuring participation of key stakeholders in the land acquisition and resettlement process Land Acquisition and Resettlement Committee for the sub-project has been proposed for each sub-project. This will have non-binding advisory role throughout the life of the project. However, for making its role more effective, it is proposed that it should be headed by the DC. This Committee will be formed by the DC at the outset of land acquisition process. The Committee will be abolished once the land acquisition, resettlement and rehabilitation process is completed.

The LARC will monitor and coordinate all sub-project implementation activities carried out by supporting government agencies, Project Proponents and consultants. They will be responsible for coordination with all key stakeholders for land acquisition and resettlement. The LARC will also be available to assist Project Proponents in an advisory role on how to carry out land acquisition and resettlement as per the RPF.

The Land Acquisition and Resettlement Committee will help in assessment whether PA claims or grievances are justified and they will have the authority to propose any additional measures they consider deemed fit for rehabilitation of PAs. They will also have the ability to recommend revision in compensation as proposed in RAP for Project Affectees to the DC.

Regular reports will be submitted by LARC to update CEDD on the progress of land acquisition and resettlement activities.

The LARC will be headed by the DC and comprise of the following members:

- Representative of the Sindh Coal Authority;
- Representatives of the Project Proponent;
- Representative (District Officer) of the Revenue Department Tharparkar;
- Representative (District Officer) of the Education Department, Tharparkar;
- Representative (District Officer) of the Health Department, Tharparkar;

- Representative (District Officer) of the Works and Services Department, Tharparkar;
- Representative (District Officer) of the Public and Health Engineering Department, Tharparkar;
- Representative (District Officer) of the Agriculture Department, Tharparkar;
- Representative (District Officer) Social Welfare Department, Tharparkar;
- Representative (District Officer) of the Livestock Department, Tharparkar;
- Two members (one male and one female) from NGOs nominated by their network; and
- One Male and one female elected representative from the Project Affected community.

Broad functions of this committee are given below

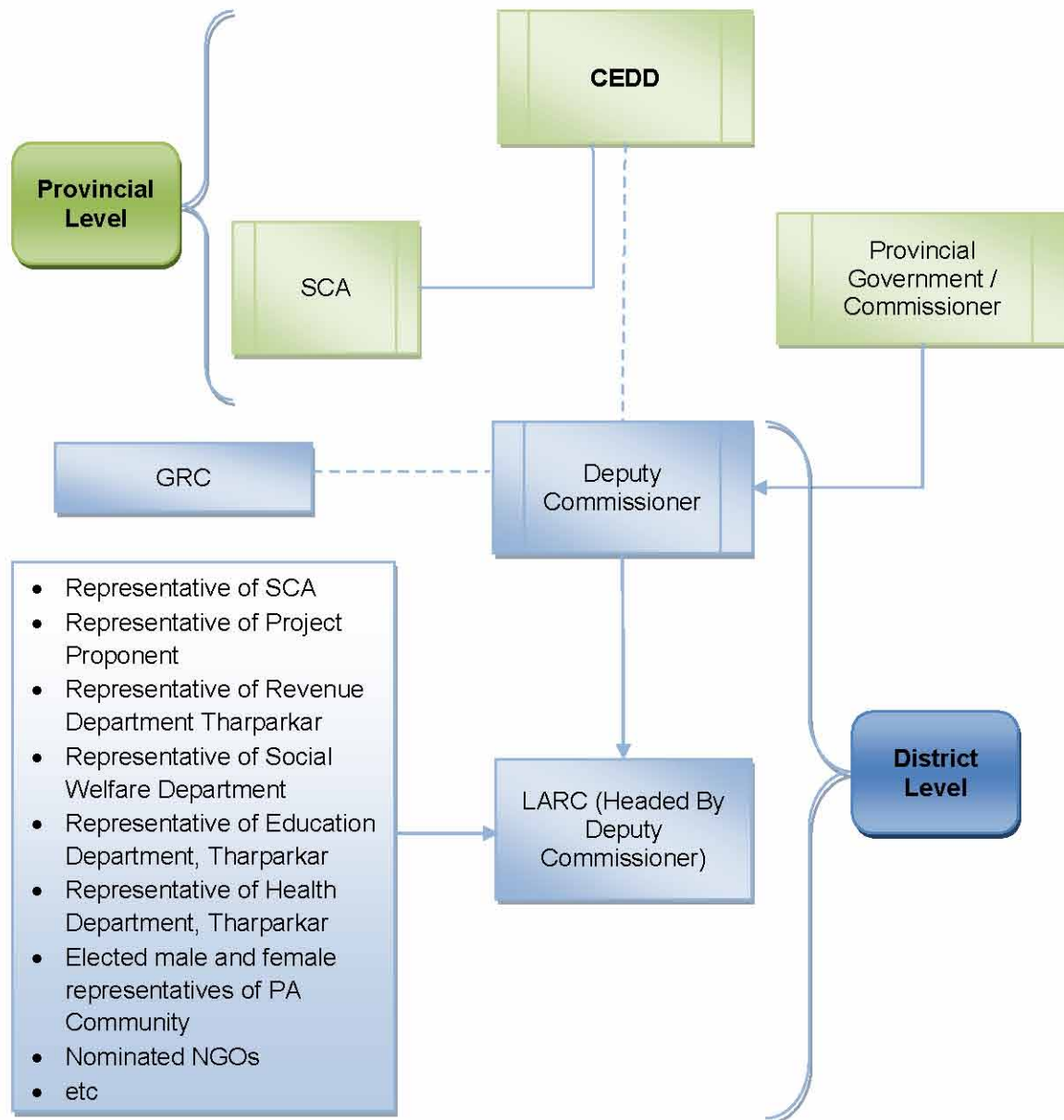
- Study RAP and the findings of the Revenue Officer who was assigned by the DC for asset measurements and compensation assessment;
- Review and recommend compensation (award) for PAs to the DC;
- Coordinate with all key stakeholders for land acquisition and resettlement;
- Assist Project Proponents in acquisition of land and resettlement as per Resettlement Policy Framework;
- Monitor implementation of Resettlement Action Plan;
- Submit regular report and update CEDD on land acquisition and resettlement;
- LARC will review and verify the claim of Project Proponent that all physical work on relocation site is complete, compensation to all PAs is made and rehabilitation measures are initiated / undertaken;
- Any additional measures deemed fit for the rehabilitation of PAs;
- Redress grievances at community level. If not resolved refer these to GRC.
- Review existing public infrastructure and the future needs in light of assessment made under RAP. Finalize plan for public infrastructure at relocation site and its financial arrangement; and
- Review assessments made for Gaucher and facilitate alternate arrangements.

7.3.3 Project Proponent

The Project Proponent will be responsible for the preparation of RAP based on their technical needs, census and surveys. The Project Proponent should assign Resettlement Specialists to liaise directly with PAs. The Resettlement Specialists would be responsible for assisting the LARC in coordination with DC for calling meetings, preparation of agendas, recording and dissemination of minutes and ensure effective implementation of decisions.

A schematic representation of institutional framework is provided in Figure 7.1.

Figure 7.1: Schematic Diagram of Institutional Framework



7.4 Grievance Redress Committee (GRC)

In order to mitigate the possible disputes and conflicts during the RAP implementation process, a Grievance Redress Committee (GRC) will be established at district level. It will be comprised of:

- Chairman (to be nominated by CEDD)
- A retired Judicial officer;
- A respected elder of the district;
- Representative of CEDD;
- Representative of Revenue Department; and

- Representative of civil society.

Secretary CEDD will form and notify the GRC. The members of GRC will not be part of any of the LARCs. The mechanism of grievance redressal is discussed in details in the forthcoming chapter.

7.5 Capacity Building and Training in RPF Implementation

CEDD will determine if any of the above mentioned institutions are in need of capacity building and training in order to carry out their tasks in relation to land acquisition and resettlement. At this stage after needs assessment specific areas of capacity building and training may be identified such as legal and institutional framework of resettlement, social mobilization, resettlement management, stakeholder consultation, asset valuation, conflict resolution and M&E.

Grievances Redressal Committee may also be trained in the responsibilities and functions for timely action. Capacity building and training will be carried out as soon as possible and before resettlement activities start for any of the sub-projects. Assessment of capacity and training will be ongoing throughout the sub-project.

8. Grievance Redress Mechanism

8.1 Overview

The Project will aim to build awareness with the written and oral information to clearly explain the Project and its resettlement processes and to avoid misinterpretation. Consultation will be held with PAs and measures will be taken to prevent grievances rather than going through the redress process. PAs will be informed about their rights during resettlement process so that complaints and grievances are adequately addressed.

Even with precautions and care at the initial stages of the resettlement process, a disagreement or dissatisfaction may emerge. To address such a situation, for instance a PA that is unsatisfied with the outcome of their eligibility decision or compensation package, a grievance redress mechanism will be put in place. The main objectives of mediating conflicts and having a grievance redress mechanism are to:

- Reach mutually agreed solutions satisfactory to PA and other entities;
- Cut down on lengthy litigation processes; and
- Prevent delays in project implementation.

8.2 Grievance Process

Each Project Proponent will, in the first instance, be required to establish their own grievance mechanism which will redress the concerns of individuals, households or communities in their sub-project area and allow them to voice their dissatisfaction with any parts of the sub-project. Apart from this an independent grievance mechanism will be introduced and communicated to all PAs in the project area. The mechanism for the Grievance Redress Committee must include, but is not limited to:

- A description of how people can submit complaints or grievances;
- A contact person to be in charge of receiving and logging grievances;
- A chain of command for who will respond to the grievances;
- A time limit for when a response will be received from each person in the chain of command (maximum time frames presented below in this RPF); and
- A log to sign off grievances when they are resolved.

The office of CEDD in the district will provide administrative support to the Grievance Redressal Committee. The composition of Grievance Redressal Committee is given below:

- Chairman (to be nominated by CEDD);
- Retired Judicial officer;

- Respected Elder of the district;
- Representative from CEDD;
- Representative of Revenue Department; and
- Representative of Civil Society Organization.

Each Project Proponent will be required to submit a monthly grievance report, stating the grievances that were logged that month, how long it took to resolve the grievances and how they were resolved. This will be combined with the establishment of extensive communication and coordination among the affected communities, the Project Proponents and LARC and other government offices in general. The grievance resolution process will follow the steps defined in Table 8.1 below.

Table 8.1: Grievance Resolution Process

Steps	Grievance Resolution Steps
1	Project proponent, with the assistance of LARC and Resettlement Specialists, will set up a system for channelling and logging grievances for each sub-project.
2	In the first instance, the PA can lodge a grievance with the Project Proponent and resolution will be attempted at an informal level with the involvement of the Resettlement Specialists and informal mediators within ten days.
3	If unsettled, the PA can lodge the complaint with LARC which has 15 to 30 days to decide on the case.
4	If still unsettled, the PA can lodge the grievance providing documents supporting the claim within one month of LARC's decision, to GRC which has 15 days to decide on the case.
5	If the grievance redress system fails to satisfy, the PA can submit the case to the appropriate court of law.

Language and literacy should not be an impediment to complainants. The GRC with the assistance of NGOs and community representatives will be able to help by explaining the grievance process to PAs and assisting those PAs that have literacy issues to complete the relevant forms.

8.3 Anticipated Areas of Grievances

It is anticipated that the majority of grievances will be related to eligibility for compensation, and allowances and compensation values. Another possible issue relates to the fact that it may be difficult to accurately value properties as it is unlikely that there are real estate agencies operating in the Project area. This may lead to people believing that they should receive more compensation than they are offered.

In an area where land tenure documents are not prevalent, ability to prove exact size of assets could cause people to suffer grievances. It may also be difficult to prove eligibility of compensation for people that migrate seasonally to the area, or otherwise use the area, but do not live there permanently.

9. Consultation and Participation of Project Affectees

9.1 Overview

In order to make the project successful, it is necessary to involve PAs in consultations at all stages of land acquisition and resettlement. A participatory approach helps identify PAs' needs and preferences for compensation and rehabilitation measures. This approach in consultation with key stakeholders and PAs regarding resettlement promotes better and timely implementation of key processes such as valuation and relocation.

9.2 Consultation and Participation

The basic purpose of consultation is to make decision-making more inclusive, transparent and accountable. Multi-stakeholder consultation and participation is also critical for effective planning, designing and implementation of the Project. In addition to informing stakeholders about the Thar Coal Project, consultations will play a key role towards sustainable development which will not only reduce negative impacts but also enhance benefits to local people and other stakeholders and increase the Project's long-term viability.

9.2.1 Objectives of Consultation and Participation

Consultations will be held in order to help achieve the following goals:

- Involvement of PAs and host communities, if any, will be ensured at all stages of resettlement and rehabilitation;
- Improve the quality of the decision-making process by engaging PAs, host communities, government organizations and civil society organizations through increased transparency, understanding and involvement; and
- Strengthen the voice of the vulnerable people by consulting with relevant groups and CSOs whose membership comprises such groups.

9.2.2 Feedback Mechanisms

The consultation process must be linked to the decision-making process of the Project and views and inputs of stakeholders must be incorporated into the design, planning and implementation of the Project. These feedbacks will be essential inputs for planning, implementation and monitoring with respect to PAs.

It should be clearly, publicly documented how views gathered through the consultation process have been used and taken into account by the Project. This is important for transparency, accountability and continued stakeholder engagement in the process.

9.3 Consultation and Participation at Planning and Implementation Stage of Resettlement

The federal and provincial governments have encouraged participation of stakeholders in policy making and program development. Furthermore, CEDD has developed Participation and Consultation Plan for guidelines on participation of PAs in all stages of Thar coal project, so that they are meaningfully consulted and have opportunities to participate in the planning and implementation of resettlement programs. They must be informed in an appropriate and timely manner of:

- the outcomes of the planning process;
- eligibility and entitlement rights;
- procedures for implementing RAPs; and
- the expected schedule of implementation.

The initial information disclosure will describe the sub-project, explain why resettlement is necessary, give a preliminary assessment of impacts and disclose the fundamental principles on which the resettlement program is designed. The consultation process will need to outline the legal procedures that are to be followed for land acquisition and relocation in line with the federal and provincial regulatory frameworks and international best practices.

All RAPs produced for Thar Project will be required to make special efforts to ensure that, women as well as poor and the vulnerable groups are consulted and participate in consultation events. This may be achieved through specially facilitated group meetings targeting PAs who are female, ethnic minorities, disabled, or elderly, through choosing venue and time that are convenient to these groups.

A fundamental objective of this RPF is to assist PAs in their efforts to improve, or at least restore, their incomes and living standards. The involvement of PAs in the resettlement processes is likely to provide them with greater understanding of the project and issues that might arise due to resettlement. Involvement will give them opportunities to voice any concerns they have with regards to resettlement and compensation. It is possible that they will be able to offer alternatives and compromises that will improve the implementation of the RAP. Also, participation can engender commitment or ownership, which could increase the likelihood that resettlement programs will operate more satisfactorily and sustainably.

Once it is determined that involuntary resettlement will be required for a sub-project, a process of preparation of RAP will start accompanied by consultation activities provided as follows:

- Receive information about potential resettlement impacts and their options and rights to compensation and reduce any fears they may have;
- Provide suggestions on how best to minimise resettlement impacts;
- Plan for implementing the valuation process;
- Provide opinions and comments on the RAP and proposed activities within;

- Specify preferences on alternative sites if required;
- Receive information on implementation schedules related to resettlement activities, especially compensation and relocation; and
- Be involved in monitoring and evaluation of resettlement activities.

Each RAP will contain a description of the mechanisms that will be employed in order to mobilise or enter communities, consult with, and encourage the participation of PAs. In defining consultation procedures the RAPs will take into account local cultural norms of Thar region. Consultation events are likely to include public meetings, individual household visits, group site visits, participation in site preparation and PA involvement in land acquisition and resettlement and; grievance committees.

Consultation and participation activities and efforts for resettlement will be detailed in the RAPs including the date, list of participants, and minutes of consultation meetings. Prior to the finalization of the RAPs and their submission to CEDD, PAs will be informed of the results of the census and survey, preferences on compensation and any other relevant information relating to resettlement in their area. Literacy rates, in general, and especially for women are lower therefore, the oral communication of information via respected local sources and through wider community meetings will assist the dissemination of this information.

9.4 Institutional Arrangements for Information Disclosure

Establishment of Information and Communication Centre:

It has already been recommended in the report titled 'Stakeholder Engagement Plan' developed for CEDD, that an Information and Communication Centre (ICC) be established under CEDD to raise awareness about the project and disseminate required information to all the stakeholders especially the PAs throughout planning and implementation. It would operate at the provincial and local levels.

The ICC will cater to various audiences and design appropriate methodologies and disclosure material for the diverse audiences according to the national and international requirements in Urdu, Sindhi and Thari as appropriate. Each ICC will have a copy of approved RAP subject to disclosure for any visitors.

The main function of the centre would be to disclose material to all relevant stakeholders regularly during the various stages of the project. It would be a visitor centre where people can view displays of project information and communicate with the Project Community Liaison Officer (CLO), voicing grievances and concerns via the grievance mechanism.

Consultation centre by Project Proponent:

Simultaneously the Project Proponent will have consultation set-up at sub-project level that will be having continuous interface with the PA community.

9.4.1 Media Communications and Internet Disclosure

Press releases will be issued at key stages of the Project such as at milestone events in the hope that they receive coverage in the print media, television and radio and that this will increase public knowledge about the Project. Prior to public consultation events, adverts will be put into newspapers circulated in the relevant area.

The ICC will establish a Project specific webpage linked to CEDD which will be regularly updated highlighting progress with work, minutes of meetings that have taken place, how grievances have been resolved and other issues as appropriate. This site should be functional throughout the duration of the feasibility, scoping and construction periods and for at least the first year of operation.

The RAP will be disclosed on the ICC / CEDD / Project Proponent website for a period of at least 30 days to enable stakeholders to submit comments before the report is finalised and to provide people planning to attend consultation events the chance to review the report prior to giving their opinions.

All other environmental and social reports and supporting studies as well as any other project related information which CEDD or Project proponent wish to disclose will also be shared in part via the use of the respective websites.

9.5 Post Implementation Phase Consultation with PAs

The process of consultation and disclosure will continue after the resettlement process is complete primarily after relocation of PAs. This will be carried out by ICC and Project Proponents and interventions needed can be identified and implemented.

10. Preparation and Implementation of Land Acquisition and Resettlement

10.1 Overview

This chapter provides procedure of the land acquisition process, the cut-off date, registration of PAs, valuation of assets, information and identification of relocation sites.

10.2 Pre-land Acquisition Tasks

Following tasks need to be completed by the project Proponent prior to commencement of Land acquisition process.

10.2.1 Feasibility of the Project

As a common phenomenon any investor prior to embarking on a major project, prepare a feasibility report. The Project proponent is expected to cover all technical, financial, environmental and managerial aspects in this report and demonstrate the feasibility of the venture.

10.2.2 Social and Environmental base line of the project area

It is essential for the project Proponent to understand the social, environmental and physical conditions of the area. This provides useful information for the project developer in order to avoid any future adverse implications and monitor and evaluate impact of the project on society, environment and natural resources. This is also an essential part of the ESIA that is the next stage in project development.

10.2.3 Environmental and Social Impact Assessment

It is an obligatory requirement for every sub-project developer venturing in Lignite mining, coal-to-power generation and transmission and other as categorised by the relevant authority to prepare Environment and Social Impact Assessment of the envisaged project. This study covers broader assessment of aspects affecting environment and social conditions and develops suitable mitigation measures. This will also cover certain measures to be taken by the Project Proponent to address resettlement (if involved).

The ESIA is reviewed by Sindh Environment and Protection Agency and presented for public hearing thereafter a No Objection Certificate is awarded.

10.2.4 Identification and demarcation of land to be acquired

Based on the final plans of the project proponent, the land required for the project needs to be identified and demarcated for its acquisition and the resettlement. Proper maps and satellite images with GPS coordinates will be developed to mark the area for land acquisition. For this purpose Project Proponent will seek coordination and assistance of district level Revenue Department and other concerned departments for available record of land in the project area, mapping and demarcation of the land to be acquired.

10.2.5 Cut-off-Date

A cut-off date will be set for each sub-project which will limit the compensation eligibility to people living in the area up to that date. Immediately after announcement of Cut-Off date (within 15 days) the Project Proponent will commence census and survey. People that settle in the affected areas or commence with expansion of land activities or property or transaction thereof, after the cut-off date, will not be eligible for compensation. However, if anyone settle or construct or expand a structure after the cut-off date the individual will be given sufficient advance notice requesting to vacate premises and dismantle structures prior to relocation. Their dismantled structures materials will not be confiscated and they will not pay any fine or suffer any sanction if they depart within the requested time period.

Cut-off dates will be communicated to local communities and be strictly enforced. Measures will be made to avoid double compensation. This would necessitate communication between Project Proponents and CEDD and maintenance of a database to reduce the possibility of people trying to take advantage of the Project.

Given that there will be a number of different sub-projects in a concession block that will be executed at different time periods it is prudent that communities of that block are enlisted to help reduce the number of people entering into the area.

Aerial and satellite imagery could also be taken at the time of the cut-off date. These could be used to identify affected houses, land and infrastructure and would also act as another means to reduce the possibility of ineligible claimants.

For the reasons given above Cut-off date is critical and important before embarking the land acquisition and resettlement process. Therefore, the sequence from announcement of Cut-off date to initiation of Land Acquisition is given here as under:

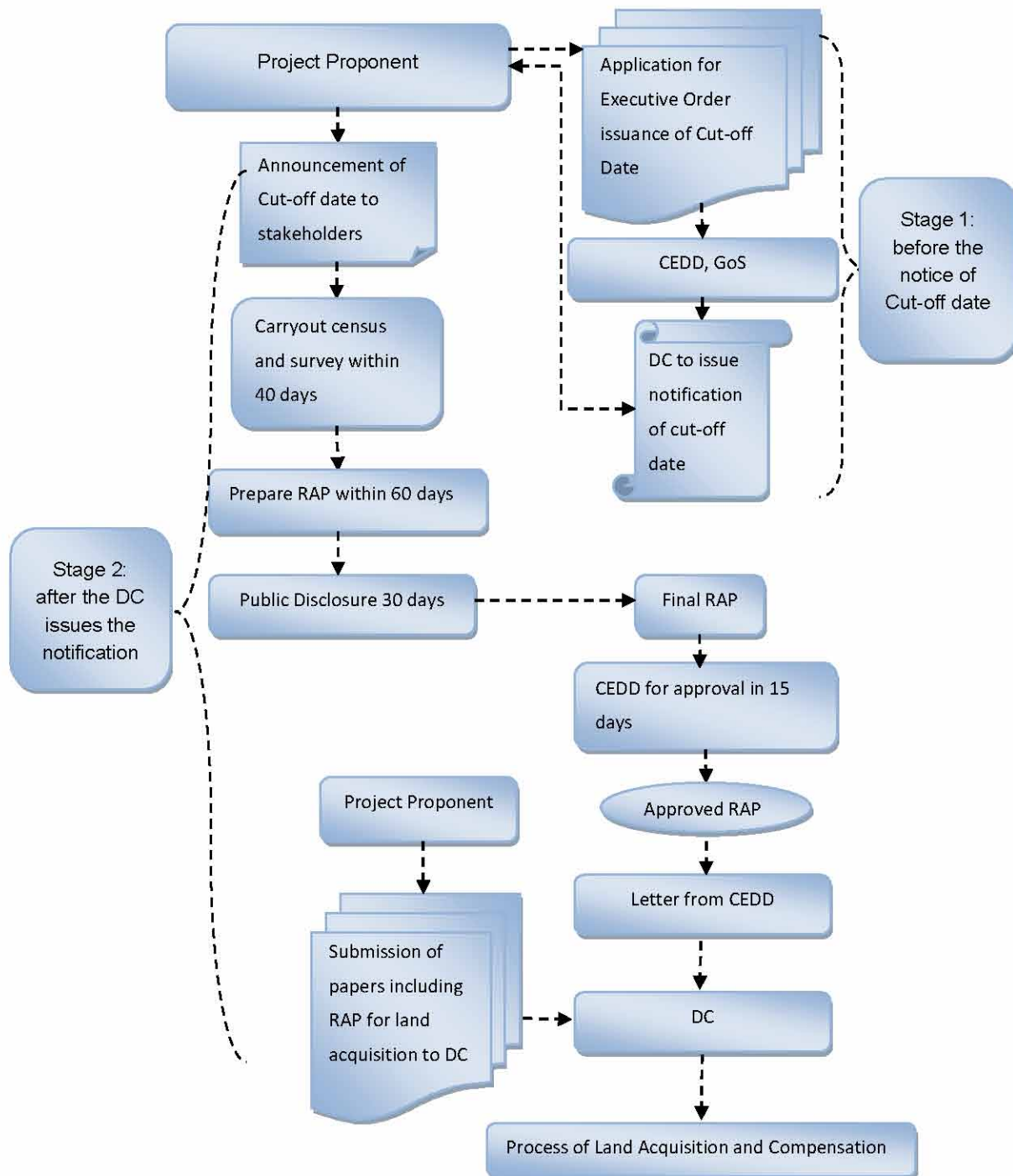
- The Project Proponent will apply to CEDD, substantiating its preparedness for execution of project, for sanctioning a Cut-off date to be announced for a particular site / settlement. No request will be entertained by CEDD unless the Project proponent has obtained NOC from SEPA.
- CEDD will advise the DC to issue notification with respect to Cut-off date.

- The DC will issue notification and advise the Project Proponent to inform all the stakeholders including PAs, NGOs, media, etc. The copy of the notification will be forwarded to relevant government offices in the district.
- Within 15 days of the announced Cut-off date, Project Proponent should start Census and Survey that must be completed within 40 days of the start of such tasks;
- The Project Proponent will prepare RAP based on the results of Census and asset assessment made by independent valuation specialists, if any, and in line with the Resettlement Policy Framework and submit the document for the approval of CEDD within 60 days of the completion of above task;
- RAP will be subject to public disclosure for 30 days. The Project proponent will address comments and incorporate them in Final RAP (15 days).
- CEDD will review RAP and provide approval within 15 days or advise the Project Proponent for revision;
- As soon as the RAP is approved The Project Proponent will apply to CEDD to advise the DC for initiation of Land acquisition process.
- The Project Proponent, for initiation of Land Acquisition will submit relevant documents along with the approved RAP to the DC; and
- The DC within 15 days will initiate Land Acquisition process by publication of preliminary notification under section 4 of LAA.

Note:

1. CEDD at any time will advise the DC to cancel the Cut-off date if the department finds the resettlement process is not meeting the stipulated timeline and other requirements.
2. The process of announcement of Cut-off date and steps needed before initiation of land acquisition under Section 4 is highlighted in Figure 10.1.
3. A specimen of Cut-off date Notification is presented in Appendix B.

Figure 10.1: The Cut-off Date and Steps Prior to Land Acquisition



10.2.6 Registration of PAs

To help with the verification of PAs and also to facilitate them during the receipt of compensation payments, each affected head of household (in special cases an individual) will be given a Registration Card by the authorized representative of Project Proponent during census. This will also help the Project Proponent in creating a database of PAs and will help in avoiding double

compensation and other irregularities. The card will need to be produced with another form of identification at the time of Award and payment of compensation. The authorised representative of Project Proponent, after verification and validation of information of PA, will issue the Registration Card. The card and its information will be developed by Project Proponent according to its requirement. However, the registration card may include:

- Name of the village
- Specific number for household as provided in CNIC;
- Name and father's name;
- Date of birth;
- National Identity Card number (if available);
- Recent photograph;
- The number of persons in the household; and
- Number of years resident in the area or owned the property.

The Registration Card will facilitate the Project Proponent in identification of a beneficiary and serve the purpose of cross referencing during survey of the area by the Revenue Officer and at the time of compensation payment. As soon as the census is completed the registration details will be provided to CEDD for incorporation in a central database.

In order to reduce the number of people falsely claiming for land, PAs will be required to provide proof that they reside in the sub-project area. The Computerized National Identity Card (CNIC) is the basic document and most extensively used all over Pakistan. There are other documents that are commonly used to prove residential address, such as Residential Certificate from Union Council, Domicile and Permanent Residence Certificate (PRC). The land title or a lease agreement of a residence within the sub-project area, are also used to identify someone's eligibility. All these documents will be a valid proof that the PA is a resident of the area and therefore eligible to gain compensation from the Project. If a PA was not able to produce any of the verification documents, then the Project Proponent will verify his / her residency with two of the closest neighbours counter verified by the community representatives who are "bounding" social capital having trust and confidence of local population enjoying good reputation.

10.2.7 Identification of Relocation Sites

The relocation site should have similar environmental, cultural and economic characteristics of the area in which PAs are originally settled. At the time of preparation of RAP, PAs should be consulted and fully involved in the selection process of relocation sites.

A study of potential sites should be carried out with a feasibility study carried out of the top 2-3 alternative sites. The alternatives should be short listed based on ecological similarities with the current site, land prices, employment opportunities, etc. The analysis will include the site's strengths

and weaknesses, PAs opinions, and the host communities' opinions and concerns will be elaborated for decision-making. Following screening criteria has been proposed for identifying relocation sites for Thar Coal fields:

- The new site should not be within an environmentally sensitive area such as RAMSAR or sensitive and critical areas;
- The resettlement area should either be provided or within reach of infrastructure services such as water supply, drainage, road, health unit, school, etc;
- Location of houses, infrastructure and other facilities should be well planned at the relocation site;
- As far as possible, PAs should be resettled within or close to their original settlement areas;
- A grazing land should be made available which can be used as 'Gaucher';
- The public and social services provided should be sufficient enough and adequate to cope with the resettled population, host community (if any) and their near future requirements;
- Host community and PAs should be consulted and invited to participate in meetings and activities related to resettlement;
- The site should not be at a location having any environmental impacts such as air or water degradation due to mining;
- The site boundaries and the land allocated for public service should be clearly marked, measured and recorded; and
- There should not be any natural or manmade features on the site (e.g. swamps, flood plains, graveyards, transmission towers, etc) to obstruct construction or cause danger to people, animals or building structures;

The site must conform to the local development initiatives for the area or district that can be ensured by the government officials in LARC. The Project Proponent will secure legal title to the new site for the PAs who are resettled. PAs should be allowed the option to build their own houses, rather than just being provided with pre-built structures unless it is agreed by them at the time of preparation of RAP. All social infrastructures should be ready before PAs are asked to move to the site. The site cannot result in physical displacement of host population, or the loss, denial or restriction of their access to economic and natural resources.

As the Project area is large and site development will be over a number of years, there is the possibility that PAs could relocate to another area only to be resettled again sometime in the future. In order to ensure that PAs are not required to be resettled more than once, efforts should be made that replacement land is provided in an area that is not likely to be affected by any upcoming sub-project activity.

PAs will be invited and encouraged to participate in the planning, implementation and monitoring of the RAPs. Displaced persons will also be given the option of being involved in site preparation. The Project Proponent is encouraged to use local people to supply service and goods needed for site preparation and relocation.

Wherever suitable government land is available, inside or outside the block, for resettlement purposes in line with the foregoing the government, using its discretionary powers, may take a decision whether to grant land for the purpose of the development of Thar coal fields. Notwithstanding this the Project Proponent is primarily responsible for providing land for resettlement.

For effective relocation, efforts will be made for group resettlement which helps minimise social dislocation and community institution disintegration. Local NGOs should be consulted to provide information on the local cultural norms and should work with the Project team to discuss with government representatives and other community leaders for the best grouping of displaced persons.

To assist with issues of social dislocation, the Project Proponent should consider and will be strongly encouraged to hire directly or via an NGO a male and a female local community liaison officer for a minimum of three months to help with transition issues, including cultural adaptation requirements.

10.3 Securing Land Tenure

The Project Proponent will be responsible for registering land that is to be provided to PAs at relocation sites.

Registrations of land are carried out by the Provincial Land Registrar and Provincial Board of Revenue, who maintain registries of landholdings and revenue payments. Registering a land transaction in Pakistan involves a number of procedures and will take approximately 50 days to complete. The process is as follows:

- A transaction document needs to be drafted on the required stamp paper (usually prepared by a lawyer or deed writer);
- The document is presented to the Land Registrar by the relevant parties;
- The Land Registrar verifies the identities of the relevant parties and ensures that the parties have the authority to enter into the transaction;
- The property owner takes the document to the Revenue Officer or Patwari⁸;
- The property owner must then take the document to enter the record of transaction in the Record of Rights; and

The Revenue officer or Patwari will then issue the relevant parties with a Fard (an extract of the Record of Rights and evidences ownership of the land).

10.4 Valuation of Assets

The DC will appoint a government servant to carry out the valuation of assets and other economic losses ascertained for each sub-project in RAP. The DC may appoint independent surveyors for

⁸ A Junior Revenue Officer that surveys land, performs boundary demarcation, resolves conflicts, and in many jurisdictions registers land ownership, land transactions and mutations of records, and manages land distribution.

valuation of assets. The LARC will review and discuss the survey findings provided in RAP and verified / updated by the Revenue Officer.

The valuation will be the basis of an entitlement package provided to the PA reviewed and firmed-up by DC in consultation with LARC. The remainder of this section describes how the unit values will be calculated.

10.5 Criteria for Valuing Assets

In order to reduce the possibility of land speculation in the sub-project area valuation must be carried out after review of recent transactions (i.e. transactions in the last one year) of land, other assets and economic losses. The review should cover from five to 20 transactions. These transactions should be from properties in the same location and properties of the same land use type. Other considerations that may affect land prices should also be assessed, these could include; for example the size of the plot, slope of the land, irrigation systems, and quality of the soil. This will reduce the possibility of land speculation at the time of the transaction; however there will be an inevitable and unavoidable rise in land prices as the Project progresses (due to inflation, and the development of Thar Coal fields).

Each different category of land, other assets and economic losses (i.e. highly productive irrigated crop land, or 'chaunwra' houses made of mud and thatching) identified will be given a different unit value based on the results of the review. This unit rate will be used for all of the properties with the same categories of land or assets.

10.6 Assessment of Compensation Unit Values

The compensation packages will consider whether loss is permanent or temporary, partial or complete. The following methodology will be adopted for assessing unit compensation rates for permanent losses:

1. Land will be valued at replacement cost plus 15%⁹ by carrying out a survey of transactions in the previous years;
2. Houses, buildings and other structures will be valued at replacement cost plus 15%. No deductions will be made for depreciation, salvageable materials or transaction costs and taxes. If the relevant information is available, rates for building structures will be evaluated by the Department in charge of Buildings and Works using relevant up-to-date reports or other documentation;
3. Crops will be valued at current replacement rates of gross value of harvest. In addition to it seeds for next harvest or their cost should be included. If the relevant information is not available values will be taken from documentation provided by the relevant department;
4. The loss of fruit bearing trees will be compensated for based on their type, productive age and the replacement value of the produce for the remaining period of its average life. The value of

⁹ This relates to the LAA which states that land must be compensated at market rate plus 15%.

younger fruit trees will be based on the time it would take for the tree to grow back to its current state. This will be assessed using information provided by the relevant department; and

5. The value of timber and decorative trees will be calculated based on the average volume and quality of wood produced and the time it would take for the tree to grow back to its current state. This will be assessed using information provided by the relevant department.

For temporary impacts following methodology will be adopted:

1. Temporary land acquisition will be compensated on a monthly rent ascertained based on the prevailing market rates;
2. Temporary or partial structure loss will be compensated at replacement cost of material and labour without deduction for depreciation or salvageable materials for the damages during the period of temporary possession. Temporary structure loss will be compensated with rent allowance at prevailing market rates to cover the cost of alternate accommodation for the period of temporary displacement; and
3. Temporary crop loss will be compensated at replacement value and for loss of net income from subsequent crops that cannot be planted for the duration of temporary possession.

10.7 Valuation Challenges

Determining replacement cost of affected land can be easy where active land markets exist and information can be obtained by independent real estate agencies. This is not likely to be the case for much of Thar region. In the case of Thar region it will be likely that replacement cost will be determined using recent sale value of similar plots and in consultation with local communities.

10.8 Development and approval of Resettlement Plan

The Project Proponent, as described above, based on census and survey will prepare a detailed Resettlement Action Plan. This will include feasibility of relocation sites justifying their selection and agreement with the PAs. The contents of this report have been discussed in Chapter – 12. CEDD will review and approve the RAP for further process of land acquisition, resettlement and rehabilitation.

10.9 Land Acquisition and Resettlement Procedure

Following steps provide the process through which land acquisition, resettlement and rehabilitation can be carried out once a sub-project has been determined and the project proponent has complete plan, confirmed source of financing and poised to start the project. This process is described as follows:

1. The Project Proponent before proceeding for Land acquisition should have prepared the following documents:
 - Detailed feasibility of the sub-project;
 - ESIA of the sub-project approved by SEPA;
 - Approved Resettlement Action Plan; and

- Site plan of the sub-project

As the RAP includes a complete plan for compensating PAs according to Entitlement Matrix of this RPF, as such it will provide conceptual clearance of the obligation to resettle and rehabilitate PAs. The compensation for all losses includes loss of land, loss of structures, loss of income and livelihood;

1. The project proponent will apply to CEDD for advising DC to initiate Land Acquisition process. Accordingly on satisfaction, the CEDD will write to DC advising commencement of Land Acquisition process for the sub-project.
2. The Project Proponent will submit to DC the following documents / statements:
 - Purpose of the acquisition;
 - A copy of the plan showing land survey findings;
 - The approximate area and situation of the land;
 - The rationale for acquisition of the particular site; and
 - Approved Resettlement Action Plan that includes provisions and commitment towards the cost of the land acquisition, resettlement and rehabilitation.
3. When DC is fully satisfied with the stated purpose, that the project is affecting the smallest area possible, and other relevant facts as provided under the LAA, the DC will issue a Preliminary Notification under Section 4 of the Act that the particular land is required for public purpose; This Preliminary Notice will be published in the official gazette.
4. The DC will form LARC for facilitation of the land acquisition and resettlement process (The structure, members and functions of LARC is provided in Section 7.3.2; LARC among other things has a special role to ensure compliance of RAP prepared in light of RPF.
5. The DC will appoint a Revenue Officer, with prime responsibility of survey and take levels (under Section 4, Sub-section 2 of LAA). Nevertheless the Revenue Officer is expected to validate the census and valuation and confirm the extent of entitlement of PAs provided in RAP. The Revenue Officer, being a member of LARC, will coordinate with the committee and submit and discuss the findings.
6. The DC after receipt of the findings of Revenue Officer duly appointed by him under Section 4 will discuss it in detail with the LARC and finalize commitments made by the Project Proponent.
7. The DC will submit his report to the Commissioner / Provincial Government for their approval. Upon their satisfaction of the case by Commissioner or the Provincial Government, the DC will issue notification that particular land is needed for public purposes, under Section 5 of LAA.
8. Any PA can raise an objection within 30 days of Publication of above Notification. Such objections will be attended by the DC. This provision has been given under Section 5-A. However, if the plan has been discussed thoroughly in LARC prior to submission to Commissioner / Provincial Government, such objections are least expected.

9. After hearing all the objections by DC within 30 days a report will be submitted to Provincial Government or a Secretary to such government¹⁰ who will declare the land for acquisition under Section 6 of LAA. The DC will take orders from Provincial Government for acquisition of land for the specified purposes (Section 7 of LAA).
10. The DC in coordination with LARC will cause the land to be marked out, measured and planned against which compensation will be awarded (Section 8 of LAA).
11. Under section 9 of LAA, the DC will issue a Notice to all PAs stating that the government intends to take possession of their land and all interested in claiming the compensation should file their claims.
12. LARC will assist PAs in preparing the required claims through community representatives in line with the RAP and exclusive and inclusive commitments of Project Proponent. The claimant should also submit the names of those individuals having an interest in the claim. Copies of Registration Card and other verification documents will be required at this stage.

The subsequent actions will include compensation, resettlement and rehabilitation. The real challenge for the Project Proponent and LARC will be to make the process smooth and trouble free. This can be possible once again through active participation of representatives of the community.

10.10 Award and Compensation Disbursement Procedure

LAA provides legal cover not only for land acquisition but also for Award / Compensation to affected persons. Meaning of the word 'Award' can be expanded to all forms of compensation proposed in the Entitlement Matrix of this Resettlement Policy Framework. The procedure for Compensation / Award is provided below:

1. The Project Proponent will arrange all the funds required for land acquisition, resettlement and rehabilitation according to the RAP and any commitments made afterwards in LARC. It will be the prime responsibility of the Project Proponent to make arrangements in case of compensation in the form of land for land. The Project Proponent will make a land use plan for the relocation site and ensure provision of all facilities accordingly.
2. The RAP will include assessment of the existing provision of public infrastructure like schools, hospitals / dispensaries etc in the sub-project's area. LARC, amongst other, comprises representatives of government offices of health, education, works and services, etc will review the assessment made in RAP and prepare recommendations and plan for provision of such services in the relocation site.
3. The DC will review and verify all the claims in coordination with LARC and determine the true area of the land, the compensation to be given according to the entitlement matrix, the apportionment of the compensation amongst the persons interested and the value of compensation to be allowed. During this process the contents of Section 23 and Section 24 of LAA will be considered in finalising compensation.

¹⁰ CEDD under these specific conditions can assume this role.

4. For individual compensation, the DC after agreement with an affected person, substantiated with the copies of Registration Card and other verification document, will fill the final award according to Section 12 of LAA.
5. PAs not satisfied with the final award can lodge their complaints with GRC for redressal.
6. If PAs are not able to resolve their issues with GRC, they can submit a written application according to Section 18 of LAA to the court.
7. As per Section 31, the Award given to PAs under Section 11 will be paid by the DC. Notices in this regard will be served to PAs as to when, where and how they will receive the compensation in terms of cash or land or both. In special cases such as collective property (collective payment refers to the compensation of property jointly owned by the PAs) compensation will be made under section 29 of LAA. Provide discretionary powers of District Revenue Officer.

LARC on satisfactory completion of all works related to acquisition, compensation and resettlement and review of RAP Compliance Report will issue 'No Objection Certificate' to the Project Proponent to demolish the current structures and commence civil works required for the sub-project. Land Acquisition and Compensation Procedure in light of LAA 1894 are given in Figure 10.2.

10.11 Compensation Payments

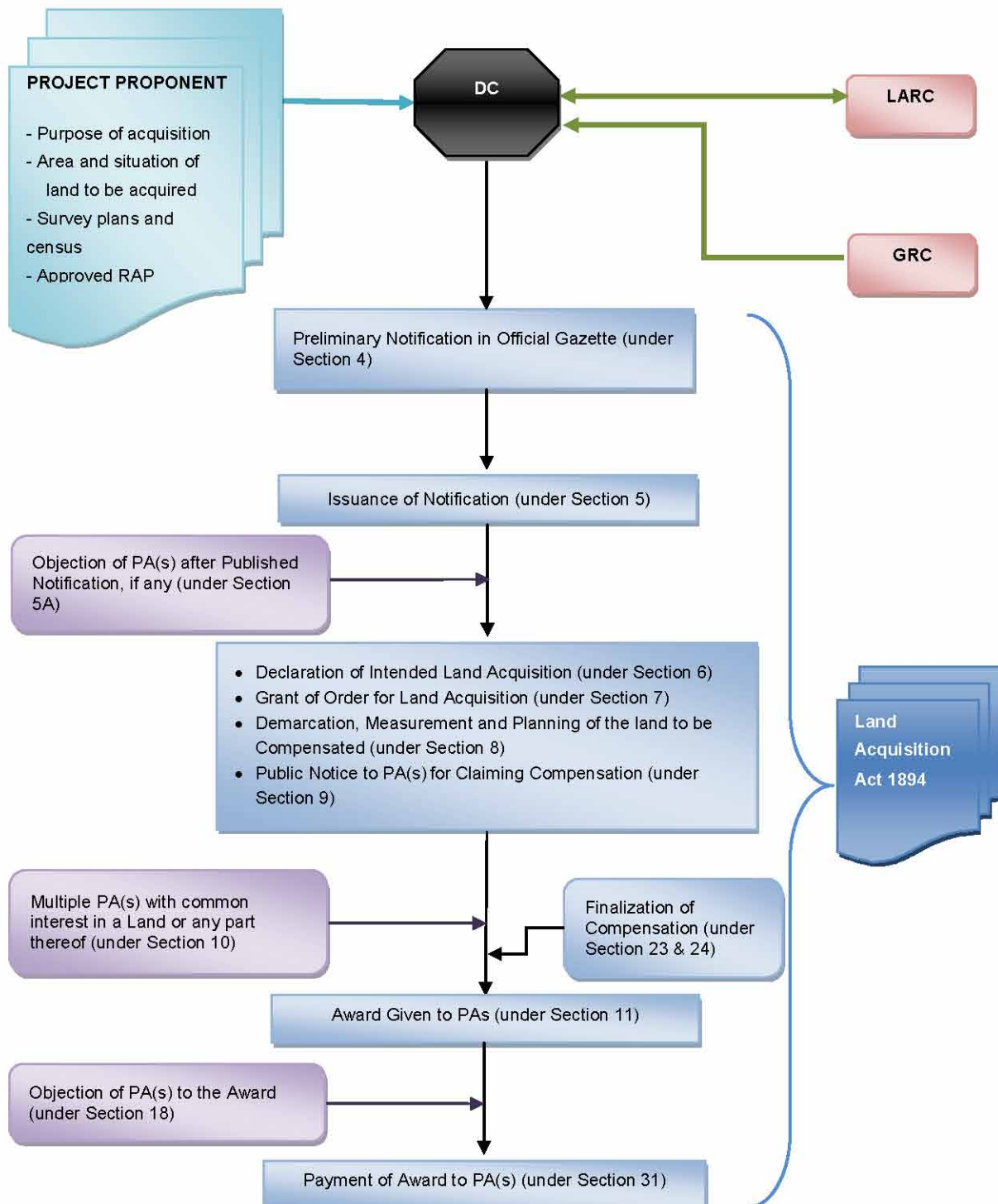
The entitlement package for each PA can be aggregated once the valuation calculation has been approved by DC and the LARC. Replacement costs will include relocation expenses, labour costs, any form of taxes, and transaction costs. The Project Proponent will set aside the resettlement budgets upon approval of the sub-project RAP by CEDD.

Compensation can be paid to an individual, household or collective. All payments need to be recorded with signatures by a minimum of one household representative, the official from the Revenue Department and the Project Proponent representative. This is the minimum requirement for payment of compensation and where possible both a man and woman from each household should sign for receipt of the compensation payment.

To help with the verification of PAs in submitting their claims and receipt of compensation, each PA or affected household will be given a registration card during the Census. All PAs must produce their registration card along with another piece of recognized identification at the time of payment. Absentees PAs may receive compensation payment from the sub-project donor after the notified schedules of payments by contacting DC and producing proof that they could not attend on the due dates.

All activities related to land acquisition and resettlement will be completed prior to commencement of civil works of the sub-project. Payment of compensation of assets other than structures (land, crops, and trees) will need to be made at least 15 days prior to actual possession of the space being utilized by the PAs. In case of a grievance, the assessed/allocated amount of compensation will be held by the DC until the grievance is addressed or the court gives its ultimate decision.

Figure 10.2: Land Acquisition, Award and Compensation Procedure



10.12 Vacation of Site

Notices will be issued to PAs to vacate their current site along with instructions regarding when and how to receive compensation payments. If the PA does not vacate the site after getting compensation, the LARC will decide on case to case basis how to proceed. The Project Proponent reserves the right to demolish structures if the PA has not vacated their property by the agreed deadline.

10.13 Income Restoration and Rehabilitation

A continued support is required to establish PAs at new location and care is needed to be taken for their social and economic requirements. The Entitlement Matrix includes the support needed to be provided by Project Proponent in income restoration and rehabilitation. The Project Proponent however, needs to ascertain the interventions required during and after relocation. This will vary from sub-project to sub-project based on changing social and economic requirements of the PAs. Livelihood restoration measures are proposed in chapter 4, section 4.6.

10.14 Process and impact monitoring

For monitoring purposes, roles of project Proponent, LARC and CEDD have been defined in Chapter-11. Internal, external and third party monitoring process have been discussed.

10.15 Grievance Redressal

Grievance Redressal is an essential component of the Resettlement process that provides room to PAs to resolve their complaints. Chapter-8 provides the grievance redressal mechanism.

11. Monitoring and Evaluation

11.1 Overview

Monitoring stands for the assessment of efficiency with which a given project / program is implemented, including measurement of quality and input / outputs delivery, training and progress indicators. Monitoring of inputs and outputs covers stock taking of financial and physical project activities through monitoring reports at relevant short intervals.

In the context of resettlement activities monitoring can be defined as 'a process of regularly measuring of resettlement activities in an efficient manner for achieving the objectives of resettlement policy framework and plan'.

Evaluation is generally defined as an estimation of effectiveness of project implementation. It is often called benefit monitoring as a mean of identification of vital positive and negative project impacts. Evaluation provides the project managers and policy maker with authenticated information about development activities and communities benefitted by project interventions.

'Evaluation of resettlement activities is a regular assessment of the impact of interventions and the extent to which the given resettlement objectives have been achieved'.

11.2 Internal Monitoring

Internal monitoring of resettlement plan provides routine flow of field level information for implementing agency on the basis of predetermined indicators coupled with verification of information by monitoring unit. Internal monitoring will be conducted by the Project Proponent with the involvement of LARC in Thar coal fields' projects.

The Project Proponent will carry out internal monitoring to provide an assessment of the efficiency of the RAP process. The Project Proponent will work with the LARC, and other government officials involved in resettlement planning and implementation.

Internal monitoring results will be communicated through monthly project implementation reports to CEDD. Indicators for internal monitoring will be related to process, outputs and outcomes to assess progress and results against the RAP, and to adjust the work program if necessary. Monthly reports will be prepared on standardised format. The compliance report will be communicated to the CEDD and will need to be provided as a condition before Project Proponents can start civil works.

Specific monitoring benchmarks will include but not limited to:

- Number of group and individual meetings and consultation with profile attendance;

- Number of group and individual meetings and consultation with host communities, if any;
- Quality, completeness and completion of the census and surveys;
- Status of completion of land acquisition and payments on land compensation;
- Compensation amounts for affected structures and other assets;
- Relocation sites and integration of PAs with host communities;
- Development of civil works of public infrastructure at relocation sites;
- Payments for loss of income;
- Training and other income restoration activities;
- Problems encountered and actions taken;
- Number and type of grievances received, how they are being addressed and when they have closed out); and
- Close out of RAP implementation.

11.3 External Monitoring - CEDD

External monitoring will be carried by CEDD. In sub-projects external monitoring will be carried out in parallel with the implementation of each RAP and cover rehabilitation. An independent monitoring consultant may be contracted for the Project. A final implementation compliance report will be prepared stating whether the RAP has been carried out based on the envisaged plan.

External monitoring will assess the Project Proponent's efforts to implement the RAP and restore living standards of the affected population. External monitoring tasks will include:

- Review and verification of internal monitoring reports;
- Review of the census information of pre-displaced persons;
- Identification and selection of impact indicators;
- Impact assessment through formal and informal surveys with the affected persons and members of host communities;
- Consultation with PAs, members of host communities, officials, community leaders for preparing review report; and
- Assessment of resettlement efficiency, effectiveness, impact and sustainability, drawing lessons for subsequent subproject resettlement planning and implementation.
- The External Monitoring Reports will help CEDD in advising the Project Proponent in taking corrective measures at the right time. The external monitoring report will be provided to IECC for disclosure purposes.

11.4 Third Party Monitoring

Project Proponent and CEDD can engage independent professionals to carry out monitoring function.

11.5 Evaluation

Evaluation of sub-project will be carried out by CEDD by engaging third party that will provide an independent assessment of the impacts. This first evaluation of a sub-project involving resettlement will be carried out six months after its completion. Thereafter the evaluation can be done on yearly basis. These evaluations will help CEDD to advice Project Proponent and other authorities for taking measures to mitigate adverse impacts, if any, during post implementation stage.

Post implementation evaluation will comment on the validity of the findings of the monitoring activities and look at indicators such as:

- Socio-economic conditions of the PAs and members of host communities in the post-resettlement period;
- Changes in pre project and post resettlement housing and income levels;
- Status of project affected vulnerable groups including women, the disabled/elderly and families below the poverty line; and
- PAs' level of satisfaction in the post resettlement period.

12. Outline of Resettlement Action Plans

12.1 Overview

The Resettlement Action Plan will be prepared conforming to the Resettlement Policy Framework (Thar Coal Fields) developed. When a proposed sub-project involves involuntary resettlement, the Project Proponent should:

- Assess the nature and magnitude of the likely displacement;
- Explore all viable alternative project designs to avoid where feasible, or minimise displacement;
- Consult local community to get an idea of their needs and requirements.

12.2 Preparation of the Resettlement Action Plan (RAP)

All RAPs will be prepared in consultation with affected persons which is discussed more in Chapter-9. RAPs will need to be reviewed and approved by CEDD. CEDD will comment on every individual RAP to ensure there is a consistency in approaches to resettlement for every sub-project before finalisation of RAPs.

A strong commitment needs to be demonstrated by the Project Proponent in RAP about the availability of funds for the sub-project as well as for funds identified for compensation according to the Entitlement Matrix. After the RAP has been approved by CEDD, the DC will issue a preliminary notice under Section 4 of the LAA.

Resettlement implementation may only begin upon approval of RAP by CEDD. Sub-project development may only commence, when approval and no-objection have been received and when compensation and/or entitlements have been provided and signed off.

12.3 An Outline of a Resettlement Action Plan

RAP is required for all projects with involuntary resettlement impacts. Its level of detail and comprehensiveness should commensurate with the significance of potential involuntary resettlement impacts and risks. The following is a recommended Table of Contents (with annotations) for RAP.

12.3.1 Executive Summary

This section provides a concise statement of project scope, key survey findings, entitlements and recommended actions.

12.3.2 Project Description

This section provides a general description of the project, discusses project components that result in land acquisition, involuntary resettlement, or both and identify the project area. It also describes the alternatives considered to avoid or minimize resettlement. Include a table with quantified data and provide a rationale for the final decision.

12.3.3 Minimizing Resettlement

- a. Describe efforts made to avoid or minimize displacement;
- b. Describe results of these efforts; and
- c. Describe mechanism used to avoid or minimize displacement during implementation.

12.3.4 Scope of Land Acquisition and Resettlement

This section:

- a. Discusses the project's potential impacts, and includes maps of the areas or zone of impact of project components or activities;
- b. Describes the scope of land acquisition (provide maps) and explains why it is necessary for the main investment project;
- c. Summarizes the key effects in terms of assets acquired and displaced persons; and
- d. Provides details of any common property resources that will be acquired.

12.3.5 Socioeconomic Information and Profile

This section outlines the results of the socioeconomic baseline, the census, and other studies, with information and/or data disaggregated by gender, vulnerability, and other social groupings, including:

- a. Define, identify, and enumerate the people and communities to be affected;
- b. Describe the likely impacts of land and asset acquisition on the people and communities affected taking social, cultural, and economic parameters into account;
- c. Discuss the project's impacts on the poor, indigenous and/or ethnic minorities, and other vulnerable groups;
- d. Identify gender and resettlement impacts, and the socioeconomic situation, impacts, needs, and priorities of women; and
- e. Registration process and details.

12.3.6 Consideration of Gender Impacts

Each RAP will include measures to ensure that the socioeconomic needs and priorities of women are identified, addressed and mitigated. The following gender provisions will be incorporated in all RAPs to safeguard the specific needs and problems of women PAs during sub-project implementation:

- The socioeconomic data gathered will be gender-disaggregated. Gender roles will be analysed and if women and the needs, aspirations and priorities will be taken into consideration in the RAP preparation;
- Female staff will be hired to collect data and assist women in resettlement activities;
- Women will be included in the consultation processes and encouraged to participate in RAP planning and implementation processes; and
- Female household heads will be registered to receive compensation and rehabilitation measures. Land titles and land use rights will be registered under the name of a woman if applicable.

12.3.7 Participation, Consultation and Information Disclosure

This section:

- a. Identifies project stakeholders, especially primary stakeholders;
- b. Describes the consultation and participation mechanisms to be used during the different stages of the project cycle;
- c. Describes the activities undertaken to disseminate project and resettlement information during project design and preparation for engaging stakeholders;
- d. Summarizes the results of consultations with affected persons (including host communities), and discusses how concerns raised and recommendations made were addressed in the resettlement plan;
- e. Confirms disclosure of the draft resettlement plan to affected persons and includes arrangements to disclose any subsequent plans; and
- f. Describes the planned information disclosure measures (including the type of information to be disseminated and the method of dissemination) and the process for consultation with affected persons during project implementation.

12.3.8 Grievance Redress Mechanisms

This section describes mechanisms to receive and facilitate the resolution of affected persons' concerns and grievances. It explains how the procedures are accessible to affected persons.

12.3.9 Legal Framework

This section:

- a. Describes the conformity of RAP with the Resettlement policy Framework Describes the legal and policy commitments from the executing agency for all types of displaced persons;
- b. Describes the land acquisition process and prepare a schedule for meeting key procedural requirements.
- c. Describe adoption of requirement of international funding agency (if any).

12.3.10 Entitlements, Assistance and Benefits

This section:

- a. Defines displaced persons' entitlements and eligibility, and describes all resettlement assistance measures (included in entitlement matrix);
- b. Specifies all assistance to vulnerable groups, including women, and other special groups; and.
- c. Outlines opportunities for affected persons to derive appropriate development benefits from the project.
- d. Outlines the principles and methodologies used for determining valuations and compensation rates at replacement cost for assets, incomes, and livelihoods; and set out the compensation and assistance eligibility criteria and how and when compensation and assistance will be provided.

12.3.11 Relocation of Housing and Settlements

This section:

- a. Describes options for relocating housing and other structures, including replacement housing and replacement cash compensation and ensuring that gender concerns and support to vulnerable groups are identified;
- b. Describe mechanism for procurement, development and allotment of relocation sites for PAs;
- c. Describes alternative relocation sites considered; project affected community consultations conducted; and justification for selected sites, including details about location, environmental assessment of sites, and development needs;
- d. Describe new house to be constructed or land to be allocated for construction of house by PAs themselves;
- e. Provide details of land required for agriculture and gaucher;
- f. Provides timetables for site preparation and transfer;
- g. Describes the legal arrangements to regularize tenure and transfer titles to resettled persons;
- h. Outlines measures to assist displaced persons with their transfer and establishment at new sites;
- i. Describes plans to provide civic infrastructure; and
- j. Explains how integration with host populations will be carried out.

12.3.12 Income Restoration and Rehabilitation

This section:

- a. Identifies livelihood risks and prepare disaggregated tables based on demographic data and livelihood sources;

- b. Describes income restoration programs, including multiple options for restoring all types of livelihoods (examples include project benefit sharing, revenue sharing arrangements, joint stock for equity contributions such as land, discuss sustainability and safety nets);
- c. Outlines measures to provide social safety net through social insurance and/or project special funds;
- d. Describes special measures to support vulnerable groups;
- e. Explains gender considerations; and
- f. Describes training programs.

12.3.13 Resettlement Budget and Financing Plan

This section:

- a. Provides an itemized budget for all resettlement activities, including for the resettlement unit, staff training, monitoring and evaluation, and preparation of resettlement plans.
- b. Describes the flow of funds (the annual resettlement budget should show the budget-scheduled expenditure for key items).
- c. Includes a justification for all assumptions made in calculating compensation rates and other cost estimates (taking into account both physical and cost contingencies), plus replacement costs.
- d. Includes information about the source of funding for the resettlement plan budget.

Each RAP will provide a budget section that includes:

- Unit compensation rates for losses and the number of units affected;
- Unit costs for replacing or restoring project affected community facilities and public infrastructure and number of units affected;
- Unit costs for relocation activities (transporting PAs and assets, transfer fees, taxes, costs for identifying new housing or land, temporary shelter, etc.) and number of units;
- Methodology followed for the computation of unit compensation rates;
- Resettlement site preparation costs;
- Income restoration and improvement costs including temporary income support, purchasing alternative income generating assets, training, extension services, start up capital, etc.;
- Administrative costs including staff, fuel and equipment, RAP studies and preparation, technical assistance;
- Monitoring and evaluation costs; and,
- A contingency of 10%.

12.3.14 Institutional Arrangements

This section:

- a. Describes institutional arrangement responsibilities and mechanisms for carrying out the measures of the resettlement plan;
- b. Includes institutional capacity building program, including technical assistance, if required;
- c. Describes role of NGOs, if involved, and organizations of affected persons in resettlement planning and management; and
- d. Describes how women's groups will be involved in resettlement planning and management.

12.3.15 Implementation Schedule

This section includes a detailed, time bound, implementation schedule for all key resettlement and rehabilitation activities. The implementation schedule should cover all aspects of resettlement activities synchronized with the project schedule of civil works construction, and provide land acquisition process and timeline.

12.3.16 Monitoring and Reporting

This section describes the mechanisms and benchmarks appropriate to the project for monitoring and evaluating the implementation of the resettlement plan. It specifies arrangements for participation of affected persons in the monitoring process. This section will also describe reporting procedures.

13. Costing and Budgeting

13.1 Overview

Thar Coal Project is a mega project which will involve different national and international investors working on different sub-projects. Financing of any individual sub-project will be the primary responsibility of the Project Proponent. Finances for compensation, resettlement, allowances, administration, rehabilitation and implementation will be provided by the Project Proponent. The Project Proponent will identify the funds needed to cover these costs.

13.2 Resettlement Plan Budgets

Each RAP will provide a budget section that includes:

- Unit compensation rates for losses and the number of units affected;
- Unit costs for replacing or restoring project affected community facilities and public infrastructure and number of units affected;
- Unit costs for relocation activities (transporting PAs and assets, transfer fees, taxes, costs for identifying new housing or land, temporary shelter, etc.) and number of units;
- Methodology followed for the computation of unit compensation rates;
- Relocation site preparation costs;
- Income restoration and improvement costs including temporary income support, purchasing alternative income generating assets, training, extension services, start-up capital, etc.;
- Administrative costs including staff, fuel and equipment, RAP studies and preparation, technical assistance;
- Monitoring and evaluation costs; and
- A contingency of 10%.

13.3 Resettlement Financing and Budget Flows

Resettlement activities need not to be economically viable on their own but they do need to be cost effective. The Project Proponent is responsible for the timely allocation of the funds needed for the RAPs including compensation of the assets, the allowances as well as the additional costs estimated in each RAP plus 10% contingency. Among other things, allocations for costs provided in RAPs will be reviewed by LARC.

Based on review of LARC, compensation for land, structure and crop will be provided by the Project Proponent to DC who will disburse it to the PAs. For compensation of other items including

businesses or income loss, employment, etc., funds will be channelled from the Project Proponent to PAs. This process will be overseen by an official from the Department of Revenue.

13.4 Evaluation of Total Cost of Resettlement

Total Resettlement-related costs can be placed in four budgeting categories: compensation, relocation costs, income restoration costs, and administrative costs. Resettlement involves complex and contingent processes, therefore developing cost estimates and a budget for resettlement is not that simple. The basic elements for identifying and estimating resettlement costs are the following:

- A policy framework to establish eligibility criteria for entitlements and other forms of assistance;
- A census to establish the number and identity of individuals, households, or communities that will be affected;
- An asset inventory to detail all of the property (for example, land, structures, crops, other improvements) that will be affected, usually carried out at the same time as the census;
- A socioeconomic survey (or surveys) to determine household incomes and estimate the impacts of resettlement on incomes and living; and
 - Project technical designs, including designs for relocation sites, to determine the full range of resettlement facilities and services that will need to be constructed or provided.