Government of Grenada

Regional Disaster Vulnerability Reduction Project

ABBREVIATED RESETTLEMENT ACTION PLAN

Reconstruction of Lance Bridge

Gouyave, St. John

October, 2017
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**LIST OF ACRONYMS**

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<th>Acronym</th>
<th>Definition</th>
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<tr>
<td>A-RAP</td>
<td>Abbreviated Resettlement Action Plan</td>
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<tr>
<td>DVRP</td>
<td>Disaster Vulnerability Reduction Project</td>
</tr>
<tr>
<td>GOG</td>
<td>Government of Grenada</td>
</tr>
<tr>
<td>MOF</td>
<td>Ministry of Finance</td>
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<tr>
<td>MOW</td>
<td>Ministry of Works</td>
</tr>
<tr>
<td>PCU</td>
<td>Project Coordination Unit</td>
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<tr>
<td>PAP</td>
<td>People Affected by the Project</td>
</tr>
<tr>
<td>PPU</td>
<td>Physical Planning Unit</td>
</tr>
<tr>
<td>SA</td>
<td>Social Assessment</td>
</tr>
<tr>
<td>RPF</td>
<td>Resettlement Policy Framework</td>
</tr>
<tr>
<td>OP</td>
<td>Operation Policy</td>
</tr>
<tr>
<td>WB</td>
<td>World Bank</td>
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</tbody>
</table>
1.0 PREFACE

This Abbreviated Resettlement Action Plan (A-RAP) has been prepared for the Lance Bridge Replacement Sub Project under the Disaster Vulnerability Reduction Project (DVRP) in accordance with the World Bank’s (WB) Involuntary Resettlement Policy (OP 4.12). It intends to address OP 4.12’s objectives to assist affected persons in their efforts to improve their standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. The policy specifically covers direct economic and social impacts that both result from Bank assisted investment projects that are caused by:-

(a) The involuntary taking of land resulting in:-

1. Relocation or loss of shelter
2. Loss of assets or access to assets
3. Loss of income sources or means of livelihood, whether or not the affected person must move to another location

(b) The involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.

This Abbreviated Resettlement Action (ARAP) Plan provides details on the likely impacts resulting from the relocation for the construction of the proposed works and the mitigation measures that will be implemented to address any potential adverse impacts.

Specifically, the objective of this Abbreviated RAP is to provide:

- Details of events leading to activation of OP 4.12 and results of census survey of project affected people (PAP);
Inventory of adverse impacts on PAP’s assets;
- Description of compensation packages offered to PAP and option selected by PAP;
- Consultations with PAP about acceptable compensation alternatives;
- Institutional responsibilities for implementation of ARAP and timetable for implementing ARAP;
- Arrangements and timetable for monitoring and implementation of ARAP;
- Procedures for grievance redress;
- Source of funding and estimated cost for implementation of ARAP.

2.0 BACKGROUND

The Government of Grenada (GoG) has entered into financing arrangements with the World Bank, the proceeds of which are allocated towards the financing of the Regional Disaster Vulnerability Reduction Project (RDVRP).

The Support from Pilot Program for Climate Change (PPCR) and World Bank under the RDVRP is aimed at providing Grenada with financial and technical assistance to reduce vulnerability to natural hazards and climate change impacts. Among the specific aims of the project are the goals to integrate disaster vulnerability reduction and climate resilience in national development strategies and management of public infrastructure. As such, a significant proportion of the project addresses selected engineering works around the country in support of building climate resilience and reducing climate change vulnerability.

The Disaster Vulnerability Reduction Project (DVRP) was assessed and approved by the World Bank as a Category B project. This indicates that works proposed under the project primarily involve rehabilitation works and any anticipated potential impacts are considered short term, not significant and readily preventable with standard measures. Although the Project was classified as a Category B Project, it was assessed as having triggered social safeguards, specifically Bank’s Operational Policy 4.12, Involuntary Resettlement, as planned works could lead to public acquisition of private property and subsequently impact beneficiary assets or access to assets.

In light of this, a Resettlement Policy Framework (RPF) was developed and published to serve as a guide for the project. The purpose of an RPF is to clarify resettlement principles, organizational arrangements, and design criteria to be applied to subprojects to be prepared during project implementation. A social Assessment also was undertaken during the project preparation stages of the DVRP.
3.0 PROJECT DESCRIPTION

The Lance Bridge supports motor vehicle and pedestrian traffic from the parishes of St. Patrick, St. Mark and St. John to the town of St. George; it is located on the main arterial road on this side of the island of Grenada. It is located in the middle of the town of Gouyave crossing the “Little River” which cuts through the town of Gouyave. The Ministry of Works (MOW) indicates that the Lance Bridge is over 80 years old, it is a single lane, single span (15.3m) steel girder bridge with a concrete deck. The bridge is aged and due to its close proximity to the coastline (approximately 20'-0” away), extensive corrosion has taken place to the structural steel girders which act as supports to the bridge deck. The extensive corrosion has compromised the structural integrity of the bridge and it is a hazard to the community of Gouyave and the Western Commuters.

In April 2011, the island was impacted by torrential rain and the most adverse effects were experienced in the town of Gouyave as flash flooding damaged critical infrastructure. During this event the concrete boulder protection to the bridge’s foundation (RipRap) was destroyed leaving the bridge susceptible to collapse. The river channel is flanked by densely populated low income residences which are only prone to flooding during extreme rainfall events as previously referenced.

Based on structural bridge inspections completed in 2010, further compounded by the 2011 extreme rainfall event, the very poor structural condition of the Lance Bridge makes replacement of this bridge essential at this time.

Additionally, the Lance Bridge is the main medium to access the rest of the Lance community (separated by the river) from within the town of Gouyave. Life of the Lance and Gouyave town communities revolves around the Lance Bridge. As a result, the bridge is a congregating spot; ‘liming’ spot and busy pedestrian thoroughfare. Residents are constantly exposed to the risk of being hit by oncoming vehicles, since there are no pedestrian lanes on what is already a single lane bridge. It is often quite chaotic and dangerous to manoeuvre on or cross the bridge while traffic flows through, with very little space between metal side rails of the bridge; sides of vehicles and the body of pedestrians. This reality and that of the aged and physical vulnerability of the bridge makes its replacement a necessity. Its replacement will safeguard users from injury when using the bridge together with vehicles and to safeguard the community from losing an already fragile but critical public infrastructure should a storm, extreme rainfall event or hurricane hit Grenada.

The MOW proposes the replacement of the Lance Bridge with a double lane, single span reinforced concrete structure with pedestrian sidewalks. This will allow for (a) Increased resilience to events and risks that can result from climate change occurrences; (b) safety of
pedestrian and protection from possible injury from being struck by vehicles traversing the bridge; and (c) significant reduction in traffic congestion with the introduction of two lanes.

The Proposed design for the new Lance Bridge has resulted in the triggering of the Involuntary Resettlement Policy (OP 4.12) due to the close proximity of two small businesses to the work area. To address this situation and ensure that the Project is in compliance with the OP 4.12, the PCU has developed this Abbreviated Resettlement Action Plan (ARAP) that will be used to monitor and inform persons of the process to be followed. Among others, the ARAP will detail the value of the revenue losses of the Persons Affected by the Project (PAPs) and the steps to be taken to compensate the affected persons consistent with the Resettlement Policy Framework for the Project. Once finalized and agreed upon with the PAP, this document will be publicly disclosed on the GOG and World Bank Websites.

There is also the need to provide temporary alternative means for pedestrians to get across the river. A temporary footpath bridge will be installed before construction start to provide access for pedestrians. The footings of the temporary footpath bridge will be placed on lands owned by the Anglican Church, and the requisite permission for doing so was granted (see Annex 3). The footpath bridge will be erected downstream of the lance Bridge (on the left side of the Lance Bridge going north), with adequate access by pedestrians. No one is residing in the vicinity of the proposed access path leading to and from the location designated for Footpath Bridge.

4.0 CENSUS SURVEY OF AFFECTED PERSONS AND VALUATION OF ASSETS

In order to properly ascertain how the PAPs will be affected and the magnitude of revenue losses, census surveys were conducted by face to face consultations on November 19, 2014. Additional census survey was held during the month of March 2017.

A two (2) page questionnaire (annex 4 – Survey Form) was used to collect demographic information about the PAPs, including socioeconomic characteristics, place of residence, income source, location of business, household size, age, gender, land ownership, impacts from construction works on the PAP (business), nature and duration of impact(s), temporary or permanent, proposed and selected mitigation measures and timeline for mitigation measures.
Table 1. SUMMARY OF CENSUS SURVEY

<table>
<thead>
<tr>
<th>PAP ID#</th>
<th>Sex</th>
<th>Age</th>
<th>Primary Occupation</th>
<th>Secondary Occupation</th>
<th>Highest Level of Education</th>
<th>Number of additional persons in the HH</th>
<th>Sex</th>
<th>Age</th>
<th>Impact of Construction on PAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>F</td>
<td>42</td>
<td>Self-employed Vegetable Vendor</td>
<td>None</td>
<td>Secondary</td>
<td>1</td>
<td>M</td>
<td>41-65</td>
<td>Vegetable stall unable to operate in its original location during construction period (seven months) because it is within footprint of works.</td>
</tr>
<tr>
<td>2</td>
<td>F</td>
<td>55</td>
<td>Self-employed grocery shop and Fried Chicken Business</td>
<td>None</td>
<td>Primary</td>
<td>2</td>
<td>M</td>
<td>21-40</td>
<td>No impact on grocery business, however the fried chicken business will be unable to operate during construction period (seven months) due to proximity to works.</td>
</tr>
<tr>
<td>3</td>
<td>F</td>
<td>52</td>
<td>Employee/Partner in Fried Chicken Business</td>
<td>Snack vendor at St. John’s Anglican Primary School</td>
<td>Primary</td>
<td>3</td>
<td>M</td>
<td>34</td>
<td>Loss of income from chicken fry business due to closure of Fried Chicken Business during construction (seven months)</td>
</tr>
</tbody>
</table>

PAP # 1 is a self-employed female vegetable vendor who owns and operates a small wooden vegetable stall at the north eastern side of the Lance Bridge. This Vendor is currently leasing the land on which the vegetable stall is erected, and owns the physical structure. The owner of the land on which the vegetable stall is installed is the Anglican Church. She has a lease arrangement with the Church for which she pays $200.00 yearly. Her household is comprised of (2) two persons; herself and a male companion. The vegetable stall is the household’s sole source of income. She currently resides in a village known as Doctor Belle, which is about half a mile from her place of business. The vegetable stall is located in an area that will become part of the work site which will be enclosed during construction of the Lance Bridge. As a result, PAP# 1 will be unable to ply her trade at the present location.

PAP # 2 is also a self-employed female who owns and operates two business ventures: 1) a small grocery that mainly sells dried goods, drinks and canned food items; and 2) a fry chicken and chips business. While the shop building structure is owned by PAP#2, the land is being leased from the Anglican Church at a cost of $700.00 per year. PAP # 2 resides in a house which is adjacent to the grocery shop, with a household that comprises three (3) persons; herself and two
children (adults). Both her children provide assistance in the daily operations of the business. The two businesses together represent the household’s entire source of income. She sells a variety of foodstuff during the day, and at night fries and sells chicken wings and chips to the public in an area located immediately outside the grocery shop. The sales area of the fried chicken and chip is covered with a roof structure that is affixed to the external wall of the grocery shop. Apart from the overhead roof structure over the fried chicken sales location, the area is not enclosed. The businesses are located on the south eastern side of the Lance Bridge.

In order to satisfactorily widen the bridge, excavations will be required in the vicinity of the shop and fried chicken business. As a result of the required excavations a portion of the roof overhang structure that houses the fried chicken operations will have to be removed, along with a portion of the external floor concrete structure. **ANNEX 2 Picture No. 3** (front view of the section of roof to be removed from PAP2 premises). Neither the house in which PAP # 2 resides nor the structure housing the grocery business will be negatively impacted by the project.

There will be no acquisition of land for the bridge expansion. During the construction of the bridge there will be no access to vehicular traffic but pedestrian will have access to cross the river over which the old bridge stands via a footpath bridge which will be built on lands owned by the Anglican Church. By letter The Church has given permission for the installation of the footpath bridge. (see Annex 3 - Letter from the Anglican Church).

**PAP # 3**

**PAP # 3 is an employee and partner of the fried chicken Business owned by PAP # 2.** While PAP # 3 owns and operates a small snack stall near the St. John’s Anglican primary School, her primary source of income is generated from her employment in the fire chicken business. PAP # 3 household comprises of three additional persons (her children), two of which (male age 34 and Female age 26) occasionally assist in the Fried Chicken and Chips business. The female is a trainee in the Government’s youth training and employment programme from which she receives a stipend to assist with costs of transportation and meals. The male is a mason by occupation but work is inconsistent as it depends on the level of activities in the construction industry.
Table 2 INVENTORY AND VALUE OF AFFECTED ASSETS

<table>
<thead>
<tr>
<th>Name of PAP</th>
<th>Description of physical assets affected</th>
<th>Use of Asset</th>
<th>Quantity / Size of Affected Asset</th>
<th>Value of Affected Assets (XCD)</th>
<th>Type of Acquisition/Nature of Impact (Temporary or Permanent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAP # 1</td>
<td>(i) Wooden structure with galvanized roof Stock – fruits, vegetables For vending fruits and vegetables</td>
<td>10’X 6’ X 8’</td>
<td>$600.00 for the updated value of stock taking of vegetables and fruits at closure of the stall.</td>
<td>Temporary closure of business for 7 months to facilitate construction of bridge. No permanent acquisition of land but temporary storage and subsequent relocation of vegetable stall structure required.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(ii)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PAP # 2</td>
<td>(i) Concrete (mainly) and wooden structure with galvanized roof and wooden tables To operate the Fried chicken and chips business</td>
<td>Dimensions of Fried Chicken Sales area: 16.5’X 3.28’</td>
<td>N/A</td>
<td>No Land Acquisition. Temporary closure of fried chicken business for 7 months to allow for excavations in the vicinity of sales area. Demolition and subsequent replacement of concrete and wooden equipment used to operate chicken fry business.</td>
<td></td>
</tr>
<tr>
<td>PAP # 3</td>
<td>-</td>
<td>N/A</td>
<td>N/A</td>
<td>Temporary loss of income due to closure of chicken fry business</td>
<td></td>
</tr>
</tbody>
</table>

TABLE 3: INVENTORY OF AFFECTED MONETARY RESOURCES

The table below presents the monetary resources affected by the impacts on each PAP’s physical assets and economic activities described above in Table 2. These amounts are self-reported by each PAP, and represent the amount each PAP requested as monetary compensation for economic displacement impacts on their respective businesses.

<table>
<thead>
<tr>
<th>NAME OF PAP</th>
<th>Description of monetary resources requested by PAPs – self-reported by PAPs</th>
<th>Amount</th>
<th>Method of Communicating Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAP # 1</td>
<td>Monthly income from vegetable vending</td>
<td>$1000.00</td>
<td>Verbal</td>
</tr>
<tr>
<td>PAP # 2</td>
<td>Monthly income from Fried Chicken Business</td>
<td>$8,000.00</td>
<td>Verbal</td>
</tr>
<tr>
<td>PAP # 3</td>
<td>Monthly income from employment in Fried Chicken business</td>
<td>$2,200.00</td>
<td>Written Document</td>
</tr>
</tbody>
</table>

1 This compensation amount was requested prior to PAP # 3 being considered as a separate PAP. PAP # 3 is employed by PAP # 2 in the Fried Chicken Business. The amount requested by PAP # 2 is inclusive of any amount to be compensated to PAP # 3.
5.0 DESCRIPTION OF COMPENSATION PACKAGES AND RELOCATION ASSISTANCE OFFERED AND OPTIONS SELECTED BY PAPs

Compensation Packages Offered

PAP # 1

The four (4) options for compensation and temporary relocation assistance offered to PAP # 1 are as follows:

1. *Relocation of Vegetable Stall approximately 25 feet east of its current location*: This was the first option proposed in November 2014, following consultations and site visit by the Social Development Specialist and Project Engineer. This option proposed assistance to disconnect the electrical utilities; and lift and relocate the vegetable stall about 25 feet east of its present location. On completion of the construction works, assistance would be provided to reposition the vegetable stall to (or as close to) its original location where PAP1 would continue vending. Prior to September 2016, option # 1 was the only proposal made and agreed to. Following contract award and a more detailed assessment by the Contractor and Supervision Consultant in September, 2016, it was advised that the limited space on the north eastern side of the bridge will be required as part of the construction site, and that the vegetable stall of PAP #1 will have to be temporarily removed to allow for materials storage and equipment operations. As a result, the remaining options were proposed:

2. *Temporary Closure, Removal and Storage of Vegetable Stall on the Premises of the Ministry of Works, located approximately 300 meters from the site.* The GOG will compensate PAP # 1 for the value of the stock at closure of the stall, provide assistance to disconnect utilities, and remove and transport vegetable stall to the compound of the Ministry of Works. On completion of the works, the GOG will provide assistance to relocate the stall to (or near to) its original footprint and location and will assist in having utilities reconnected, if necessary.

3. *Temporary Closure, Removal and Storage of Vegetable Stall at an Identified Convenient Location Close to the Place of Residence of PAP # 1:* The GOG will compensate PAP # 1 for the value of the stock at closure of the stall, provide assistance to disconnect utilities, and remove and transport vegetable stall to an already identified location close to
residence of PAP # 1. On completion of the works, the GOG will provide assistance to relocate the stall to (or near to) its original location and will assist in having utilities reconnected, if necessary.

Compensation Package Selected

**PAP # 1**

PAP # 1 indicated preference for, and agreed to Option 2. This would involve monetary compensation for lost income for the period of time that the business will be closed. Additionally, the GOG will compensate PAP # 1 for the value of the stock at closure of the stall, provide assistance to disconnect utilities, and remove and transport vegetable stall to premises of the Ministry of Works, which is located approximately 300 meters from project site. On completion of the works, the GOG will provide assistance to relocate the stall to (or near to) its original footprint and location and will assist in having utilities reconnected, if necessary.

Compensation Packages Offered

**PAP # 2**

The following options for compensation and temporary relocation were offered to PAP # 2:

1. **Relocation option 1**: With the need to remove a section of the roof and concrete floor area that is use to facilitate vending of fried chicken and chips, it was propose that the business operations can be shifted south of its current location, closer to and adjacent to the front of the shop building (owned and operate by PAP # 2). Appropriate construction barricades were proposed also to ensure safety of patrons and customers of PAP # 2’s businesses. On completion of the works, the contractor would re-instate the concrete yard/pavement and roof overhang, and relocate the business operations to its original location.

2. **Relocation Option 2**: The second option discussed was to have the chicken fried business temporarily relocated to the front of PAP # 2’s home. This option was proposed given that PAP # 2’s house is adjacent to the shop, and is located in the vicinity of the current location of the fried chicken business. The proposal was to construct a suitable concreted pavement and erect an overhanging roof structure for protection from rain and adverse weather. On completion of the works, the contractor would re-instate the concrete yard/pavement and roof overhang, and relocate the business operations to its original location.
3. **Relocation Option 3:** A third option discussed was to temporarily relocate the business operations in an easterly direction to its current location. This would result in the operations and sales being conducted approximately 10ft further east from its current location. It was further proposed that a possible alternative access for patrons and customers would be from an entrance located to the back (south-east) of PAP # 2’s house and shop building. To accommodate the 10ft relocation, elevating and levelling off of the floor area was proposed. On completion of the works, the contractor would re-instate the concrete yard/pavement and roof overhang, and relocate the business operations to its original location if so desired.

4. **Monetary Compensation for Temporary Closure of the Business:** The fourth option discussed was temporary closure of the fried chicken business during the entire construction period (7 months) and to provide monetary compensation to PAPs # 2 and 3 during the period for loss of income. On completion of the works, the contractor would re-instate the concrete yard/pavement and roof overhang, and relocate the business operations to its original location. See Table 4 for details of monetary compensation.

5. **Alterations to Area used for Fried Chicken Business to Allow for Operations during Construction:** This option was discussed following revisions to the design of abutment foundation adjacent to the businesses of PAP #2. These design revisions were made to mitigate/eliminate risks of damage to structural foundations of the grocery store structure, and would result in the entrance of the shop and chicken fry area remaining intact, with a smaller portion of the area used to operate chicken fry business being demolished during construction. As a result of this re-design there will be no need to temporarily close the grocery shop during the construction period, since the access to the shop will not be compromised. In light of this it was proposed that PAP # 2 continue to operate and sell fried chicken in the present location with the following additional alterations to the area:

  a. The expansion of the elevated floor area of the chicken fry business. The proposal is to extend the elevated floor area in an easterly direction to allow for a temporary work and operational space during construction.

  b. The erection of specially designed barricades in the vicinity of PAP 2’s businesses that will be lowered at the end of the construction work day to allow for patrons and pedestrians to have adequate visibility of the chicken fry business. This specially designed section of the barricade will then be re-erected before the start of the next day’s works to protect the chicken fry area from the construction site.
This barricade section will not compromise safety nor will it compromise security or access of unauthorized personnel into work area during and after work hours.

c. The erection of signage that would enhance the name of PAP 2 business as well as remind current customers and invite potential customers of the continued operations of the businesses. Appropriate signage will be erected at traffic detour points to inform customers that the fried chicken sales will continue during construction works.

On completion of the works, the contractor would re-instate the concrete yard/pavement and roof overhang, and relocate the business operations to its original location.

**Compensation Package Preferred**

**PAP # 2**

Compensation package preferred by PAP #2 combines the actions under options 4 and 5. This would involve (a) monetary compensation for income losses due to temporary closure of Fried Chicken and Chips Business and for loss of drink sales associated with the Chicken Fried Business and; (b) Reinstatement of concrete yard/pavement and roof overhang section that will be removed during construction works. While not part of the compensation package, protection of the foundation of the buildings owned by PAP # 2 was considered by re-designing the abutment foundation in the area of the buildings. See details of monetary compensation in Table 4.

A structural assessment was done on the buildings to establish its status before the commencement of construction activities. On completion of the bridge, another assessment of the building will be done to determine if damages occurred as a result of construction activities so that remedial action could be undertaken if required as per obligation in the Agreement (Annex agreement and add reference to annex here).

**Compensation Package Offered**

**PAP # 3**

Compensation package offered to PAP # 3’s household will comprise of the monthly wage PAP # 3 and two children receive from working in the chicken fried business owned by PAP # 2.

PAP # 3 agreed to the compensation package offered. This would involve monetary compensation to PAP # 3 and two children for lost income during the period of closure of chicken fried business. See details of monetary compensation in Table 4.
5.1 Independent Valuation

Having agreed on the compensation package with the PAPS, they were asked to provide a monetary figure of the amount which they think should be compensation for the inconveniences that will be caused by the project, that is, the closure of business operations and loss of income. In order to objectively verify their claims PCU consulted with two professional and reputable organizations (see Annex 7 for independent valuation) to have a review of the information and profit estimate which were provided. PCU sought the advice and guidance of the following entities:

1. Pannell Kerr Foster (PKF), a well-known and reputable accounting firm in Grenada
2. The Audit Department of Government of Grenada

It is important to note that the valuations conducted by PKF and the Audit Department did not consider PAP # 3’s compensation separate and apart from that of PAP # 2’s. The assumption at the time of these valuations was that all employees of PAP # 2 will be duly compensated as required by PAP # 2

Methodology used by Valuators

5.1.1 Pannell Kerr Foster

PAP 1- Vegetable Stall (see Annex 7)

In estimating the net profit from sales of Vegetable stall, PKF assumed a mark-up of 25% and a turn-over of produce 3 times a month. The vendor’s produce was valued at $1,800 in November 2014.

As at June 2017, the value of the vendor’s produce was calculated at $600.00. The reduction is because the vendor maintains smaller quantities of vegetables and has ceased selling drinks in light of the imminent temporary closure of her business. However, the turnover of stock is much more frequent than it used to be. Using the methodology use by PKF and assuming a turnover of six times per month with 25% mark-up results in net income of $1,050 per month or $262 per week. The compensation of $250.00 per week recommended by PKF is used.

PAP 2

Fried Chicken Business (see Annex 7)
(a) Fry Chicken and Chips

Using data on the approximate number of servings per case/bag of chicken and chips respectively, the unit costs per item was estimated. Using market prices, the unit cost of condiments and cutlery/ napkins; and overheads were also calculated. Based on this information and the selling prices provided by vendor the following estimations on net profit per month are as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Selling Price</th>
<th>Approx. Cost</th>
<th>Net Profit</th>
<th>Approx. Avg Qty sold per day</th>
<th>Approx. Avg Qty sold per month</th>
<th>Net profit per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>One wing and chips</td>
<td>$8.00</td>
<td>$3.70</td>
<td>$4.30</td>
<td>20</td>
<td>600</td>
<td>$2,580.00</td>
</tr>
<tr>
<td>Two wings and chips</td>
<td>$10.00</td>
<td>$4.71</td>
<td>$5.29</td>
<td>20</td>
<td>600</td>
<td>$3,174.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$5,754.00</td>
</tr>
</tbody>
</table>

Another methodology used involved an analysis of the purchases made by the PAP. Receipts of purchases of frozen chicken and chips made in December 2015, January 2016 and September 2016 showed that approximately 2,000 pieces of chicken and 1,100 servings of chips were purchased per month. Assuming a mark-up of 50% the net profit per month was calculated at $5,250.00

5.1.2 Audit Department of the Government of Grenada

The Audit Department used the following methodology

- Interviewed persons with similar fired chicken and vegetable businesses
- Observation of the businesses of PAP # 1 and # 2
- Calculations based on review of data presented (receipts of purchases), estimated sales and cost of sales

PAP # 1

Assessment of vegetable sales business using the above methodology found the compensation requested by PAP # 1 to be reasonable, and recommended that the value of stock at closure should be considered in the compensation package. The amount recommended was $8,000.00 which included stock valued of $1,000.
PAP # 2

Fried Chicken Business

The prices of the chicken and chips sold were verified and found to be consistent with the receipts that PAP # 2 presented. The Audit Department estimated the cost of inputs, based on the cost of raw material, utilities and labour at 50% of the sales. Considering all factors, the sales were estimated to average XCD$1,400 per week or XCD$6,000 per month. Compensation based on loss of income was therefore calculated as follows: (monthly sales – inputs) X construction period – (6,000-3,000) X 7 = XCD$21,000.

Additionally, PCU consulted with three residents of Gouyave who are familiar with the operations of the fried chicken business, in order to verify the number of days per week that fried chicken is sold. These were our findings:
1. Resident # 1 stated that fried chicken is sold mostly every day of the week, or between 25 to 30 days a month.
2. Resident # 2 stated that fried chicken is sold about 4 days a week or about 16 to 20 days a month.
3. Resident # 3 stated that fried chicken is sold every day of the week or 30 days a month.

5.1.4 PAP #2: Compensation for Losses in Drinks Sales

During consultation and negotiations on November 17, 2016, PAP # 2 stated that the temporary closure of the Fried Chicken business will adversely affect the sale of drinks from her shop. She advised that patrons of the Fried Chicken business purchased drinks also, and stated that the shop and chicken business should be treated as one business. She was advised by the PCU that, for the purposes of determining a reasonable compensation package due to loss of income from the imminent closure of the Fried Chicken business, the two businesses are to be treated separately. As a result of this she was asked to provide some indication of how much of her drinks sales are tied to the sale of fried chicken. During further consultations with PAP # 2 on March 31, 2017, another request was made for sales data on drinks in order for consideration to be given for compensation for loss of drinks sales. This information was obtained during the week of April 4th, 2017.

5.1.4.1 Valuation Option 1

PAP # 2’s claim indicates sales in drinks total $700.00 per week. No supporting documentation was provided to verify this figure. The PCU used the following methodology as a means of verifying the claim of $700/ week:
1. Comparison with business owners who operate similar “road side” type, informal food and drink businesses to determine the percentage of patrons who purchase a bottled drink with purchase of food. Due to the set-up of such informal food vendors, there is often limited seating and some customers purchase dinners/food to go.

2. Research on the mark up of bottled drinks was also done via interview with these business owners. The drinks sold are generally drinks that are purchased from the local brewery and bottling companies, and include beers, stouts, malts and sodas.

3. In the methodology and analysis used by PKF it was estimated that a total of 1200 servings of fried chicken and chips were sold per month (see details in Annex 7 – Independent Valuation). Knowing the estimated number of servings sold per month an estimation of the percentage of servings that are sold with drinks can be made. The estimated percentage of servings that are sold with drinks can be assumed based on research data collected from comparison of similar businesses.

4. From the estimated number of drinks that are sold through the fried chicken business, an estimation of the profit from drinks and figure for compensation for lost income on drinks related to the closure of the fried chicken business can be determined.

The Research and Analysis Process for Assessing Compensation for Losses in Drinks Sales for PAP#2

Two active food vendors with similar operations to PAP # 2 were interviewed. A third person, who operated a similar type business four years ago was also interviewed. These three individuals were questioned to determine what percentage of their customers purchase(d) drinks with food purchases. Research was also conducted to determine the profit/ mark-up on bottled drinks. The cost of drinks purchased from the brewery and other bottled beverage companies were obtained.

Food Vendor # 1

Food Vendor # 1 operates an informal food business three days a week on evenings (Wednesdays, Fridays and Saturdays) and sells grilled fish, grilled conch and fish burgers. She sells cold bottled drinks, which include sodas, malts, Guinness Stouts and beers. There is limited seating available for customers and many customers will purchase food and drink to go. Food Vendor # 1, based on her knowledge and observation, estimated that about 50% of the persons who purchase food also purchase a drink. Two patrons, who spend long periods at the venue, were also interviewed and they each estimated the amount to be 50% and 60% respectively.
Food Vendor # 2

This is an informal business woman who sells burgers, BBQ, souse and bottled drinks on Friday evenings. The type of drinks sold is identical to those sold by vendor # 1. This vendor advised that an estimated 70% of persons who purchase food will buy a drink.

Food Vendor # 3

This was a former food vendor that operated a fried chicken and fried bake business on Friday evenings four (4) years ago. She also sold fish broth and fried fish, along with bottled drinks, which were similar in type to those described above. She estimated that about 60% of persons that purchased food also bought a drink.

Mark up on Drinks and Typical Sales Price

Bottled drinks, purchased from small bars, shops, restaurants and informal businesses like that of PAP # 2, typically cost between $4.00 for sodas to $5.00 for malts, beers, and other similar type beverages. PCU also contact the owner of a small bar to enquire on the mark-up on drinks sold at his establishment. In addition to providing verification on the cost of drinks purchased from the bottling and brewery companies, he advised that the mark-up is 100%.

Cost of Bottled Drinks

The cost of a case of drinks purchased from the bottling companies and brewery are as follows:

<table>
<thead>
<tr>
<th>Description of Drink- 24 Drinks per Case</th>
<th>Purchase Price Per Case</th>
<th>Purchase Price per Drink</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malt</td>
<td>$55.00</td>
<td>$2.29</td>
</tr>
<tr>
<td>Beer- Carib and Stag brands</td>
<td>$55.00</td>
<td>$2.29</td>
</tr>
<tr>
<td>Guiness/Mackeson Stouts</td>
<td>$55.00</td>
<td>$2.29</td>
</tr>
<tr>
<td>Shandy, Ting</td>
<td>$45.00</td>
<td>$1.88</td>
</tr>
</tbody>
</table>

The Analysis

Based on PKF’s methodology and analysis it was estimated that about 1200 servings of fried chicken and chips are sold per month. Based on the estimated percentages of persons buying drink with food, the average percentage was calculated to be:

\[(50 + 50 + 60 + 70 + 60) ÷ 5 = 58\%\]

It was therefore estimated that 58% of the 1200 servings of food served per month was sold with a drink:
We can therefore assume that about 696 servings of food per months are sold with at least one bottle drink.

Using an average profit/ mark-up of $2.30 per drink (100% of purchase price) the estimated average profit made on drinks sold through the chicken fry business per month is = 696 x 2.3 = $1,600.00.

This amount represents 57% of PAP #2’s total monthly drink profits, based on PAP # 2’s $2,800 monthly income from drinks.

5.1.4.2 Valuation Option 2

A second methodology was considered to determine the amount of income earned from the sales of drinks linked to the sale of the fried chicken business. A percentage of the drinks sold was considered.

PAP # 2’ Fried Chicken Business is opened for an average of seven (7) hours per day, which is about 50% of the time that the grocery shop is opened. The Grocery shop remains open until the Chicken Fried Business is closed. While there is no data to verify how much of the drink sale is related to the Grocery Business during the fried chicken operation, a 50% split is considered reasonable.

Given that income from sales of drinks is $2,800.00 per month as claimed by PAP # 2, and given that the fried chicken business operates on average 50% of the time the grocery is opened, the assumption of a 50% split in sales is applied. This gives an amount of $1,400.00 per month for income earned from sale of drinks to patrons of the Fried Chicken business.

The PCU selected and offered to PAP#2 valuation option 2 of $1400 for compensation for loss of income on drink sales.

5.1.3 PAP # 3

PAP # 3’s compensation for income loss during the construction period is calculated based on income figures received from PAP # 2. The compensation is based on the weekly wage received from PAP #2 for working in the fried chicken business. PAP #3 received $1,500 and PAP#3’s two children receive $400 and $300 each per week, giving a total of $2,200.00 per month.

The PCU considered these figures reasonable and acceptable considering that PAP # 2 has prior knowledge of these figures and no negative reaction was given.
Table 4: Summary of the results of the valuation for monetary compensation

<table>
<thead>
<tr>
<th>Persons Affect by the Project (PAP)</th>
<th>Compensation amount Requested by PAP/ XCD</th>
<th>Compensation Recommended by PKF/ XCD</th>
<th>Compensation Recommended by Audit Department/ XCD</th>
<th>Total Compensation offered by the GoG</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAP # 1</td>
<td>$1,000/ month</td>
<td>$1,000/month</td>
<td>$1,142.86/month</td>
<td>$7,600 for 7 months</td>
<td>Value of stock at closing is estimated to be $600,00 is included in the compensation package offered. The total amount of compensation does not include rental for lease of land since the Anglican Church authorities have waived lease payment for the entire duration of the construction activities.</td>
</tr>
<tr>
<td>PAP # 2</td>
<td>$8,000 /month $2,000/month</td>
<td>$5,000 to $6,000 / month</td>
<td>$3,000 / month</td>
<td>($6,400.00 minus $2,200) / month or ($44,800 minus $15,400) for seven month construction period$</td>
<td>This is based on the valuation done by PKF for the Fried chicken business ($5,000 per month was offered) and calculation presented above for value of impact on drinks sales ($1,400.00). See section 5.1.4.2</td>
</tr>
<tr>
<td>PAP # 3</td>
<td>$2,200 per month</td>
<td>N/A</td>
<td>N/A</td>
<td>$2,200.00 per month or $15,400 for 7 months</td>
<td>To be deducted from the compensation package offered to Pap #2.</td>
</tr>
</tbody>
</table>

5.2 Acceptance of Selected Monetary Compensation Packages

2 The compensation amount was requested prior to PAP # 3 being considered as a separate PAP. The amount requested is inclusive of any amount to be compensated to PAP # 3. Valuations done by PKF and Audit Department did not consider PAP # 3’s compensation separately.

3 Compensation for lost income for PAP3 will be deducted from the compensation package for PAP2 given that the valuation of PAP2’s business calculated income prior to expenditure on employee income.
Following completion of the valuation exercise, monetary compensation packages were offered to each PAP. Details of each PAP’s decision on the offer made are outlined below:

PAP # 1

The offer of XCD$7,600.00 for seven months was accepted by PAP # 1, and confirmed via a signed agreement. This amount will be paid to PAP1 prior to the dismantling of the affected assets to accommodate construction. It was further agreed that additional monies will be paid to the PAP, should the project extend beyond the seven-month period (see Table 5, Resettlement Entitlement Matrix as well as annex 8 for signed agreement for details).

PAP # 2

The offer of XCD$29,400 for the seven-month construction period was not accepted by this PAP, and therefore a settlement on monetary compensation was not reached. The amount offered includes compensation for loss of drinks sales that are associated with the chicken fried business. PAP# 2 declined to sign any other agreements related to: a) the reinstatement of the PAP’s physical structures (roof section and external concrete floor) by the GoG during the construction works; b) notification by the Contractor of at least 24 hours prior to using vibrating and noisy equipment; c) the taking of all necessary measures to avoid damage to the foundation and building structures owned by PAP # 2; and d) the agreement by the GoG to compensate PAP# 2, additionally if the construction period has to be extended beyond seven months. See Resettlement Entitlement Matrix and annex 8 for draft agreement for more details.

On failing to reach an agreement with PAP # 2, a letter (see annex 10) was issued to the PAP outlining the necessary actions and commitments of the GoG and the Contractor in the execution of the project. The letter explained that an escrow account at a commercial bank had been opened, and that funds are available for payment to the PAP should there be a change in decision. An Agreement of Acceptance of the monetary compensation package has been prepared for signing by PAP # 2. The letter further reminded the PAP that a grievance redress mechanism is in place through which a claim or complaint can be submitted if there is continued dissatisfaction of the offer made by the GoG. The PAP can also seek redress through the Ombudsman Office or Judicial System.

PAP # 3

The offer of XCD$15,400.00 for the seven month construction period was accepted by PAP # 3. This amount will be paid to PAP3 prior to the closure of the chicken fry business to accommodate
construction. This was confirmed via a signed agreement that also stated that additional monies will be paid to the PAP, should the project extend beyond the seven months. See annex 8 for signed agreement for details.

5.3 Resettlement Entitlement Matrix

With this Sub Project two (2) self-employed small business owners and a total of nine (9) individuals from three (3) households will be affected. The Resettlement Entitlement Matrix Table below shows the compensation and assistance measures for each PAP household in relation to this project.

Table 5: Resettlement Entitlement Matrix

<table>
<thead>
<tr>
<th>#</th>
<th>Affected Population/Entity</th>
<th>Project Impact</th>
<th>Compensation Package Agreed with PAP</th>
<th>Other Measures Agreed with PAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PAP # 1. A self-employed fruits and vegetables vendor. There is one additional household member.</td>
<td>Temporary loss of income during the construction work (seven months), due to closure of vegetable stall.</td>
<td>Monetary compensation for value of income during the duration of construction works (7 months). The valuation (See Annex 7) for the loss of income is based on estimate of business profit mark-up on the cost of goods purchased plus the value of the stock at closure of the stall. PAP #1 has agreed to EC$1000.00 in monthly compensation, or EC$7000.00 for a total of 7 months’ closure + value of goods at closure for the vegetable shop (EC$600.00). Total compensation package is EC$7,600.00.</td>
<td>PAP agreed to return to previous position after construction of the new bridge. There will be adequate available space. The Social Specialist has already spoken to the Anglican Church (the land owner), which agrees since the PAP is already leasing on a yearly basis. Additionally, assistance will be provided to disconnect utilities, and remove and transport vegetable stall to premises of the Anglican Church, which is located approximately 300 meters from project site. On completion of the works, the stall will be relocated to (or near to) its original location and utilities reconnected. The Agreement for compensation for loss of income also makes provision</td>
</tr>
<tr>
<td>2</td>
<td>PAP # 2 A self-employed 55 year old grocery owner and fried chicken seller and two additional household members</td>
<td>Temporary loss of income from fried chicken business during the construction period (seven months) This will be due to demolition of section of physical structure that houses fried chicken business.</td>
<td>PAP#2 will receive compensation for loss of income from the chicken and chips business for duration of construction works (7 months) An amount of ECS4,200.00 per month or a total ECS29,400.00 for the seven-month period was offered to PAP #2 for income compensation for closure of the Fried Chicken business. To date this offer was not accepted by PAP # 2. During consultation on May 12, 2017 (see Annex 5) PAP # 2 declined to sign any agreement regarding compensation or otherwise.</td>
<td>Other measures offered to and refused by PAP#2: A protective barrier to be erected by the contractor to allow safe access to the Grocery Business. The Contractor, as part of its demolition activities on the construction site will remove a portion of the roof overhang structure that houses the fried chicken operations, along with a portion of the external concrete floor structure that is in the way of construction activities. The external concrete floor and roof portion will be reinstated and replaced by the contractor during the construction of the bridge. An agreement of acceptance of the monetary compensation package, along with the following listed items has been drafted for signing by PAP # 2: a) the reinstatement of the PAP’s physical structures (roof section and external concrete floor) by the GoG for notifying and compensating the PAP if the period of construction is longer. Such as: (i) either calling / visiting the PAP to notify of extension as soon as PCU is made aware; (ii) if such an extension should occur, additional compensation shall be paid on a weekly or monthly basis for the period of extended construction and must be paid prior to the beginning of that extension period of construction.</td>
</tr>
<tr>
<td></td>
<td>PAP # 3. A 52-year-old female who is an employee and partner of the fried chicken business. The household consists of three additional persons, two of whom work in the Fried Chicken business.</td>
<td>Temporary loss of income from fried chicken business during the construction period (seven months). This will be due to demolition of section of physical structure that houses fried chicken business.</td>
<td>PAP #3 will receive compensation for loss of income from employment in the fried chicken and chips business for duration of construction works. This will be comprised of the combined income that PAP #3 and her two children who receive from working in fried chicken business owned by PAP #2.</td>
<td>Payment of compensation will be made directly to PAP#3’s household. The draft Agreement for compensation for loss of income also makes provision for notifying and compensating the PAP if the period of construction is longer. Such as: (i) either during the construction works; b) notification by the Contractor of at least 24 hours prior to using vibrating and noisy equipment; c) the taking of all necessary measures to avoid damage to the foundation and building structures owned by PAP # 2; and d) notifying and compensating the PAP if the period of construction is longer. Such as: (i) either calling / visiting the PAP to notify of extension as soon as PCU is made aware; (ii) if such an extension should occur, additional compensation shall be paid on a weekly or monthly basis for the period of extended construction and must be paid prior to the beginning of that extension period of construction.</td>
</tr>
</tbody>
</table>
6.0 CONSULTATIONS WITH DISPLACED PEOPLE ABOUT ACCEPTED ALTERNATIVES

Consultations with displaced persons as well as public consultations and participation are essential features of the World Bank financed projects and are used as a platform for providing an opportunity to inform PAPs, project beneficiaries and other key stakeholders about the particular sub project, solicit their preferences and ensure their project buy-in. These consultations provide the PAPs with an opportunity to contribute to both the design and implementation of the resettlement activities.

Public and individual (PAPs) consultations under this project will be carried out on an ongoing basis throughout the entire project life cycle, particularly during the design and planning and construction phases. The public consultations for Lance Bridge Replacement will utilize different approaches and communication techniques, such as interviews, surveys and community discussions.

Between mid-June 2014 and February 2016, (8) eight individual consultations and meetings/discussions were held. The objective was to inform the community of the scope and objectives of the project as well as the likely social impacts. The residents were all made aware of the project through face to face meetings with the Social and Communication Specialist which took place on Saturday 15th and Sunday 16th, 2014. On each occasion information about the project was shared and concerns, comments and suggestions were raised. In the earlier consultations the PAPs expressed doubt that the bridge will actually be constructed, and were all concerned about being compensated if they are to be relocated during construction. Several community residents also took the opportunity to ask questions and raised their concerns. For the younger persons, males
in particular, the question of employment during construction was a burning issue, while at the same time expressing how happy they were about this long awaited project.

The final community town hall consultation prior to the start of construction work took place on 23rd March, 2016. In attendance were Government officials, PCU staff, the Project Consultant and Contractor, the Traffic Department of the Royal Grenada Police Force and community residents. The purpose of the meeting was to inform residents of the final designs of the bridge, the status of commencement of construction of the bridges and what will happen to facilitate same. The residents overwhelmingly wanted the sidewalks on the bridge which was built into the designs for safety of pedestrians.

On Tuesday November 1, 2016 a consultation was held at the business premises of PAP1 to discuss options for the safe keeping of her vegetable stall.

Further consultations were held on November 17, 2016 and February 14, 2017 to negotiate compensation package with PAP #2.

Most recently consultations were held on March 31, 2017 with PAPs #2 and #3 to clarify World Bank policy and processes involved in the settlement of compensation under OP 4.12. Consultations/negotiations on the compensation package were held on April 19th and May 12th, 2017 for PAP # 2. Minutes and notes on consultations are provided in Annex 5

7.0 INSTITUTIONAL FRAMEWORK AND ORGANIZATIONAL RESPONSIBILITIES

The PCU is responsible for the implementation of the RAP. The Social Development and Communication Specialist within the PCU is directly responsible for coordinating with relevant institutions and with guidance from the World Bank Social Development Specialist ensures compliance with the requirements of the RFP and OP/BP 4.12. The institutions that are involved in are:

The PCU – Overall coordination and monitoring
MOW - supervision of works
MOF – budget and compensation payment
Auditing Firm (PKF) – independent valuation of compensation package
Audit Department - independent valuation of compensation package
Design and Supervision Consultant- developed engineering work site plans that provided information on persons that will be affected by the project

**Table 6 INSTITUTIONAL RESPONSIBILITY FOR IMPLEMENTATION**

<table>
<thead>
<tr>
<th>Project Phase</th>
<th>Responsible Agency/Person</th>
<th>Mitigation Measures</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre -Construction</td>
<td>(Project Coordination Unit) PCU/ Social Development and Communication Specialist</td>
<td>Identify the affected persons, consult and advise them on their rights as per OP/BP 4.12 and to address their concerns, suggestions and comments.</td>
<td>Between mid-June, 2014 and May 2015 (6) six individual consultations were held with the PAPs on June 17th and November 19th 2014 and May 27th 2015. These discussions took place only in the PAPs presence at their premises. Consultations have been taking place with the respective PAPs before the RAP was finalized at the end of June 2017. Additional consultations will be ongoing pre, post and during the construction of the new bridge.</td>
</tr>
<tr>
<td>Pre- Construction</td>
<td>PCU/ Social Development and Communication Specialist</td>
<td>Follow up on site issues and matters related to any complaint/concerns from PAPs which may arise during the pre-construction phase of the project</td>
<td>To date the issue of the excavation being too close to the grocery shop entrance was resolved in November 2016 with re-design of bridge abutment</td>
</tr>
<tr>
<td>Pre-Construction</td>
<td>Ministry Communication and Works/ PCU/MOF</td>
<td>Pay agreed compensation packages to PAPs #1 and #3</td>
<td>Prior to the commencement of the construction- works on July 3, 2017</td>
</tr>
</tbody>
</table>
Deposit quantity of money offered as compensation to PAP #2 into an Escrow Account at a Commercial Bank and notify PAP. PAP also to be notified of GoG’s commitment to mitigation of structural damage to PAP’s building and other construction environmental and safety measures during construction. An agreement detailing compensation package and all mitigation measures was drafted. Letter informing PAP of Escrow Account, and mitigation measures was delivered to PAP on June 20, 2017. (see Annex 10)

As at June 29, no agreement was reached between PAP and GoG on monetary compensation package. Details will be provided by the PCU to PAP#2 on the steps of the GRM procedure for the Project.

| Pre-Construction | MOW/ Social Development and Communication Specialist / Project Engineer | Identify with PAP1 suitable safe keeping location area/site as agreed to by PAP1 to secure her stall. | New location on the compound of the Ministry of works for storing the stall was identified and agreed to with PAP1 on April 22, 2017 |
|——— | —— | —— | —— |
| During and Post Construction | MOW/PCU/ Social Development and Communication Specialist | (i) Consult with PAPs 1, 2, and 3 during construction to ensure that all commitments and agreements are being upheld as documented and no problems have arisen. (ii) Immediately following the completion of the sub project. The sub project is expected to be completed by January 2018 | —— |

**8.0 PROCEDURES FOR GRIEVANCE REDRESS**

A redress mechanism is necessary for addressing eligible concerns of affected individuals and groups who may consider themselves deprived of appropriate treatment under the project. Redress for grievances will be facilitated through the Grievance Appeal Committee.
8.1 Grievance Appeal Committee Roles

1. The Grievance Appeal Committee comprise the following persons:
   a. The Head of the Project Coordinating Unit Ministry of Finance
   b. The Head of the Physical Planning Unit Ministry of Works
   c. The Head of Lands Department Ministry of Community Development
   d. The Comptroller of Inland Revenue Department Ministry of Finance and
   e. The Social Development Specialist (RDVRP)

2. All Committee deliberations and decisions must be properly documented and preserved for records.

3. The Committee through the Social Development Specialist will receive and register all appeals and complaints by consulting with the complainant. The Committee will respond to all complaints with a rational justification describing the date by when the complaint will be responded to, the process with which the complaint will be considered and explaining the reason for the decision reached by the Committee.

4. The Appeals Committee will meet as required to review complains which have been received.

5. The Committee may call on witnesses, a facilitator or expert to provide additional information, testimony or opinion. These individuals act in an advisory capacity only and their input advice or opinion will not be binding on the Committee.

6. The Committee will consider each complaint on a case by case basis. The facts surrounding the particular complaint will be examined to determine whether the case constitutes a valid complaint, if a complaint is valid the Committee is required to find fair, timely and just solution to the claim.

7. All complaints and requests for information must be recorded and filed appropriately.

The Appeals committee will be chaired by the head of the Project Coordination Unit and therefore, the PCU will provide all the necessary support to enable the committee to assume its role including clerical work and budget support. The Committee must be based in a location that lends for easy access to PAPs and other persons who may raise any claims or complaints during the implementation of the project. This will ensure that the PAPs with their grievances are not placed in a disadvantaged position when their issues are discussed. Claims and complaints will be submitted to the Committee for thorough assessment and further required actions. The maximum time to solve a grievance or complaint is three (3 months).
Table 6: Grievance Redress Procedures

<table>
<thead>
<tr>
<th>Grievances from affected parties</th>
<th>• Grievances made verbally to the Social Development Specialist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access Point</td>
<td>• The PCU serves as the access point for grievances</td>
</tr>
</tbody>
</table>
| Grievance Log                    | • Grievances received verbally are documented, verified and signed by both parties.  
• Grievances will be copied to the relevant authority as defined in the Land Acquisition Act. |
| Assessment                       | • Grievances categorized by type. Determination of eligibility of grievance.  
• The first assessment of the grievance conducted by a Grievance Committee comprising persons drawn from the PCU and technical officers from the MOW and MOF.  
• Letters acknowledging grievance relating to resettlement issued by the PCU to the aggrieved persons.  
• The Social Development Specialist to provide assistance with dealing with conflict resolution and grievance. The Specialist will communicate all disputes and grievances to the PCU immediately when received. Should a dispute arise, the applicable Laws of Grenada will prevail. |
| Resolution and Follow-up         | • Development of Implementation Plan for resolution of grievances. |

9.0 MONITORING AND EVALUATION OF THE ARAP

The ARAP will be monitored and implemented by the PCU with the Social Development Specialist directly responsible for ensuring that OP/BP 4.12, the Bank and local safeguard on Involuntary Resettlement policies carried out.

Monitoring and evaluation will be a continuous process. The PCU will continuously record and review all temporary relocation/compensation activities. This will include discussing contents / outcomes of these reports in consultation meetings with stakeholders, minutes of which will be recorded.
### Table 7A: RESETTLEMENT TIME TABLE

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1qt</td>
<td>2qt</td>
<td>3qt</td>
<td>4qt</td>
<td>1qt</td>
</tr>
</tbody>
</table>

**Description of Task/Action**

- Inform affected persons
- Conduct of Census Surveys
- Public Consultations
- Development, finalization and disclosure of RAP
- Proposal of compensation/relocation options
- Mobilization and preparation by-pass facilities
- Compensation and relocation
- Reconstruction of Lance Bridge
- Re-instatement of PAP # 1’s Vegetable stall
- Re-instatement of PAP # 2’s roof and concrete structures
Table 7B: RESETTLEMENT BUDGET

Cost estimate for the Lance Bridge Replacement Project for the Implementation of the RAP:

<table>
<thead>
<tr>
<th>Description</th>
<th>Total Cost XCD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of income</td>
<td></td>
</tr>
<tr>
<td>PAP 1</td>
<td>7,600.00</td>
</tr>
<tr>
<td>PAP 2</td>
<td>29,400.00</td>
</tr>
<tr>
<td>PAP 3</td>
<td>15,400.00</td>
</tr>
<tr>
<td>Moving PAP1 vegetable stall</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>52,400.00</td>
</tr>
</tbody>
</table>
11.0 ANNEXES
Annex 1. Location of PAP1 vending stall in relation to the Lance Bridge

Picture 1

Location of Vegetable Stall of PAP # 1 in relation to its proximity to the Lance Bridge
Picture 2

Vegetable Stall of PAP# 1

Limited area of work site can be seen
ANNEX: 2

Picture No. 1

Shop owned by PAP #2  Section of PAP #2’s shop structure that will be demolished
The yellow arrow indicates the extent of excavations and wingwall removal in vicinity of PAP # 2’s structures.
Picture No. 3

Section of PAP# 2’s structure used for Fried Chicken business to be demolished during construction works- External view
Internal view showing section and area of PAP # 2’s structure used for fried chicken business that will be demolished during construction- Wooden tables, counters can be seen.
13th April, 2015

Ms. Margaret Belfon
Project Co-ordinator
Project Co-ordinating Unit
Lagoon Road
ST. GEORGE’S

Dear Ms. Belfon:

I refer to your letter dated 26th March, 2015, addressed to Archdeacon Christian Glasgow, in which you sought among other things, permission to construct a temporary pedestrian bridge on lands owned by the Anglican Church at Gouyave, St. John’s.

I am to advise that the Incorporated Trustees of the Church of England in Grenada, at its meeting on 8th April, 2015, approved your request. The Trustees noted that the temporary bridge will be for the duration of the construction and expects that it will be demolished and the area cleared after the construction of the new bridge.

Please be guided accordingly.

Yours sincerely,

Lana McPhail
SECRETARY
Annex 4 PAP Census Survey Forms
Census/Socioeconomic Survey for Lance Bridge

November, 2014

Objective is to determine location, number, and types of persons and assets potentially affected

1. Business or Household? Business □ Household □

If Household please answer questions 2 to 9 and question 15 to 20
If Business please answer questions 10 to 14 and question 20

2. Name of head of household

3. Gender (Male or Female (tick one)) Male □ Female □

4. Address / Location on site

5. Contact numbers

6. Total number of household members

7. Any vulnerable household members (e.g. elderly, disabled).... Y/N....
   a. Who
   b. How vulnerable
   c. Special consideration

8. Household Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Age Group</th>
<th>Sex</th>
<th>Education Level</th>
<th>Source of Income</th>
<th>Estimate Monthly Income</th>
<th>Estimate the impacts of resettlement on incomes and living standards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(0-20)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(21-40)</td>
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<tr>
<td></td>
<td>(41-65)</td>
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<tr>
<td></td>
<td>66 and over</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9. Could the project lead to other impacts on yourself (and/or household members) beyond the impacts mentioned? Y/N. If yes, what other impacts (to yourself and your family) might result from the project?
Will the project affect your (or your household's) ability to perform daily activities? Y/N. If yes who will be impacted and how will they be impacted?
✓ Crops
  o Surface Area of cropped land
  o Inventory of Crops

<table>
<thead>
<tr>
<th>Crop/Trees</th>
<th>Surface Area/ Number</th>
<th>Value</th>
<th>Permanent/temporary (duration) impacts</th>
<th>Magnitude of loss (% of assets)</th>
<th>Livelihood impact?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

✓ Physical Structure (list each structure / type of structure/)

<table>
<thead>
<tr>
<th>Type of structure</th>
<th>Size of structure</th>
<th>Purpose/use</th>
<th>Value</th>
<th>Relocation?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
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</tr>
</tbody>
</table>

17. Other impacted assets (wells, livestock, equipment?)

18. Public infrastructure and social services that will be affected?

19. Will income/livelihood of household be affected by the project? Y/N
   — How?
   — Duration of impacts
   — Who will be impacted (household members)
   — Other?

20. Ownership status of land/property (criteria for eligibility)
   — Formal legal rights
   — No formal legal rights but have a claim
   — No recognizable legal right
Annex 5  Consultation Minutes

Consultation Held on 23rd March, 2016 at the Anglican School in Gouyave

Name of Sub Project: Lance Bridge Replacement Sub Project

The consultation started about 6:30 pm with prayer from one of the community residents. In attendance were the Design and Supervision Consultants, the Parliamentary Representative for the area and other permanent members of the Gouyave community, the Social Development and Communication Specialist, the Project Engineer, the Project Contractor, the Traffic Department of the Royal Grenada Police Force, the Project Consultant, the Portfolio Manager and other stakeholders and community residents.

The purpose of the consultation was to have community residents know what is entailed in the final designs. The project consultant gave a detailed overview of what will be taking place with both the Hubble and Lance bridges since both bridges were to be constructed by the same contractor.

The project contractor then set out to establish where his office will be located and how local community residence could register for work. He reiterated that preference will be given to the local skilled, semi-skilled and labourers. The starts date was established as well as a project completion date. The project contractor further apologized for the inconvenience that may be caused by the construction works to be undertaken for the duration of the sub project. Additionally, he made it known that no liming will be tolerated on the project site and that all workers will be fitted with safety gears to minimize the occurrence of any kind of injury.

The Social and Communication Specialist stressed the importance of resident asking their questions and expressing their concerns so that they can be address. He further thanked the participants for turning out in support of the meeting.

The Royal Grenada Police Force traffic department highlighted the by roads that will be used during the constructed during the building of the bridges. He again asked for the patience of commuters on the road way and that caution must be exhibited at all times when using the roads.

The parliamentary representative for the area thanked the government of Grenada and the World Bank for making this dream become a reality for the people of St. Johns.

The major question that was asked by the community residence was the availability of jobs.

The contractor responded by saying that initially he will only need a small amount of workers but as the project gets more intense more workers will be employed.

The meeting came to an end at approximately 8:10 pm.
CONSULTATION WITH PAP #1

Date: On Thursday November 1, 2016 at 10: am

Subject: Loss of livelihood and options for the secure storage of PAP1 vegetable stall.

Present: Social Development and Communication Specialist of the RDVRP, PAP1 and Father Head of the Anglican Church in the Parish St. John’s.

The consultation started at approximately 10:17 am with the Social Specialist thanking PAP1 for agreeing to meet and accommodating the meeting at her business premises. He further stressed that in keeping with the World Bank agreement and procedures this consultation is absolutely necessary and that the PAP’s participation is essential. Further, PAP1 was told that the minutes of what transpired during the meeting would be recorded for record of the local office (PCU) and by extension the Bank’s record.

The PAP was informed of the latest information concerning the Lance Bridge sub project which now requires the complete removal of her vegetable stall from the initial relocation area which was forty (40) feet away from its present location. Now the sub project requires the entire area as the project site.

Father, the head of the Anglican Church in St. John suggested the PAP’s relocation to an area about 200 meters away and opposite the St. John Anglican Primary School with a population of 600 students. To this suggestion PAP1 related that the line of her business is fruits, vegetables, onions, garlic, beers, citrus and others is not the kind of business that would resonate in a school environment. She further suggested that she would have to change her line of business which would put her at a significant disadvantage and more so when there are three other small businesses doing similar in the said environment. PAP1 believe that once she was forced to remove from her present spot and was not relocated to forty (40) feet away that her livelihood would be threatened.

The Social Specialist agreed that PAP1 would suffer loss of her livelihood and would have to be fully compensated for the entire period of the construction works (seven (7) months) prior to the start of construction works. PAP1 was also told that an independent third party would do the calculations to determine what her total compensation package would be like taking all of her sales into consideration.

PAP1 was also told that on or before November 23, 2016 she will have to vacate the vegetable stall to which she agreed.
Options for secure storage of vegetable stall.

The following were the options looked at with the PAP.

1. To store vegetable stall approximately eighty (80) feet away from its present location.

2. To store vegetable stall in the Ministry of Works compound, located about 300 meters away.

3. To store at a convenient location near to her home in Doctor Bell, Gouyave St. Johns.

4. To store vegetable stall on the premises of the Anglican Church approximately 400 meters away.

PAP1 chose option 4.

The PCU and the MOW will be responsible for the removal and securing of the PAP’s vegetable stall.

The PAP requested of Father Ballantyne to have the vegetable stall reinstated to the said location after the construction of the Lance Bridge. Father Ballantyne assured her that the request will be granted because the land belongs to the Anglican Church and that she is a good lessee. The meeting ended about 11:45 am.
Consultation with PAP#2

Purpose: To negotiate compensation package that was offered by the PCU
Date: Thursday 17th November, 2016
Location: At PAP’s residence Gouyave, St. John’s
Participants:

- Coordinator of PCU,
- Portfolio Manager (RVDRP), PCU
- Social Development and Communication Specialist (RDVRP), PCU

PAP # 2
Son of PAP # 2

The consultation started at approximately 1:30 pm. The Social Development Specialist welcomed all to the consultation and introduced the team from the PCU. He indicated that the consultation is being held to ensure that PAP is compensated for the identified adverse impacts on the operations of her business in a manner that is fair and advantageous to her. She was informed of PCU’s intention to negotiate compensation amount with her based on the proposal that was outlined in the document which was sent to her prior to the meeting.

The Portfolio Manager inquired whether or not the PAP had looked at the proposal from the PCU which was hand-delivered on Monday 14th November, 2016. The PAP admitted to receiving and studying the proposal (See attached document). The Portfolio Manager further inquired if PAP is in agreement with the proposal. The PAP responded that they were not in agreement with the proposal stating that the amount was not enough. The Portfolio Manager asked what amount of compensation the PAP had in mind. The PAP did not give an answer.

The Project Coordinator of the PCU intervened by urging the PAP to say what amount of compensation they have in mind as it will not be possible to determine what will satisfy her without her feedback. She expressed the view that the PCU in carrying out its duty would like to see a compensation settlement satisfactory to the PAP. Again, the Project Coordinator indicated that this can only be achieved by the PAP indicating what amount they have in mind. Again the PAP chose not to disclose a monetary value for compensation but instead wanted PCU to make “that satisfactory offer”.

Discussions deviated to matters concerning likely impact to structure of the buildings (grocery shop and residential home). PAP wanted to know who would be responsible if any structural damage was done to their buildings during construction activities. The PAP was informed that it will be the Government of Grenada. They also reminded PAP that there were previous
discussions on the same concerns now raised and PAP was already informed of measures that will be taken to allay the concerns. The PCU’s Project Coordinator informed PAP that an agreement would be drawn up between the PAP and the PCU/Government wherein PAP’s concerns would be documented and responsibility for carrying out various aspects of the agreement in the event of something going wrong will be stipulated.

In closing, PAP was asked one more time what amount of compensation they had in mind. Again there was no response from the PAP except that they were not satisfied with Government’s proposal. PAP provided some contact numbers and PCU team promised to follow-up with her concerning the compensation.

The consultation ended at 3:45 pm.
Consultation: PAP#2 HH affected by the Lance Bridge Rehabilitation Project.

Date: 13th February, 2017

Time: 10:30 am

Place: Fishery’s Conference Room, Gouyave St. John’s

Attendees’: PCU/Government was represented by Mrs. Margaret Belfon, Project Coordinator at the Project Coordination Unit (PCU); Mr. Eon Mars Social Development and Communication Specialist at the PCU and Mr. Richard Mc Phail Senior Technical Officer, Ministry of Works; and PAP was represented by Son of PAP.

Introduction

The Social Development Specialist welcomed all to the consultation and introduced the attendees. He stated the purpose of the meeting was to continue with negotiations on the compensation for the closure of the Fried Chicken Business. He indicated that the expected outcome would be to have an agreement on an amount of compensation that is fair to PAP.

The PCU’s Project Coordinator took the opportunity to recall that consultations with the PAP and the Project Coordination Unit (PCU) have been ongoing for quite some time and Pap was given a lot of time to say what offer will satisfy her. The Coordinator indicated and that it’s within the interest of all parties to come to a resolution on the compensation package to make way for the start of construction of the Lance Bridge.

Negotiation

The Senior Technical Officer of the Ministry of Works initiated the negotiation discussion and reiterate that the Government is prepared to compensate PAP # 2 for the loss of income that will arise for the temporary closure of PAP’s chicken and chips business while the Lance Bridge is being constructed. He stated an offer was already made which is XCD $35,000.00 and sought PAPs response. PAP # 2’s son did not make a counter-proposal but said he wanted some time to consider the offer made in consultation with his mother. He promised to do so within the next day and it was agreed that the Social Development Specialist will call him to find out if the offer was accepted or rejected and if rejected what will be the counter proposal.
Additionally, PAP # 2’s son raised a number of concerns relating the structural integrity of their building. The Senior Technical Officer assured the PAP that all aspects of impacts on the PAP’s business structures will be taken into consideration. It was agreed that the structural concerns will be highlighted in the form of an agreement that will be signed by the PAP and Government of Grenada. A draft document will be prepared and provide to PAP for review before finalizing for signing.

Finally, PAP # 2 agreed to provide the Social Development and Communication Specialist with a contact number of PAP # 3, who is employed with PAP # 2 in the fried chicken and chips business. PAP # 2 was informed that some information from PAP # 3 will be needed, in keeping with the World Bank’s requirements as PAP # 3 will also be affected by the project.

The consultation ended at 12:40 pm.
Consultation PAP # 2 and PAP#3

Date: 31 March, 2017

Purpose: To explain the procedure for handling resettlement claims

Present:

Portfolio Manager DVRP
Social Development and Communication Specialist RDVRP
PAP #2
PAP #2’s son
PAP # 3 – Employee of PAP #2

Location: PAP’s place of business at Gouyave, St. John’s

World Bank Resettlement Policy (Op 4.12) was explained by the Task Team’s Social Development Specialist. The following was highlighted:

1) That the Social Impact of the policy takes into consideration all PAPS affected by the project.
2) That the PCU is working with the Government to develop a fair compensation package.
3) That gathering information from the contractor, the consultant and the PAP are very important to the process of coming up with a fair compensation package.
4) That in November, 2016, during the visit by World Bank representatives, it was established that (a) the chicken fried business would be closed for the duration of the project (seven (7) months) and (b) the groceries business would not be affected.
5) All persons who are negatively impacted would have to be compensated including persons who depended upon the business.
6) Every household will be impacted separately and compensation will go directly to each person affected.

How compensation package are developed

Income and expenditure of the business will determine the compensation. This includes:

1. Income made from the business and what percentage of the income is affected.
2. Other costs which included (a) rent and (b) operation costs. Individual financial packages will be calculated and included in the ARAP, which will be publicly disclosed for transparency.

Grievance redress mechanism

A Grievance Redress Mechanism (GRM) will be put in place so that PAPs can have access to if redress is needed. All agreements would be placed in the ARAP and the PAP has a right to
accept or reject the compensation package. If the World Bank considers the offer to be fair but the PAP rejects the offer, an escrow account can be opened to deposit compensation amount. The PAP would then have the right to take the Government to court. Compensation would then be paid according to the outcome of the court case.

The PAP was encouraged to have open communication with the PCU on issues directly related to construction works during the construction phase of the project.

**Additional Information**

PAP # 2 provided information on income of PAP # 3. She stated that it varied from $\text{[redacted]}$ to $\text{[redacted]}$ ECD per month depending on the time of the year and the particular situation. Example slow month $\text{[redacted]}$; busy month $\text{[redacted]}$; extra busy month $\text{[redacted]}$; this includes fisherman birthday and carnival months.

**PAP Concern**

That all costing were not taken into account specially stating that alcoholic and non alcoholic beverages were not taken into consideration.

It was agreed that PAP would provide the relevant costing for the beverages to the Social Development and Communication Specialist in writing by Wednesday April 5, 2017 for the PCU to review. That all the necessary information for PAP # 3’s income from working with the business must be disclosed in a census survey also by the 5th April, 2017 to the Social Development and Communication Specialist. A finalized compensation package will be ready by April 17, 2017.

The consultation started at 12.15 pm concluded at approximately 3.10 pm.
Consultation with PAP#2

**Purpose:** Consult on Revised compensation package that included income from the sale of drinks

**Date:** April 19, 2017

**Location:** At PAP’s residence Gouyave, St. John’s

**Participants:**
- Margaret Belfon - Project Coordinator, PCU
- Eon Mars - Social Development and Communication Specialist (RDVRP)
- PAP #2 - Son of PAP #2

PAPs were informed that the additional data that they provided for relating to the income derived from the sale of drinks ($700.00) was considered. They were asked to consider the option whereby PCU would obtain the commitment of the contractor for its workers to purchases drinks from her business as a way of mitigating loss from that source of income when the Fried Chicken business is closed.

PAP was not interested in the suggestion pointing out that there were several shops in the vicinity that sold drinks.

PAP was further advised that the contractor was willing to enter into a formal agreement as an indication of commitment and support.

PAP #2’s son stated that based on his knowledge from what occurred during the construction of the Hubble Bridge, there were quite a few mobile vendors selling lunches in boxes and juices from baskets so that would not be a good option.

Ensuing conversation revealed that the figure for the income from drinks was that made weekly and not monthly. PAP even indicated that the purchases for the fried chicken inputs (chicken, chips and condiments etc.) were done weekly as well. At that point there was no further discussion on the compensation package and PAP was advised that this new information would be looked at. PAPs were informed of the importance of providing as much information as possible to avoid too many assumptions and that the intention is to be as fair and reasonable so that the PAP is not placed in a disadvantageous position.
The meeting ended with a promise to discuss the additional information that was gathered to the independent evaluator and to meet again with feedback.

**Consultation with PAP#2**

**Purpose:** Consult on Revised Compensation package that included income from the sale of drinks

**Date:** May 12th, 2017

**Time:** 4:30 p.m.

**Location:** At PAP’s residence Gouyave, St. John’s

**Participants:**
- Project Coordinator, PCU,
- Social Development and Communication Specialist (RDVRP)

PAPs were briefed on the feedback from the PKF regarding the frequency of purchases of inputs for the Fried Chicken business. PAP was informed that PKF feedback was that based on the invoices that were submitted, it had observed the intervals of purchases for the chicken and chips and that the frequency varied month to month. PKF’s methodology in the valuation process gave consideration to these variations. The offer of $35,000.00 for the sale of fried chicken and chips was again made.

In terms of the drinks, an offer of $1,400 per month was made which was presented as a 50% split between the Fried chicken business and the Grocery shop, that is, half of what PAP #2 claimed is made ($700.00 weekly or $2,800.00 per month).

PAP #2 asked about PAP #3’s share of the package. PAP #2 was informed that PAP #3’s share of the compensation package is the figure that was provided by her (PAP# 2).

PAP #2 was not satisfied with the compensation package and indicated her unwillingness to any agreement. She further stated that the GoG should “do what they have to do”.

The Project Coordinator expressed regrets for not being able to reach settlement but indicated that it is Government’s obligation to compensate her and would prefer to do so before the project starts. PAP #2 was also informed that she has the option to seek redress through a grievance mechanism and that the PCU will ensure that her case receives a fair hearing.
PAP was informed that the stalemate and her sentiments would be conveyed to the World Bank, and she agreed.

Annex 6 Grievance Form

GRIEVANCE FORM

Indicate the Nature of Grievance(s)
Name…………………………………………………………

1……………………………………………………………………………………
   Address…………………………………………

……………………………………………………………………………………
……………………………………………………..

2……………………………………………………………………………………
   Contact………………………………………..

……………………………………………………………………………………
Name of Sub Project

3……………………………………………………………………………………

……………………………………………………………………………………
Date and registration of grievance

4………………………………………………………………………………….
---

I agree that the duration of time to solve this grievance will be no longer than three (3) months unless the Grievance Appeal Committee sees otherwise.

I agree that the Grievance Appeal Committee is the final forum for decisions on any claim for compensation of any sort and that all decisions will be guided by the applicable laws.
I will abide by the ruling of the Appeal Committee on the outcome of the grievance/complain.

--------------------------------
Signature of Complaint Officer
--------------------------------
Signature of Agent
--------------------------------
Signature of Grievance Officer

OFFICIAL USE

The outcome of the claim is in favour of the complainant

The outcome of this claim is in favour of the defendant

The outcome of this claim requires further research

--------------------------------
Signature of Chairperson
28th October, 2016

[Name]

Project Accountant
Project Coordination Unit
Ministry of Finance

Dear [Name],

We refer to your request for our opinion regarding the reasonableness of compensation being sought from the Government of Grenada from two vendors due to the closure of their businesses while the Lance Bridge in Gouyave, St. John is being reconstructed over a seven-month period.

We set out below our opinion:

Vendor #1

Details:

This vendor runs a small wooden vegetable kiosk which is 8ft by 10ft by 6ft in size. The kiosk is situated on the northern end of the Lance Bridge.

The vendor is requesting compensation of $250.00 per week ($1,000 per month) for loss of earnings.

Estimation of net profit:

The value of the vendor's produce obtained by the Project Coordination Unit (PCU) in November 2014 was approximately $1,800.00. Since we were not provided with a recent value we will use the 2014 value in our calculations and apply an inflation rate of 3% for 2015 and 2016. This results in a current value of $1,910.00.

Assuming a 25% mark-up and a turn-over of these goods 3 times a month results in a net profit of $1,432 per month or $358 per week.

Recommendation:

Based on the above we are of the opinion that compensation of $250.00 per week is reasonable.
Vendor #2

Details:

This vendor runs a shop which is located adjacent to the southern entrance of the Lance Bridge. The shop sells dry goods, canned product and drinks. Fried chicken and potato chips are also sold on evenings outside of the shop.

The observed that sales at the shop during the day is minimum. Drinks sales however would probably increase in the evening as a result of the availability of fried chicken business. The shop will have to close for approximately three weeks while excavation is carried out nearby. It would be impractical however to continue the fried chicken business during the seven-month reconstruction period.

The vendor is requesting compensation of $8,000 per month for loss of earnings. He claims that his gross income is $16,000 per month.

Estimation of net profit:

Shop:

Since the Shop’s sales during the day are minimum we estimate that the net profit to be approximately $1,500.00 per month.

Recommendation:

We are of the opinion that compensation of approximately $1,100 for the three weeks the shop is closed would be reasonable.

Chicken business:

Purchases by the vendor from his main supplier of chicken wings (small amounts of drumsticks) and chips are as follows:

<table>
<thead>
<tr>
<th>Period</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2015</td>
<td>$3,397.22</td>
</tr>
<tr>
<td>January 2016</td>
<td>$3,217.15</td>
</tr>
<tr>
<td>June 2016</td>
<td>$813.08</td>
</tr>
<tr>
<td>August 2016</td>
<td>$6,044.05 (carnival season)</td>
</tr>
<tr>
<td>September 2016</td>
<td>$3,133.25</td>
</tr>
</tbody>
</table>
Project coordination Unit

Page three

The approximate unit cost of the items purchased along with overheads and other cost are as follows:

A 22lb bag of chips cost $65.44 – This is approximately 60 servings = $1.09 per serving
A 33lb of chicken wings cost $101.15 – This is approximately 100 wings = $1.01 per serving
Condiments and napkins
Overhead (gas, oil for frying, food boxes etc.) $1.20 per serving

Based on the above information and the selling prices provided by the vendor our estimation of his net profit per month is as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Selling price</th>
<th>Approx. Cost</th>
<th>Net profit</th>
<th>Approx. Avg Qty sold per day</th>
<th>Approx. Avg Qty sold per month</th>
<th>Net profit per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>One wing and chips</td>
<td>$8.00</td>
<td>$3.70</td>
<td>$4.30</td>
<td>20</td>
<td>600</td>
<td>$2,580.00</td>
</tr>
<tr>
<td>Two wings and chips</td>
<td>$10.00</td>
<td>$4.71</td>
<td>$5.29</td>
<td>20</td>
<td>600</td>
<td>$3,174.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$5,754.00</td>
</tr>
</tbody>
</table>

The above estimates that sales for a month will be approximately $10,800 with a net profit of $5,700.

Another analysis can be done from purchases made by the vendor. Our review of the purchases made in December 2015, January 2016 and September 2016 shows that approximately 2,000 pieces of chicken and 1,100 servings of chips were purchased per month.

The vendor's cost monthly will be:

\[
\begin{align*}
2,000 \text{ wings} \times \$1.01 &= \$2,020 \\
1,100 \text{ chips} \times \$1.09 &= \$1,199 \\
\text{Overheads} &= \$2,000 \\
\text{Total} &= \$5,219
\end{align*}
\]

Assuming a mark-up of 50% this will result in sales and a net profit of $10,500.00 and $5,250 respectively.
Recommendation:

Based on the above and presuming that the vendor worked seven days a week, we are of the opinion that a reasonable compensation for the loss of earnings from the sale of chicken and chips to be between $5,000 to $6,000 per month.

We hope that the foregoing will be of assistance to you.

If you require any further information please let us know.

Yours faithfully,

PKF

Accountants & business advisors

[Name]

AUDIT PARTNER
Advice re Compensation for Loss Asset and Sources of Income During the Reconstruction of the Lance Bridge in Gouyave, St. John's

BACKGROUND

Two small businesses are expected to suffer losses during the reconstruction of the Lance Bridge in Gouyave, St. John's. The reconstruction is expected to take place over a period of seven (7) months.

The first business is a small vegetable kiosk situated on the northern end of the Lance Bridge. The kiosk is about 8ft by 10ft in area, and the owner has advised that her revenues per week is on average EC$250.00. During the construction, this business will have to be closed and compensation is proposed for loss of sources of income.

The second business is a shop that sells dry goods, canned products and drinks. Fried chicken and potato chips are also sold on evening, and this is done on the outside of the shop building structure. It is expected that the fried chicken business will not be able to continue during the period of construction; however the shop will be able to continue business except for a maximum period of three weeks.

OBJECTIVE

To determine the financial impact of temporary loss of income due to temporary closure of each business during the period of reconstruction and to provide advice for compensation at full replacement cost for loss of income due to the construction.

METHODOLOGY

- Interviewed persons with fried chicken and vegetable businesses;
- Observation of the businesses (this was limited because of the short reporting timeline); and
- Calculations based on review of data presented, estimated sales and cost of sales

(Note) My advice is a result of the above method and not expert knowledge.

FINANCIAL IMPACT

First Business

The estimates presented are reasonable based on my assessment however the value of the stock of vegetable on hand at the date of the temporary closure of business should be taken into consideration in the compensation package in terms of the following formula: (average monthly income x duration of construction) plus value of stock on hand at the date of closure. This equates to ECD 7000 + value of stock.

Second Business
Advice re Compensation for Loss Asset and Sources of Income During the Reconstruction of the Lance Bridge in Gouyave, St. John’s

Fried chicken and chips sold daily by Ms. Ruby Francis assisted by her daughter.

I have confirmed the following prices:

1 Drumstick $4.00
2 wings and chips $10.00
1 wing and chips $8.00
Fries only $6.00
1 wing only $2.50

I have concluded that a fair estimate of the cost inputs based on the cost of raw material, utilities and labour is 50% of the sales.

Based on my observations on Saturday 29 October, sales were brisk and went up to 10pm; however fact that it was a month’s end has to be taken into consideration.

Considering all factors I have estimated sales to average $1,400 per week or $6,000 per month.

Compensation based on loss of income should be: monthly sales-less inputs x construction period = (6,000 – 3000) x 7 = 21,000

Third business:

Small shop which I am informed is owned by Ms. Marvis Charles (I was unable to confirm this information). I have estimates an income of $100 per day. Loss of income over a period of 3 weeks $2,100.00.

CONCLUSION:

I recommend Compensation packages as follows:

- First Business: ECD 8,000
- Second Business ECD 21,000
- Third business ECD 2,100

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ANNEX 8 - AGREEMENTS WITH PAPS AND PROOF OF PAYMENTS

FOR CONFIDENTIALITY PURPOSES THIS ANNEX IS IN PROJECT FILES
ANNEX 9  EVIDENCE OF ESCROW ACCOUNT

FOR CONFIDENTIALITY PURPOSES THIS ANNEX IS IN PROJECT FILES
Annex 10 - LETTER TO PAP # 2

FOR CONFIDENTIALITY PURPOSES THIS ANNEX IS IN PROJECT FILES