



**GOVERNMENT OF GRENADA**

**DISASTER VULNERABILITY REDUCTION PROJECT**

**RESETTLEMENT  
POLICY  
FRAMEWORK (RPF)**

April 2011

Updated February 2015 (Additional Financing)

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## **LIST OF ACRONYMS / ABBREVIATIONS**

AF – Additional Financing

DVRP – Disaster Vulnerability Reduction Project

MOEHRD – Ministry of Education and Human Resource Development

MOF – Ministry of Finance

MOHLCD – Ministry of Housing, Lands and Community Development

MOW – Ministry of Works

PAP – Project Affected Person

PCU – Project Coordinating Unit

PSC – Project Steering Committee

RPF – Resettlement Policy Framework

SA – Social Assessment

WB – World Bank

## **LIST OF TABLES**

1. Table 1: Project Sites Possibly Triggering OP/BP 4.12 by Category and Numbers Affected

## **LIST OF RELEVANT LEGISLATIONS**

1. Land Acquisition Act (CAP 159): An Act to authorize the acquisition of land for public purposes [6<sup>th</sup> October 1945]
2. Land Settlement Act (CAP 161): An Act to provide for the establishment and location of small holdings and for other purposes [30<sup>th</sup> December 1933]
3. Crown Lands Act (CAP 73): An Act relating to Crown Lands [2<sup>nd</sup> November, 1896]

## Government of Grenada/World Bank Disaster Vulnerability Reduction Project (WB-GOG DVRP)

### Resettlement Policy Framework (RPF) - Rationale

This Resettlement Policy Framework is an instrument which derives from the World Bank's Involuntary<sup>1</sup> Resettlement Policy (OP 4.12). OP 4.12 and covers direct economic and social impacts that both result from Bank-assisted investment projects and are caused by:

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

During project preparation of the Regional Disaster Vulnerability Project (RDVRP) it was determined that proposed project activities would likely lead to the involuntary acquisition of land. As a result the Involuntary Resettlement Safeguard was triggered and an RPF prepared. The original RPF was disclosed in April 2011 prior to the appraisal of the DVRP.

This updated document reflects an Additional Financing (AF) of **8.80 (USD Million)**. The AF would permit the completion of priority investments for flood protection and improved drainage in urban areas begun under the DVRP and the project development objectives (PDO) of the AF remain the same as the original DVRP project. As such this RPF is valid for all activities under this project both original DVRP investments as well as those under the additional financing

### **Resettlement Policy Framework Policy Objectives**

1. Involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out. For these reasons, the overall objectives of the Bank's (OP/4.12 policy on involuntary resettlement is the following:
  - (a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.
  - (b) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons<sup>2</sup> should be meaningfully consulted and should

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<sup>1</sup> Involuntary means "actions that may be taken without the displaced person's informed consent or power of choice"

have opportunities to participate in planning and implementing resettlement programs.

- (c) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.
2. This policy applies to all components of the project that result in involuntary resettlement, regardless of the source of financing. It also applies to other activities resulting in involuntary resettlement that in the judgment of the Bank are (a) directly and significantly related to the Bank-assisted project, (b) necessary to achieve its objectives as set forth in the project documents; and (c) carried out, or planned to be carried out, contemporaneously with the project.

## 1. GENERAL BACKGROUND

Grenada is among the most disaster-prone countries in the world, regularly suffering disasters related to natural events such as hurricanes (Ivan 2004 and Emily 2005 being particularly devastating), landslides, rain and drought. These hazards have caused significant and recurrent damages to national infrastructure including housing, road networks, schools, hospitals and other facilities such as phone lines, water and electricity. The resulting impacts significantly affect human welfare, national economic activities, property, and natural resources.

### 1.1. Description of Original Project: Grenada Disaster Vulnerability Reduction Project (2011)

The project aims to reduce vulnerability of human and physical assets to natural hazards. It entails a range of civil works which would consist of new construction and rehabilitation of existing infrastructure in order to reduce their vulnerability to natural hazards and climate change. The investments include a suite of civil works activities designed to improve resilience to disaster events and adapt to impacts relating to climate change

The original Project consists of four (4) Components:

***Component 1 - Prevention and Adaptation Investments.*** This component includes a broad set of investments, such as drainage improvement measures, improved water storage capacity, risk reduction, rehabilitation of critical infrastructure bridges, and some roads), retrofitting of critical public buildings (including schools and health centres), investments in satellite emergency centres, etc. Civil works will be built to internationally recognized standards for hazard and climate resilience.

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2 . The term "displaced persons" refers to persons who are affected in any of the ways described in Para 3 of Appendix 2. Also, see appendix 2 for meaning of "social impacts", "investment projects", "taking of land", "involuntary restriction of access" among other key terms, concepts and statements

For the purpose of the RFP this component focuses on eight (8) sub-components as described above such as Rock Falls, Land Slips and Flooding and how natural weather phenomenon such as prolonged rainfall, harsh dry seasons or hurricanes induce occurrence of these hazards and their potential devastating effects on human and physical assets.

(i) Water Security: severe water storage capacity limitations exist and affect significant populations in the capital city of the town of St. George's, South East St. George and the rural town of Victoria especially during harsh 'dry seasons'. This results in drought-like conditions which causes water sources to run low, hence water shortage; and in 'rain season' resulting in 'siltation' in the water supply thus making the water unsafe until supply systems are cleaned hence water shortages. Shortages also result from damage to water mains and other water distribution infrastructure during storms and hurricanes causing disruption in potable supply for prolonged periods.

(ii) Community Infrastructure: Residents squatting on crown lands in the Mt. Pandy area of South St. George were relocated to rocky, hilly terrain in La Sagesse, St. David's and Beausejour, in North West St. George, where preparation for the relocation could be said to have begun in 2006, continued throughout 2007 and culminating with all residents relocated by the end of 2008. Residents were essentially given tenuous housing with no infrastructure such as roads, embankment walls and drains in their new locations. They are thus vulnerable to damage to housing foundation during heavy rainfall which may cause land slippage, landslides and stone movement while unable to receive immediate emergency services because of absence of motorable roads.

(iii) Public Accommodation for the Elderly: the Cadrona Home in rural St. Andrew's and Hills View home in rural St. John's are at different levels of physical vulnerability to natural hazards, with Hills View requiring structural assessment to maintain and preserve its stability while Cadrona home may eventually be regarded as unsafe to continue accommodating residents because of the state of disrepair of sections of the facility, including malfunction of its electrical and plumbing systems.

(iv) Physical and Locational 'at-risk' Schools: Holy Cross RC and St. Patricks Anglican Primary Schools present various states of disrepair and inadequacies which are potentially exacerbated by natural hazards. Holy Cross RC is housed in a small wooden structure incapable of resisting natural hazards or properly housing the small school population hence utilizes alternative adjoining accommodation (RC Church Parish Hall) which is in various states of disrepair and which occasionally is used by the community and ultimately must return to communal uses. St. Patrick's Anglican school is in various states of physical vulnerability and subject to leaking roof among other risks.

(v) Communities/Businesses/Public Services in flood zones / flood prone areas:

Families, businesses and public service institutions are located in areas that are prone to flooding which causes damage to residential and commercial property, inaccessibility to properties for owners, operators and businesses by customers, traffic and other service delivery disruptions in

River Road (St. John's River) in the Town of St. George's, Morne Rouge and Dusty Highway in South St. George.

(vi) Road Networks and Commuters : land slips on Gouyave Estate, River Road and Constantine main roads result in gradual loss of road surface area over time. Such loss can often be rapid during heavy or prolonged rain season or hurricanes. Land slips also results in traffic diversions, delays and commuting over longer distances because of diversions. Land slips may also induce vehicle accidents as drivers try to navigate away from land slip edges... Rock falls from unstable hillsides in the town of St. George's, Brizan and Grand Anse Housing Scheme pose danger, injury or death to individuals and damage to property (vehicles and homes).

(vii) Bridges: aged single lane bridges in Gouyave and Gouyave Estate in St. John's are increasingly unsafe. Heavy rainfall have destroyed bridge foundations on the Hubble Bridge in Gouyave Estate which has been closed to vehicular traffic for several years while the Lance Bridge is aged and deteriorating. Its size and design was never adequate for residents, pedestrians and commuters on the busy thoroughfare that is the Western Main Road passing through the Lance in Gouyave. It is also increasingly vulnerable to damage during hurricanes.

***Component 2 - Regional Platforms for Hazard and Risk Evaluation, and Applications for Improved Decision making and Building Practices.*** The program would support regional efforts in the Eastern Caribbean to build capacity to conduct assessment of natural risks and integrate such knowledge into policy- and decision-making for development investments, disaster risk mitigation, climate change adaptation and disaster response planning across sectors. Activities to be financed include studies required for the development of works packages such as hydrologic/hydraulic studies, geotechnical studies, and associated pre-engineering and engineering supervision activities required to support engineering design and safeguard compliance

***Component 3 – Emergency Response Contingent Credit.*** Following an adverse natural event, or immediately before the occurrence of an adverse natural event - and subject to a declaration of a national emergency in accordance with national law – the GoG may request the World Bank to re-categorize financing or add contingent financing to cover early recovery and rehabilitation costs. In the event of an emergency, the contingent component would be implemented following the rapid response procedures governed by OP/BP 8.00.

***Component 4 - Project Management and Implementation Support.*** Activities under this component relate to the institutional support and capacity development for project management and implementation. Activities include training, staffing, and development activities associated with project execution, such as consulting services and engineering support. The activities under this component do not have specific or direct impacts on populations but are critical to the implementation of the project.

***Component 1*** has direct impacts from physical works at the following sites in Table 1 below, which may give rise to possible resettlement (viz.; Lance Bridge Replacement) and possible compensation for small amounts of land acquisition or small portions of property loss (all other sites in Table 1) in accordance with 'Policy Objectives' 1 and 2 above or by application of 'Impacts Covered' and 'Required Measures' as stated in Appendix 2 extracted from OP/BP/4.12).

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**Table 1: Project Sites Possibly Triggering OP/BP 4.12 by Category and Numbers Affected**

<b>PROJECT SITE</b>	<b>CATEGORY OF PEOPLE AFFECTED</b>	<b>EST. NO. AFFECTED</b>	<b>LAND OWNERSHIP</b>	<b>COMMENTS</b>
<b>Lance Bridge Replacement</b>	Business owners / operators	2	Private (Church)	It is likely that at least one business owner will have to be permanently relocated (based on bridge design) and will be assisted with relocation costs.
<b>Hubble Bridge Replacement</b>	Business owner	4	Private	No land acquisition is required. A temporary pedestrian bypass during bridge replacement works will be required.
<b>Chemin Valley Generator House and Reservoir</b>	Land lord / Land owner (same individual)	7	Private (Residential)	Land lord and other tenants' lives on property. Issue surrounds sale of land to construct reservoir was done according to the Bank's policy and subsequently approved by the Bank. The land was purchased from the landowner/property owner who was fully compensated for the land at market value prior to handing over deed to new land owners.
<b>Constantine Land Slip</b>	Farmer/s, Vehicle Owners Pedestrians	Several thousand commuting across the Island	Private	Only one business owner will be directly affected by this project. Arrangements are in place to permanently relocate the business owner to a primary tourists' location where every likelihood of increased income for the owner can be expected. There is a possibility of temporary occupation which would be dealt with according to the Bank's policy. While Constantine main road might be off limits for vehicle and pedestrian traffic for a period approximately five months, alternative arrangements are in place to accommodate the many thousand commuting across the Island through a bypass road which is only about one mile longer.
<b>St. John's River Flooding Mitigation – River Road</b>	Business owners / operators Roadside Vendors	Relocation of seven (7) businesses and the possible acquisition of approximately 3,000 sq ft of lands A total of about 160 persons will be affected. Some relocation is in the process of being finalized and property modifications is likely to affect one property owners	Private (Business and Residential) Government	Lands near or on the river bank belongs to the government. Only a small amount of land acquisition and property modifications will take place guided by the Bank's policy for which prompt compensation will have to be paid to the property owners.
<b>Sendal Tunnel Rock Fall</b>	Residents / home owners/househol	While there will be no relocations /	Private (Business,	A range of businesses are located below the rock fall area. Some have built properties adjacent to or in boundary with a potential

PROJECT SITE	CATEGORY OF PEOPLE AFFECTED	EST. NO. AFFECTED	LAND OWNERSHIP	COMMENTS
<b>Mitigation</b>	Business owners / operators and pedestrian public	resettlement however, thousands of pedestrians and motor traffic will be severely affected	Residential, Church) Government	land slip on one side but on the other side over the tunnel exit and Bruce Street, commuters and pedestrians have no protection from rock fall. Consequently the tunnel will closed to all traffic during the construction phase (approx five months). Alternate arrangements have already been made with the traffic department of the Royal Grenada Police Force and Cabinet is also involved to allow for some changes in the road ordinance to facilitate this project. A joint PR campaign by the traffic department and the PCU is expected to commenced in February, 2015 to give the public the relevant information on the likely changes in the new traffic arrangements
<b>Beausejour Relocated Community Infrastructure vulnerability Mitigation</b>	Residents / home owners /households	27 home owners	Government and Private	Tenure issues are completed. Every home owner has their respective plot of land. The road infrastructure has already been established. There is expected to be no issue of encroachment. The Social Development Specialist with the DVRP is constantly monitoring the situation and is in constant contact with community residents to ensure that all their concerns are noted before , during and after construction
<b>La Sagesse Relocated Community Infrastructure Vulnerability Mitigation</b>	Residents / home owners /households	33 home owners	Government and Private	Tenure issues are completed. Every home owner has their respective plot of land. The road infrastructure has already been established. There is expected to be no issue of encroachment. Additionally, all other utilities are also available to community residents. The Social Development Specialist with the DVRP is constantly monitoring the situation and is in constant contact with community residents to ensure that all their concerns are noted before , during and after construction

## 1.2. Detailed Description of Modified or New Project Activities - Additional Financing

(January 2015)

### ***Component 1: Prevention and Adaptation Investments***

The proposed AF would support carrying out of selected infrastructure investments and related supporting studies, including: (a) works pre-engineering studies and design for drainage mitigation system in the Morne Rouge area; b) river defense systems; and c) investment in fiber optic upgrades to assist agencies with participating in a national data sharing platform (i.e. GeoNode, national hydro-met network) which will store, manage and disseminate large datasets required to incorporate climate information in planning, design and engineering activities.

This component would be used to scale up to increase the impact of RDVRP in terms of building disaster and climate resilience of the built infrastructure in the proposed Project locations. Specific sub-projects and activities identified under this component are summarized as follows:

<b>Activity</b>
Mourne Rouge drainage project pre-engineering studies and design
St Johns River Defense System
Fiber optic upgrades

### ***Mourne Rouge drainage project pre-engineering studies and design***

#### *Background.*

Flooding in the Morne Rouge area has now become an annual occurrence with each event increasing in severity due to increased local development and impacts from sea level rise. The flooding affects directly and indirectly, all but one of the major hotels located in the Grand Anse beach, one of Grenada’s most iconic tourist attractions, as well as the largest shopping mall on the island, other smaller businesses, the local police station, the largest multipurpose hall on the island, a youth centre, approximately 4 ha of Crown Land property and access to residential areas.

#### *Sub-project rationale*

Given the importance of tourism in the area of the Morne Rouge drainage system, interventions will pay particular attention to reducing recurrent flooding without damaging the coastal resources associated with Grand Anse Beach. Additionally, future development plans need to be taken into account to help ensure that interventions are not overcome by hydraulic changes provoked by future development.

#### *Proposed Investments*

Pre-engineering studies (including data collection) and design are expected to require, under a very optimistic scenario, 42 months for completion. The life of the additional financing project is 42 months. Estimated construction time is approximately 20 months hence the overall time required for this work is 5 years. This will go well beyond the completion date of the project. Therefore, in this context, only the pre-engineering study and engineering design will be commissioned under the project.

### ***St John’s River Defense System***

#### *Background.*

The subject area for this study is located just north of the city of St Georges, in the South-Western end of the island. The river, near its estuary, is traversed by the main highway

linking St Georges to the north of the island and critical communities such as Victoria, Gouyave and Marigot.

Extreme flood events within the project area that stakeholders note occurred in 1998, 2002, 2003, 2008 and 2011. The project area is vulnerable to regular flooding<sup>3</sup> from St Johns River, and the current standard of protection is low and below that acceptable for an urban area such as the River Road area, which includes residential and commercial properties as well as the national stadium of Grenada. The social impacts are particularly significant because in this area, the presence of three schools (primary, secondary, high schools hosting a total of 900 students) whose activities are disrupted by the floods. Impact on economic activities is equally important given the extent of development and the importance of River Road for commuting into the capital city. Furthermore, Queen's Park Power Station, operated by Grenada's electricity company GRENLEC, poses an additional flood risk to St Johns River. For this reason alone the consequences of major flooding could be devastating on a national scale, not only affecting the project area.

#### *Sub-project rationale.*

A 2006 flood hazard assessment for the entire country was done within the Grenada National Hazard Mitigation Plan. The assessment highlighted that flooding occurs along the St. John's River on the floodplain, with most vulnerable areas in the vicinity of two sharp bends and around the stadium by the Humpback Bridge, both of which flood even for a frequent 2-year rainfall return period. The assessment found that danger posed by flooding from the 2-year rainfall event generally is low to medium except around the Humpback Bridge where it is high. For the 5-year rainfall event, the danger increases with a substantial portion of the inundated area designated as high. For higher rainfall 10-year and the 25-year events, the assessment indicated that persons should avoid almost all of the inundated area as there is strong threat to life.

The frequency and effects of flooding are increasing and will continue to do so due to the effects of development in the catchment area, changes in land use, inadequacy of local infrastructure, and the ongoing impacts of climate change. Flooding in this area occurs annually, with expected annual damage estimated at EC\$0.7 million (US\$0.35 million)<sup>4</sup>. Changes resulting from natural disasters can similarly cause impact at a catchment scale, such as the effects of Hurricane Ivan.

#### *Sub-project beneficiaries*

Direct project beneficiaries will be 200 people who currently live in housing with significant flood risk with many more people in the local community suffering secondary

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3 During preparation, a consultation with community members living in the River Road area suggested that flood occur on average 2-3 times a year.

4 Source: Dessau Soprin International

effects of flooding. An estimated 40-50 residential buildings, shops and commercial properties line the River Road along the Project site, all of which are impacted by water during a flood event. Three (3) school facilities where more than 900 students are enrolled are located on the active floodplain with no formal warning of flood events. During major events floodwaters pose a flood risk to the Power Station and GRENLEC which produces electricity for Grenada. Due to the predicated effects of climate change and increasing flood risk from sea level rise and more significant river flooding, more than 200 properties could be at risk and both direct (property) and indirect damages will be greater due to property and infrastructure flooding as well as major disruption to the local community, businesses and traffic.

*Proposed Investments*

The intervention along the St Johns River project area involves river training works and protective measures using a combination of reinforced concrete retaining walls, realignment of the riverbed, and gabions walls. Whenever possible, complementary vegetative reinforcement will be used to increase resilience of the infrastructure. The flood mitigation works are designed to reduce flooding by improving river discharge capacity over a critical 1.65km section terminating at the coast.

Technical studies, including hydrological analysis and hydraulic modeling, site inspection and research of the previous flood studies have been completed. The Environmental Specialist reviewed the EIA and noted that it includes an assessment of baseline environmental conditions, and concurs that no impacts on biodiversity are expected to occur. The EIA also has developed an EMP with a very comprehensive set of mitigation measures for construction, which will be adopted and used in the project contracts.

***Component 2 – Regional Platforms for Hazard and Risk Evaluation, and Applications for Improved Decision making***

<b>Activity</b>
Hazard Data Development
Hydro-meteorological Infrastructure and Data Management
Watershed Analysis and Training for Flood and Drought Management
Forest Management Capacity Building

***(a) Hazard Data Development***

Under this activity the datasets represent the foundation for analyzing the physical environment of Grenada and form the basis for integrating climate analysis in the development process. They include: (i) the creation of LiDAR topography ortho-

photography and bathymetry digital datasets as well as watershed extraction; (ii) Scanning and rectification of historical ortho-photos (covering the past 30 years); (iii) large scale soils Survey and mapping; (iv) a land use/land cover GIS update; and (v) a GIS update of drinking water abstraction points and distribution network.

**(b) *Hydro-meteorological Infrastructure and Data Management***

Rainfall and flood response are variable across the country. Rainfall variation is highly local and varies with altitude and geographic exposure. Critical applications for these data include the establishment of early warning systems, short and medium term weather forecasting and surveillance of water borne diseases. Investments are designed to modernize the current rain and stream gauge network in order to improve field data resolution to capture and analyze the recurrence of short-term events to support the development of Intensity, Duration and Frequency curves to be used in engineering and planning. Together with the geospatial data developed, hydro-meteorological data provides the analytical input for hydraulic and hydrologic analysis. Investments in hydro-meteorological infrastructure and data management include inter-alia: (i) Hydrologic analysis and station optimization study; (ii) Hydromet Data management system; and (iii) Rain and stream gauge instrument network.

There is significant capacity, locally and especially regionally for meteorological analysis. Lacking is the ability to assess the orographic effect on Grenada's rainfall distribution with respect to intensity and duration. Local variability is substantial and significant and depends on the interaction of the landscape with weather systems. This behavior varies from watershed to watershed. The project is designed to provide data to calibrate and analyze watershed interactions accounting for orographic effect on a large (watershed) scale. As observations are recorded over time, these data will feed into engineering design and development planning, accounting for terrain and coastal exposure to prevailing conditions (windward – leeward, xeric/mesic regimes, etc.)

**(c) *Watershed Analysis and Training for Flood and Drought Management***

With the data systems in place, the final area of activity is to provide an initial analysis using data developed and provide training in the development of modeling activities designed to improve the scientific basis for decision making. Multiple agencies will be trained in the use of modeling software based on their individual interests and objectives for integrating improved science in the planning and engineering processes. Activities include inter-alia: (i) Watershed modeling – rainfall/runoff, erosion and sedimentation; (ii) Stream flow Modeling; (iii) Remote Sensing/GIS Training; and (iv) ERDAS Image Analysis Software.

**(d) *Forest Management Capacity Building***

Under this activity, the AF will contribute to one of the key outcome indicators of the Grenada Strategic Program for Climate resilience, namely the restoration and improvement of the national forest resources. Specifically, the project will fill critical knowledge gaps

and build capacity needed of the Grenada Forestry Department for planning and implementing reforestation and watershed rehabilitation programs in the future. This will include: (i) Basic data and analysis for forest management (soil map, forest cover and inventory); (ii) Nursery rehabilitation and procurement of equipment and supplies; (iii) Framework and guidance note on how to carry out sustainable reforestation programs; and (iv) Sub-regional collaboration with other forestry departments of Windward Islands (in particular, St. Lucia, St. Vincent and the Grenadines, Dominica).

#### **Component 4 – Project Management and Implementation Support**

For the two additional Project years, the AF would support strengthening and developing the institutional capacity for project management and improving the GoG's capacity to coordinate SPCR implementation. This will be accomplished through the provision of technical advisory services, training, operating costs and acquisition of goods. Project management and implementation support activities may include training and capacity building through participating in regional workshops and seminars. These activities are designed to: (i) improve capacity of the PCU and relevant government agencies in project management, implementation support, and coordination with other climate resilience investments in Grenada; (ii) improve capacity of the PCU and relevant government agencies to monitor the delivery of the SPCR (including climate resilience activities supported by other development partners), monitor and report on the PPCR core indicators, and generate knowledge for other participating countries.

### **1.3.Rationale for Preparation of the Resettlement Framework**

World Bank policy requires “screening” of all projects proposed for Bank financing to help ensure that they take social concerns into account with respect to adverse impacts on project affected people (PAP's) and to appropriately plan for and respond to these impacts, and thus improve decision making about resettlement, options, alternatives, participation of PAP's and compensation. In the process of project preparation, screening of all projects proposed concluded that under Operational Policy (OP) 4.12 (Involuntary Resettlement Policy) some project sites may involve land acquisition, loss of assets such as buildings, crops and other property of value such as trees and plants, property modification and physical resettlement of some persons / families. A Resettlement Framework therefore becomes necessary for the “Grenada Disaster Vulnerability Reduction Project (DVRP)” including activities proposed under the additional financing. This ensures that involuntary resettlement, which can have impoverishing effects on displaced persons, is fully addressed. The policy includes activities to address and mitigate these risks. This present document (Resettlement Framework Policy (RPF)) is the instrument to be used to guide the process of addressing adverse impacts which are likely to include land acquisition leading to displacement or partial or full loss of other assets and other property of PAPs. The RPF is to guide this process in accordance with policy objectives of OP 4.12 as outlined above.

#### **1.4. Objectives of the Resettlement Framework**

The purpose of the Resettlement Framework is to outline the principles for social impact mitigation on PAPs regarding compensation for partial, full or other loss of property, livelihood, relocation or resettlement. The framework is valid for all sub-project activities executed under the DVRP attracting World Bank (WB) financing and including other donor financing in the DVRP project sites outlined in Table 1 above, and in accordance with the WB Policy Objectives as stated in OP 4.12.

#### **1.5. Adverse Social Impacts**

The project aims to reduce vulnerability of human and physical assets to natural hazards. During project Implementation, project activities will have adverse social impacts. Adverse social impacts in accordance with OP/BP/4.12 (see appendix 2) refer to relocation or loss of shelter, loss of assets or access to assets and loss of income sources or means of livelihood. Such adverse social impacts are most likely to affect the families and businesses who may have to be permanently relocated from the location near or on the Lance Bridge in Gouyave (based on the design of the bridge), and who may have to find alternative income sources or access to livelihoods because their new location may not provide the same or equal opportunities for business (volume of customers / sales) as that currently enjoyed at the bridge location which is a main thoroughfare for vehicles and pedestrians. Adverse social impacts are also likely to come upon families who may be relocated from the near the Lance Bridge and who currently enjoys easy access to livelihood from fishing and fishing resources which is a dominant feature, culture and pattern of livelihood for many families in Gouyave and who may operate small vending and other small scale commercial activities from their homes / kitchens because of the ready supply of customers near the bridge. Attempts will be made to mitigate adverse impacts in parallel with project implementation; and where possible in the earliest stages of project implementation; and in other cases before Project implementation as required by OP 4.12 where resettlement PAPs are involved.

With the stated aim of the project to reduce vulnerability of human and physical assets to natural hazards, some activities will have to include temporary relocation of populations during rehabilitations of schools and homes for the elderly; displacement of business and households for Lance Bridge Replacement, disruption of access to relocated communities of Beausejour and La Sagesse and similar activities in project sites in Table 1 above. These activities will be implemented after consultation and participation with stakeholders, to a large extent relying on inputs from the stakeholders and in accordance with relevant sections of the World Bank Policy on Resettlement.

## **2. INSTITUTIONAL FRAMEWORK**



## **2.1. Project Organizational Framework**

The Ministry of Finance (MOF) is the Government of Grenada's (GOG's) lead institution responsible for the implementation of the Project. The Government will be established a Project Steering Committee (PSC) with part of its responsibility being to coordinate Project Monitoring and Evaluation and Project Management activities.

The Project Steering Committee will be established under the auspices of the MOF and be comprised of representatives from beneficiary institutions which include the Ministry of Agriculture, NAWASA, GAA, the Ministry of Works, the Ministry of the Environment, and the Ministry of Housing, Lands and Community Development. It will be chaired by the Permanent Secretary of MOF or as designated by the Permanent Secretary of MOF. The Permanent Secretary of MOF can appoint additional members to the Steering Committee as deemed necessary. The PCU will also be represented.

### **Executing Agencies**

Because of the cross-sectoral nature of the project some key institutions have been identified with co-responsibilities for execution of project activities. The Ministry of Works will assist with technical and engineering support as well as the environmental safeguard aspect for the infrastructural component of the project. The Ministry of Housing and Community development on the other hand will provide support to the Social Development Specialist who will be hired to monitor the social safeguard aspect of the project

### **Project Management and Monitoring**

The overall responsibility for managing the operations of the project rests with the PCU of the Ministry of Finance. However, a Social Development Specialist will be hired to assist the PCU to ensure timely action on resettlement issues that may arise.

## **2.2. Resettlement Planning Principles and Process**

The MOF/PCU in association with relevant ministries such as MOHLCD/MOSD/Ministry of Legal Affairs (MLA) will provide the general direction for the planning of the relocation/compensation process; ensure coordination between various stakeholders concerned with the Project including those directly connected with resettlement and monitor the implementation. At launching of each project approved for bank financing, stakeholders will be consulted to establish planning principles and work arrangements aimed at identifying and mitigating adverse social impacts induced by the project's activities. Baseline surveys, valuation of properties and payment of compensation will be effected ahead of the commencement of works. All PAPs will be consulted in the process with respect to the particular instance affecting them and requiring compensation; whether in the context of resettlement/compensation or in the context of mitigating other project related social impacts.

The MOF/PCU will be expected to make arrangements and incorporate the relevant line ministries such as Ministry of Housing Lands and Community Development (MOHLCD), Ministry of Social Development (MOSD) or other private entity or NGO to conduct the survey and registration of PAPs and properties at Project sites, establish compensation arrangements in accordance with legal framework for doing so, effect the valuation of crops and trees and whatever asset or item of value affected, execute the valuation of houses and execute the payment of compensation.

### **3. LEGAL FRAMEWORK FOR COMPENSATION**

Apparent relevant sections from two (2) applicable pieces of legislation are extracted and provided below. Additional research is to be conducted to determine if applicable amendments exists and apply.

#### **3.1. Compensation Laws**

Legislation in Grenada that govern compensation to individuals for assets forgone or acquired compulsorily for public purposes including for resettlement are contained principally in the Grenada CONSTITUTION ORDER 1973 and the LAND ACQUISITION ACT (CAP 159) of 1945 (including the Land Acquisition Amendment Act 16 of 1991). Other relevant legislation include the LAND SETTLEMENT ACT (CAP 161) of 1933 with respect to declarations of Land Settlements and breaches thereto but not specifically to land and other asset acquisition as delineated by the banks resettlement policy (an outline of provisions in the Land Settlement Act is outlined in Annex 3).

#### **Grenada CONSTITUTION ORDER 1973**

All compensation for compulsory land or other asset acquisition originates and derives from Grenada's constitutional order. Compensation is established as a fundamental right of every citizen whose property is compulsorily acquired by the state for public purposes. The constitution states that every person, regardless of race, place of origin, political opinion, colour, creed or sex is entitled to:

“Protection for the privacy of his home and other property and from deprivation of property without compensation” (Chapter 1, No. 1 (c) and for “...prompt payment of full compensation” (No. 6 (1), see Annex 3 for more details) and further states that; “Every person having an interest in

or right over property which is compulsorily taken possession of or whose interest in or right over any property is compulsorily acquired shall have a right of direct access to the High Court for-

- a. the determination of his interest or right, the legality of the taking of possession or acquisition of the property, interest or right and the amount of any compensation to which he is entitled and
- b. the purpose of obtaining prompt payment of that compensation” :

In general terms the provisions of the constitution are consistent with and typical of that enunciated by the World Bank’s policy on resettlement, especially where the bank’s policy calls for prompt compensation and recourse to redress where a dispute arises thereto.

More specifically, provisions are outlined in the Land Acquisition Act 1945 and Land Acquisition (Amendment) Act of 1991) (See Appendix 3 for a detailed outline of the process of acquisition and other pertinent details of this Act)

### **LAND ACQUISITION ACT (CAP 159)**

(Land Acquisition (Amendment) Act of 1991)

“Compensation” means prompt and full compensation as provided for, by and under the constitution and

“Land” includes freehold, leasehold and mortgage interest (Amendment Act)

(3)“And the Crown in accordance with the relevant provisions of the constitution and of this Act make prompt payment of such full compensation as may be due”

#### **Authorized officer to treat with landowner**

6. (1) As soon as a declaration has been published in accordance with the provisions of section 3 (that is, acquisition of any land by the Governor General for public purpose, and a declaration published accordingly), the authorized officer shall, without delay, enter into negotiations (or further negotiations) for the purchase of the land to which the declaration relates upon the reasonable terms and conditions, and by voluntary agreement with the owner of the land.

2 Every notice of acquisition under this section shall –

(c) Require all persons interested, as soon as is reasonably practicable, either –

- i to appear personally or by attorney or agent before the authorized officer to state the nature of their respective interests in the land and the amounts and full particulars of their claims to compensation in respect of those interests, distinguishing the amounts under separate heads and showing how the amount claimed under each head is calculated; or

- ii to render to the authorized officer a statement in writing, signed by them or by their attorneys or agents, setting forth the like matters.

### **Appointment and Powers of Board of Assessment**

#### **Determination of questions by Board of Assessment**

- 11. (1) All question and claims relating to the payment of compensation under this Act and to the apportionment of such compensation shall, save as is hereinafter provided, be submitted to a Board of Assessment to be appointed in each case in accordance with the provisions of section 12.
- 2 A Board of Assessment shall have full power to assess, award and apportion compensation in such cases, in accordance with the provisions of this Act.

#### **Appointment of the Board of Assessment**

- 12. (1) As soon as it becomes necessary to do so the Governor-General shall cause a Board of Assessment (hereinafter referred to as “a Board” or “the Board”) to be appointed.
- 2 A Board for the purpose of this Act shall in every case consist of –
  - a a Judge of the High Court who shall be the chairman of the Board (hereinafter referred to as “the chairman”);
  - b a member to be appointed by the Governor-General; and
  - c a member to be nominated by the owner of the land to be acquired:

...if there is any difference of opinion as to the amount of compensation that should be awarded, the decision of the chairman shall be deemed to be the decision of the Board.

#### **Inquiry by Board**

- 14 Where a Board has been appointed under this Act, the Board shall hold an inquiry at a place, date and time to be fixed by the chairman, of which not less than fourteen clear days’ notice shall be given to the parties concerned, and every such inquiry shall be conducted in public.

#### **Award of Board**

- 17. (1) At the conclusion of the inquiry, the Board shall decide upon the claims for compensation and apportionment submitted to them and shall in accordance with the provisions of this act promptly make an award of such full compensation as may be due, and the said award shall be under the hand of the chairman who shall cause such award to be filed in the Supreme Court (Amendment Act 1991)

- 2 The decision of the majority of the members of the Board with respect to the compensation to be paid shall be deemed to be the decision of the Board and, if all the members of the Board differ, the mean between the amount decided upon by the chairman and that one of the amounts decided upon by the two other members of the Board which approximates most nearly to the amount decided upon by the chairman shall be deemed to be the compensation awarded by the Board.
- 3 Subject to the provisions of the constitution and the Courts Order, an appeal against a decision of the board shall lie to such Court that exercises jurisdiction to hear appeals direct from the high court (Amendment Act 1991)

### **Determination of Small Claims for Compensation**

#### **Procedure where claim for compensation does not exceed certain amounts**

18. (1) Anything in any Act to the contrary notwithstanding, in any case in which the compensation claimed does not exceed two hundred and fifty dollars, and in any case in which the compensation claimed does not exceed five hundred dollars and, in the latter case, the parties agree in writing to the settlement of the claim by a magistrate, the amount of the compensation to be paid in any such case shall be determined by a magistrate.
  - 2 It shall be lawful for any magistrate, upon the application of either party with respect to any question of disputed compensation in either of the cases mentioned in the preceding subsection, to summon the other party to appear before him at a time and place to be named in such summons and to hear and determine such question of disputed compensation.
- 3 For the purposes of any proceeding under this section –
  - (a) the procedure to be followed thereat, the summoning and remuneration of witnesses and all questions incidental to such proceeding shall be governed by any Act for the time being in force relating to the recovery of claims before a magistrate and all the provisions of any such Act shall apply *mutatis mutandis* to any such proceeding; and
  - (b) The provision of sections 103 to 121 of the Civil Procedure Act shall apply with such verbal alteration (not affecting the substance) as may be necessary to make the same applicable.
- 4 An appeal shall lie against the determination by magistrate of any question of disputed compensation under this section in like manner as if such determination was given in the exercise of summary jurisdiction of a magistrate in a civil matter under the provisions of the Magistrates Judgments (Appeals) Act, and for the purposes of such appeal the determination of the magistrate under this section shall be deemed to be a judgment of the magistrate within the meaning of section 2 of the same Act.

## **Provisions Governing Assessment of Compensation**

### **Rules for assessment of compensation**

- 19 Subject to the provisions of this Act, the following rules shall apply to the assessment and award of compensation by a Board for the compulsory acquisition of land –
- a The value of the land shall, subject as hereinafter provided, be taken to be the amount which the land, if sold in the open market by a willing seller, might have been expected to have realized at a date twelve months prior to the date of the second publication in the Gazette of the declaration under section 3:

Provided that this rule shall not affect the assessment of compensation for any damage sustained by the person interested by reason of severance, or by reason of the acquisition injuriously affecting his other property or his earnings, or for disturbance, or any other matter not directly based on the value of the land; (This in particular addresses OB/BP/4.12 which emphasises compensation for all assets and losses associated with the acquisition including loss of access to income sources...further, in this can be construed all other requirements of the compensatory mechanism, thus making this provision wholly compatible with that of the World Bank's Resettlement Policy OB/BP/4.12, including in accordance with those outlined in Annex 2 of this RPF)

### **Interest**

- 20 The Board, in awarding compensation, may add thereto interest at the rate of five per cent per annum, calculated from the date upon which the authorized officer entered into possession of the land acquired until the date of the payment of the compensation awarded by the Board
21. (1) The authorized officer shall pay to the claimant the reasonable cost incurred by him in or about the preparation and submission of his claim, unless the chairman considers that the claimant has failed to put forward a proper claim within a reasonable time after the service of the notice under section 7 or that the claim put forward is grossly excessive or that he has been a party to some deceit or fraud in respect of his claim.

### **Compensation to persons interested in adjacent land**

24. A person interested in any land which, without any portion thereof being compulsorily acquired, has been injuriously affected by the erection or construction on land compulsorily acquired of any works in respect of which the land was acquired, shall be entitled to compensation in respect of such injurious affection:

### **Special provisions as to leases**

25. (1) If any land shall be comprised in a lease for a term of years unexpired and part only of such land shall be acquired compulsorily, the rent payable in respect of the land comprised in such lease may, on the application of the lesser or the lessee to a Judge of the High Court, be apportioned between the land acquired and the residue of the land.

### **Conveyancing etc. costs to be paid by authorized officer**

28. All reasonable costs, charges, and expenses incurred by the owners of lands or persons interested therein for all conveyances, and assurances of any lands purchased or acquired, and of any outstanding terms of interest therein, and of deducing, evidencing and producing title to such lands, terms or interest, and of making out such abstracts and attested copies as the authorized officer may require, shall be paid by the authorized officer.

### **Limitation of time for making claims**

31. Except with the approval of the Governor-General in any case in which he considers that injustice may otherwise be done, no claim for compensation which may be made under the provisions of this Act shall be admitted or entertained unless the same shall be made within twelve months after the date on which entry has been made on the land under section 4 or, if a declaration has been made under section 3, within a similar period after the date of the second publication of such declaration.

## **3.2. GOG Strategy for Expropriation and Compensation**

The GOG strategy for expropriation and compensation applies to component 2 of the project that involves possible resettlement and other possible property loss. This section illustrates how compensation applies (or may not apply) to the populations affected by the project. The application of constitution and the procedures of the Land Acquisition Act as outlined above will apply with respect to appropriation of lands and loss of all other assets associated with the DVRP activities. Less clear are application of provisions of the Act and those of the bank policy where 'Required Measures', No. 6 C (I and ii), 10, 11, 12 and 13 (a) – (c) are concerned (see annex 2 for details of 6 C (I and ii)) to 13 (a) – (c), in so far as no specific mention are made in the relevant government legislation but which the general provisions of the constitution may apply and where 19 (a) of the Land Acquisition Act above especially the latter part of (a) may specifically apply or construe to apply; if these are deemed divergent, they are not onerous and can be built into the meaning and application 19 (a) of the Acquisition Act, and detailed and costed as part of the "Implementation Process" in 4.1 below or as part of the "Plan of Action" to be developed which will outline measures to assist displaced persons experiencing losses or

hardships associated with the project. In case of divergence between the Government laws and Bank Policy – Bank policy applies.

Participation and consultation of PAPs will be widely used (as has been used in preparation of the Social Assessment of the DVRP) to gauge potential PAPs understanding and reaction to expropriation and their expectation of compensation where income or livelihoods may be lost or property and assets affected. The initial survey conducted for the Social Assessment (SA) for the DVRP has provided insights on these issues

### ***Need for Compensation***

As has been pointed out in Table 1 above, various project sites will involve activities that may require land acquisition, property modification, disruption of livelihoods and relocation / resettlement and other loss of assets. The GOG will therefore apply the requirements of the Land Acquisition Act where appropriate and where gaps in the process are determined to effect compensation or may affect appropriate compensation (i.e.; determining and addressing gaps between the Land Acquisition Act and the OP 4.12). This is necessary so that the PCU and its relevant stakeholders / executing agencies such as MOF/MOHLCD/MOW/MOSD could assist the populations affected such as to be resettled with transport, other logistics, housing or cash equivalent in accordance with any compensation agreement.

The preliminary survey already conducted targeted generally the potential PAPs but did not specifically identify them. A specific survey to identify PAPs will have to be conducted by the PCU so that the range of likely “affects” on PAPs such as those without land titles will also be provided land in accordance with the legal status of the land that they previously occupied or cultivated or otherwise exploited (for instance there are possible cases in Grenada where persons may have lived on or rented property for many years without ownership or have been living on family lands or lands deemed “gifts” from family but have no titles or other verifiable sources to authenticate use or presence on such lands). If such persons are affected by project activities, their status must not make them worse off or disadvantaged in any relocation / resettlement / compensation arrangement. Their protection will be in accordance with OP 4.12 where local legislation may be silent.

### **3.3. World Bank Procedures for Resettlement/Rehabilitation (OP 4.12)**

The World Bank operational directive OP 4.12 states: “Where the specific resettlement needs of each subproject are not known in advance, the borrower would need to agree to resettlement policies, planning principles, institutional arrangements and design criteria that meet Bank policy and requirements as a condition of the loan. An estimate should be provided of total population to be displaced and overall resettlement costs, as well as an evaluation of proposed resettlement sites. Subprojects in sector investment loans should be screened by the implementing agency to ensure consistency with this directive, and approved individually by the Bank”.



The commitment of the MOF/PCU with respect to the Grenada DVRP to comply with the requirements of World Bank's operational directives should be made explicit and incorporated in the credit agreement. Furthermore, the MOF/PCU will have to ensure, in the credit agreement, its commitment to addressing the adverse social impacts of project operations. It has expressed such commitment by its participation in some of the preliminary consultations already undertaken with possible project affected communities and the PCU have pursued initial actions or advocacy on behalf of populations at prospective DVRP project sites.

#### **4. ORGANIZATIONAL PROCEDURES**

The MOF will be responsible for the organizational arrangements associated with implementing and delivery of entitlements relevant to mitigating adverse impacts and compensation.

##### **4.1. Implementation Process**

The process for implementing the mitigatory measures is

- (i) To determine if land acquisition or acquisition and loss of other assets will occur or resettlement is required (Specific PAP's survey need to be done at each of the project sites after confirmation of which of the subprojects have been approved)
- (ii) To draw up a detailed list of all persons affected (PAPs).
- (iii) To determine what each PAP stands to lose (valuation of houses, land, crops and other properties).
- (iv) To determine what the timeframe is for compensation.
- (v) The development of a RAP and submission to the World Bank for no objection.
- (vi) To offer compensation (kind or cash).
- (vii) To determine what the preferred compensation is (participatory process).

##### **4.2. Grievance Redress Mechanism**

PAPs will have opportunities to present complaints and grievances through the resettlement process as set out in the Land Acquisition Act (see paragraph 14, 17 [3] and 18 [3 and 4] of Section III above. It sets out the grievance redress process and who is responsible at various stages). The mechanisms for redressing the grievances of the affected populations will begin through consultation (i.e., meetings / consultation with any and all PAP to provide information and gauge expectations of compensation, interest in form or type of compensation, provide

clarification on other forms of assistance...). Beyond the consultative process, the process by which grievances will be redressed, for each project site where PAP's are identified will be in accordance with the Land Acquisition Act as indicated above. The Act also provides for representatives of PAP's on the Board presiding over the grievance.

**Institutional Responsibility for Implementation**

Implementation Stages	Agency	Responsibility
Project Preparation	PCU/ Social Development Specialist	Facilitate and support all relevant project RAP actions.
	PCU/ Social Development Specialist	1. Identify the affected persons consult and advise them on their rights as per OP/BP 4.12 2. Follow up on all site issues and matters related to any complaint which may arise during the implementation process. 3. Manage and monitor the grievance redress process. 4. Secure the necessary resettlement assistance required – not required in this sub project.
Project Implementation	PCU/Social Development Specialist and Project Engineer	Overall monitoring
	PCU/ Social Development Specialist	1. Assess and process PAP complaint(s) 2. Manage and monitor the grievance redress process
	High Court of Grenada Lands Department (MOCDH)	Receive, assess and process and decide on /grievances complains related to sub project.

Should grievance remain unresolved beyond the Board review process, the Land Acquisition Act outlines the process for referral to a civil court to settle the grievance since the Act indicates that persons affected by land acquisition has the right to take their matter to the court when other grievance redress measures have failed (such as in cases where PAPs may refuse the compensation offered)

**Procedures for Grievance Redress**

Grievances are issues, concerns, problems, or claims (be it perceived or actual) that an individual or a community group wants a project promoter/owner to address or resolve.

**The grievance process to follow if a PAP feels aggrieved is as follow.**

- Step (i).** Verbally express grievance to the Social Development Specialist (SDS) who is located in the Project Coordination Unit (PCU) office at the Grenada Cocoa and Nutmeg Association (GCNA) Karani James Boulevard, St. George's.
- Step (ii).** Fill out and hand in the **Grievance Form** (see annex 1) which can be collected from the Social Development Specialist; or **call 443-0531/2 to express complain verbally which will be written down by the SDS**; or **e-mail to:pcu@gail.com**; or **mail in to PCU office at the Grenada Cocoa and Nutmeg Association (GCNA) Karani James Boulevard, St. George's.**
- Step (iii).** Social Development Specialist will submit form to head of Grievance Appeal Committee **no later than two (2) days after receiving complain(s) from PAPs**
- Step (iv).** The Head of the Grievance Appeal Committee **will convene a meeting no later than one (1) week after receiving complain** with the other members of the committee.
- Step (v).** A decision will be reached which will be final and filed in the Court or further research into the situation recommended by the head of the Grievance Appeal Committee. In such a case another meeting of the Grievance Appeal Committee will be convened appropriately and decisions taken.

The Committee will be chaired by the head of the PCU 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 people who may raise any claims or complains during the implementation of the project. **The Grievance Appeal Committee is located at the Nutmeg Complex on the Karani James Boulevard. This will ensure that the PAPs with their grievances are not placed in a disadvantage position when their issues are discussed. This building is known for its publicness or easy access to the general public. These claims and complains will be received and processed to the Committee for thorough assessment and further required actions within one week of receiving them. The maximum time to solve a grievance or complaint is three (3) months.**

### **4.3 Grievance Appeal Committee Role**

- (i) The Committee through the Social Development Specialist will receive and register all appeals and complaints by consulting with the complainant. The Committee will response to all complains with a rational justification describing the process with which the complaint was considered and explaining the reason for the decision reached by the Committee.
- (ii) The Appeal Committee is the final forum for decisions on any claim for compensation of any sort.
- (iii) The Appeal Committee will meet as required to review complains which have been received.
- (iv) The committee may make 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.
- (v) The Committee will consider each complaint on a case by case basis to determine whether the case constitutes a valid complaint, if a complaint is valid the Committee is required to find fair and just solution to the claim.
- (vi) 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 Controller of Inland Revenue Department Ministry of Finance and
  - (e) The Social Development Specialist (DVRP)
- (vii) All Committee deliberations and decisions must be properly documented and preserved for records.

### **4.4. Arrangements for Funding**

Arrangements for funding will be determined by the MOF which will make the necessary provision in the Government Consolidated Fund.

## **5. OPERATIONAL PROCEDURES**

### **5.1. Institutional Framework**

The MOF is headed administratively by a Permanent Secretary and two Deputy Permanent Secretaries, one of whom have specific oversight for projects such as the DVRP. The PCU of the MOF has specific responsibilities for fiduciary aspects of the project which includes procurement and financial management. It will also be responsible for day to day management which includes coordination, monitoring and evaluation. As alluded to before a Social Development Specialist will be hired to assist with the monitoring of social safeguard issues.

## 5.2. Project Launching

Typically, a project launch is part of a national exercise to inform the national community about the project, including what it entails and not entail and how it may impact the wider community. If such a launch is contemplated, activities at project launching will have to be determined. The Launch design may however be informed and or influenced by outcomes of the Social Screening and Consultations following the preliminary Social and Environmental Impact Assessment conducted at the potential project sites. These impact assessments included consultations with various stakeholders and potential PAPs and provide environmental characteristics as well as preliminary indicators of demography; land tenure; socio-economic status of some Potential PAPs. Preliminary household surveys conducted contain general household data such as: family size, gender and age information; education; occupation; land ownership in at least four of the potential project sites and in addition to this data at these four possible project sites; average income / source of income is included in the data gathered another two potential project sites. More detailed Surveys will have to be conducted upon approval of the specific subprojects that would be involved in the DVRP so that upon project launch, an estimate of the extent to which the affected persons / families will experience loss of assets, including control over resources, infrastructure and social services (available to PAPs or others at the time and likely to be lost or disturbed by project activities) would be known.

The survey should further describe local organizations and institutions, village / community / national organizations, religious groups, etc., that could later participate in planning and implementing the resettlement options where resettlement is involved. Expected changes in demography and health impacts should also be addressed. At this stage, all PAPs will be listed in order to avoid any “free riders” who may try to move to the project sites in order to take advantage of the compensation or other opportunities associated with resettlement such as compensation for loss of assets or to obtain land and house where original PAPs may be relocated to. A cut off date from which eligibility for compensation will not be allowed should be proclaimed so that persons moving into the project affected areas will not be considered for compensation upon project implementation. GOG sets out restrictions on claims for compensation which can be found in paragraph 31 of the Land Acquisition Act above and the World Banks OP/BP 4.12 provides clarity on cut off dates<sup>5</sup>.

A critical task of the assessment will be to identify new land for those PAPs who will lose their land (such new or alternative land identified must be disclosed in Project Launch and which must have been known and satisfactory to PAPs). However, in some cases cash will be paid for lands. Based on the early screening conducted in the SA, less than 100 persons from all potential project sites combined are likely to be affected by the DVRP, hence no specific Resettlement

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<sup>5</sup>Normally, this cut-off date is the date the census begins. The cut-off date could also be the date the project area was delineated, prior to the census, provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx.

Action Plan (RAP) would be necessary (World Bank Resettlement Policy indicates that where land acquisition and other adverse social impacts would affect more than 200 persons, a RAP will have to be prepared i.e., separate and apart from the Resettlement Policy Framework, and to accompany it, though an abbreviated resettlement plan is to be prepared as indicated earlier in cases of less than 200 PAPs). This abbreviated resettlement plan is a condition of financing for sub-project activities. It will include details such as a ‘census survey of displaced persons and valuation of assets’ (for further details see paragraph 22 of OP 4.12 i.e., Annex A of OB/BP/4.12).

### **5.3. Project Implementation**

The PCU will consult with the stakeholders including PAPs, their representatives, government legal department among others, and upon review and approval of the resettlement / compensation plan and arrangements by government and the World Bank with respect to social impacts of project operations; the expropriation/compensation/resettlement operations is expected to be executed and completed as soon as possible.

## **6. SOCIO-ECONOMIC BACKGROUND OF PAPs**

### **6.1. Identification of PAPs**

From the preliminary SA, the number of people who would be affected by the project is estimated to be less than 100 across all possible project sites combined but their identities are not specifically known. Their economic activities and livelihoods are varied and include formal employment, self employment (vending, own and operate small and micro enterprises), rely on remittances from family abroad, while others are in school or unemployed with no source of income and are hence dependent on others.

It therefore means that a specific study to identify PAPs will be needed, and especially for all project sites approved where only minor adverse impacts such as loss of small amounts of land or property modification are likely to be involved. The study will help establish the socio-economic status of PAPs and serve as the basis for determining eligibility criteria in accordance with Bank policy and applicable legislation, and for estimating resettlement costs as well as establishing baseline data for monitoring and evaluation in addition to the data already available from the Social and Environmental Impact assessments already conducted.

### **6.2. Social Impacts of the DVRP**

#### **Impacts on Land Use, Crops, Buildings and other Property**

The DVRP activities' impacts on land use, crops, buildings and other property are expected to include approximately 14 of the possible 20 project sites. Only small amounts or persons are likely to be impacted in any significant way and that is with respect to the Lance Bridge Replacement (the amount who would be affected at this site is based solely on the Bridge design.

## **Impacts on Economic Activities**

The DVRP will affect economic activities of PAP's at some of the potential project sites. The project is presumed to have positive impacts on mid-term and long-term economic activities on the individual (micro) and household / community / small and micro enterprise – SME (mezzo) levels, with respect to water security where individuals / households / SME use water to make products to earn a livelihood as well as at flood prone sites where loss of business income earning opportunities are significant when flooding causes inaccessibility to businesses or damage to business assets that have to be replaced following flooding and so on. The project activities to mitigate these effects will include new water reservoirs, civil and infrastructural works such as roads, retaining and embankment walls among others and will likely also employ PAPs on some activities of the project. These impacts will have beneficial economic outcomes for those potentially affected although short-term disturbance and losses will result if persons affected by the project have to resettle.

## **7. METHODS OF VALUING AFFECTED ASSETS**

### **7.1. Organizational Procedures for Delivery of Entitlements**

In addition to procedures associated with the relevant or applicable legislations in Grenada, the Valuation Division and Inland Revenue Department (IRD) of the MOF conducts property valuations for taxation and related purposes in Grenada. There is also the newly established Valuation Appeal Board (launched Thursday December 16th 2010). A number of Appeal Commissioners, chaired by an attorney at law, will form the Board. Among the list of activities of the Board will be to hear and adjudicate appeals of any taxpayer who files an appeal with the Board after assessment of valuation of their property by the Comptroller of Inland Revenue, as well as arbitrate appeals on Property Transfer Tax.

Moreover, Sections 19, 20 and 21 of the Land Acquisition Act provides details of methods of valuing affected assets. *This did not refer to a specific study taking place, it suggest that a study may have to be conducted.* Where the application of various valuation mechanisms existing in Grenada may not adequately address how and on what basis appropriate compensation is to be determined or where existing mechanisms may not adequately respond to OP 4.12, options associated with OP 4.12 may be considered or incorporated. It indicates the following<sup>6</sup>:

With regard to **land and structures**, “replacement cost” can be obtained using the following rules: for agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus

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<sup>6</sup> See Resettlement Policy Framework for the Mitigation of Social Impacts of the Lake Chad Basin Commission (LCBC) Project entitled “Reversal of Land and Water Degradation Trends in the Lake Chad Basin Ecosystem”, World Bank Africa Safeguards Policy Enhancement Team, RP95, March 29, 2002

the cost of land preparation to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. For **houses and other structures**, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labour and contractors' fees, plus the cost of any registration and transfer taxes.

In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. Where domestic law does not meet the standard of compensation at full replacement cost, World Bank guidelines and technical specifications for compensation at replacement cost will be applied.

## **7.2. Method and Basis of Valuation**

Following specific review of the existing methods and basis of valuation available and practiced via the applicable laws in Grenada as indeed those of the Valuation and IRD; where inadequacies are determined to exist, those proffered by the World Bank's OP 4.12 can be incorporated to fill gaps if any. The two methods supported by the Bank's OP 4.12 that can be incorporated into the existing methods to conduct the valuation of property for PAPs are ***Replacement Cost*** and ***Compensation Value*** (taken from same source as in footnote 2 below).

### ***Replacement Cost***

The replacement cost approach is based on the premise that the cost of replacing productive assets that have been damaged because of project operations are taken as a minimum estimate of the value of measures that will reduce the damage or improve on-site management practices and thereby prevent damage. The approach involves direct replacement of expropriated assets and covers an amount that is sufficient for asset replacement, net depreciation, moving expenses and other transaction costs. This minimum value is then compared to the cost of the new measures. This is arrived at, by analyzing current construction costs relative to design, materials employed, workmanship and final finish of the subject properties.

In line with the principles of "equivalent reinstatement" if the premises to be reinstated require repair, a deduction to reflect this should be made. The deduction for repairs is made in accordance with the principle that the reinstated property should as far as possible be equal to the property being reinstated.

The basis of the valuation is Gross Current Replacement Cost (GCRC). Gross Current Replacement Cost is defined as the estimated cost of erecting a new building having the same



gross external area as that of the existing one, with the site works and services on a similar piece of land. The valuation process will also consider the use of "compensation value" for affected properties.

### ***Compensation Value***

Compensation value is defined as an amount that is above the gross current replacement cost, including the costs for the inconvenience caused to the PAP by relocation, and enables the same PAP to build slightly better houses than what they currently occupy.

Compensation for land, structures, business, fixed improvements and other temporary assets will be based on market valuation, productivity valuation, negotiated settlements, material and labor valuation, disposition of salvage materials and other fees paid. It should be noted that lack of title, license or permit would not be a bar to compensation because even squatters have construction costs relative to design, materials employed, workmanship and final finish. Indeed, "squatters", may be deemed to be classified under 15 (c) of OP/BP 4.12 as "those who have no recognizable legal right or claim to the land they are occupying". Under 15 (c) of the policy which deals with 'Criteria for Eligibility', squatters are provided resettlement assistance<sup>7</sup> in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off date established by the borrower and acceptable to the Bank.<sup>8</sup> Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in 15 (c) are provided compensation for loss of assets other than land.

If relocation of business becomes necessary, access to customers and suppliers will be taken into account. In addition, workers losing employment in the process of relocating should be entitled to transitional income support.

Compensation for temporary impacts should include, but not limited to, the following:

- (i) Compensation equivalent to lost income required for the duration of impact;
- (ii) Compensation equivalent to lost income required for loss of access; and
- (iii) Physical restoration of assets (or access) required prior to return.

In addition, PAPs will be entitled to transitional assistance which include moving expenses, temporary residence (if necessary), employment training and income support while awaiting employment and should have an option for full compensation if duration of impact is to exceed

7 . Resettlement assistance may consist of land, other assets, cash, employment, and so on, as appropriate.

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

two years. In preparing the valuation, average costs will have to be assumed. It should be noted that costs of construction vary from one locality to the other (taken from same source as in footnote 2).

### **7.3. Compensation Procedures and Civil Work Schedule**

Following survey to identify the specific PAP's, conclusion of the valuation methods and procedures, the MOF and other relevant stakeholders such as /PSC/MOW/MOHLCD/MOSD/MLA will establish compensation procedures and draw up schedule of civil works. The MOF/PCU and relevant stakeholders will determine the need for other structures such as sub-committees to look specifically Housing (for example Housing Sub-committee), Land (Lands Sub-committee) as may be deemed useful, with representation of PAPs on each sub-committee relevant to them. Procedures may include registration of PAPs and payment or replacement and other compensatory procedural guidelines; and must take full account of existing legal and Bank agreed policies and decisions up to this point. Administrative requirements at this stage would include documenting each administrative decision in this process.

At this stage, establishment of compensation rates for all aspects of the “affects” of the DVRP on PAP's should have been concluded in full consultation and agreement with PAP's, and everything must be done with their knowledges and representation so as to avoid litigation at this stage, including written agreement of PAPs to the compensation package. If however there are rejections of the compensation rates or package associated with the particular affect on the PAP, a grievance mechanism and procedure should be included with the compensation procedures to facilitate the aggrieved PAP at this stage including taking his/her case to the court when other grievance redress measures have failed. The grievance redress mechanism can be found in 17(3) and 18 (3) and (4) of the Land Acquisition Act above.

## **8. SOURCES OF FUNDING**

A budget to cover expropriation and compensation costs for “affects” on properties and other assets of PAPs will be determined by the GOG and will come from the GOG Consolidated Fund. Institutional arrangements specific to that and its incorporation into any previously determined arrangements will be decided by the Ministry of Finance.

## **9. CONSULTATION AND PARTICIPATION PROCESS**

Relocating or compensating people implies communication or dialogue with them and with other relevant stakeholders. The consultation and participation process will include four phases: (i) specific PAP data collection; (ii) preparation and planning of operations; (iii) implementation /

execution of operations; and (iv) monitoring and evaluation. The PCU will coordinate all four operations.

### **9.1. Data Collecting Phase**

*Actors:* PCU / MOHLCD / MOW... possibly consultants, government, PAPs (provision of data) and secondary data from government and other relevant sources.

The PCU will coordinate the role of actors in the data-collecting phase. This process will include a survey to specifically identify PAP for each subproject the bank approves for financing followed by consultations with PAPs identified and other relevant stakeholders especially the MOW, MOHLCD and project engineers together with PAPs about the extent of affect of the project on them. The data collected will serve as instruments for the monitoring of the social mitigation measures to be applied.

During the survey, PAPs participation will relate to providing socio-economic information about their livelihoods. Also, PAPs will be consulted through meetings to discuss the social impacts of project operations and the mitigation measures suggested. The contributions of the PAPs will be integrated into the subproject implementation process, from planning to evaluation.

Furthermore, data about the social impacts of the subprojects and the mitigation measures suggested will be provided via releases to local media for circulation, such as to newspapers, radio and television stations and popular news and current affairs websites.

### **9.2. Planning Phase**

*Actors:* PCU / MOW / MOHLCD, PAPs (PAPs re planning inputs, sounding board and advice-giving on related issues) and representatives of local communities concerned.

Planning and coordination of the tasks of various actors is key to a successful implementation of the expropriation/compensation arrangements. The PAPs will be consulted with the aim of obtaining their positions on issues at stake. Their requirements including issues of work, family and business activities will be incorporated into the expropriation and compensation, implementation and execution plans.

The planning work and engagement with PAPs and other stakeholders will focus on: (a) taking stock of the legal framework for compensation; (b) settling institutional arrangements and mechanisms for payment of compensation; (c) defining tasks and responsibilities of each stakeholder; and (d) establishing a work plan.

### **9.3. Implementation / Execution Phase**

**Actors:** MOF/PCU / MOHLCD / MOW / World Bank / MLA / consultants / PAPs (PAPs endorsement of arrangements).

The execution of the expropriation/compensation operations will be conducted by the MOF/- and possible Sub-committees or other arrangements to be determined by the Ministry of Finance and relevant stakeholders. PAPs will be consulted about / involved in the compensation arrangements prepared. The methodology and procedures for actual payments or delivery of compensation package will be determined by PCU/stakeholders and PAPs such as receipt of cash amounts or land or effecting repairs to properties or moving assistance.

#### **9.4. Monitoring and Evaluation Phase**

**Actors:** PCU / PSC / MOLHCD / MOSD / Consultants / PAPs / NGO or other community representatives.

The PCU will organize / convene project completion workshops with actors/stakeholders as listed here after completion of the expropriation/compensation operations but prior to the closure of the mitigation measures. The aim of that exercise is to assess progress in the operations executed, suggest corrective measures where needed and solve pending issues.

After completion of all expropriation/compensation operations, consideration may be given for PAPs to be consulted in a household survey. The aim of that survey is to assess the impacts of the social mitigation measures implemented at the individual household level since it is likely that some PAPs may not attend meetings or speak openly about their experience or interpretation of the process, measures applied and outcome for them and their families. The findings of the survey and the workshops will be presented in the project completion report by the PCU. If the survey is considered useful or necessary, it would require budgetary allocation within the overall mitigation budget.

### **10. MONITORING AND EVALUATION ARRANGEMENTS**

**Actors:** PCU / MOHLCD / MOW / PAPs other relevant Community organizations or representatives.

Monitoring and evaluation will be a continuous process. The PCU will continuously record and review all expropriation/compensation activities and reports and discuss their contents / outcomes in its technical and stakeholder meetings. The -PSC will directly monitor compensation costs review project activities, including social mitigation measures and provide guidance and coordinate the necessary follow-up of all other stakeholder roles impacting the acquisition, compensation, monitoring and evaluation exercise.

#### **10.1. Monitoring Principles**

A monitoring and evaluation plan of the mitigation measures will be established. The scope of the plan will take into account the size of the social impacts to be mitigated while respecting basic monitoring principles. The plans will describe:

- (i) The internal monitoring process;
- (ii) Key monitoring indicators (a list of monitoring indicators which would be used for internal monitoring is to be developed / determined and provided);
- (iii) Institutional (including financial) arrangements;
- (iv) Frequency of reporting and content for internal monitoring, process for integrating feedback from internal monitoring into implementation;
- (v) Financial arrangements for external monitoring and evaluation, including process for awarding and maintenance of contracts for the duration of resettlement;
- (vi) Methodology for external monitoring;
- (vii) Key indicators for external monitoring, focusing on outputs and impacts; and
- (viii) Frequency of reporting and content for external monitoring and process for integrating feedback from external monitoring into implementation.

### ***Internal Monitoring***

Internal monitoring will be conducted by the PCU, following the plan described here. Likewise, the communities will conduct their own monitoring based on their involvement in the planning of expropriation and compensation and based on their expectations and agreements. Quarterly or appropriately timed PCU progress reports will include a section on progress made regarding mitigation of adverse social impacts.

## **10.2. External Monitoring and Evaluation**

It is expected that external monitoring will be conducted through World Bank supervision missions. It is to be determined whether the World Bank supervised missions (based on the frequency of the missions associated with the Bank's work) will be sufficient to monitor progress in the mitigation of adverse social impacts. The bank will determine whether these missions coupled with input from resettlement experts which will also serve to help with local capacity building for the ongoing exercise and future projects involving resettlement. This will help to progress on the ground, strengthening analytical capacity, and build on safeguards associated with documentation of operations executed in accordance with the resettlement plan and outcomes for PAPs.

Before closure of the mitigation of adverse social impacts, the Bank and GOG- will determine whether an independent consultant or other independent entity such as an NGO or university department be contracted to conduct an evaluation of the mitigation measures executed. The evaluation report will be used as a planning instrument to correct any unresolved or pending issues and suggest a post-project monitoring period with the aim of ensuring that PAPs are not worse off in any respect associated with activities or operations of the DVRP, or not likely to be worse off, where DVRP project activities are not yet underway; and that mitigation activities

associated with any potential disadvantages to PAPs are addressed by the project stakeholders concerned.

**ANNEXES**

Annex 1: Grievance Redress Form

Annex 2: Impacts Covered and Required Measures for Compensating Resettled Persons

**Annex 1**

**GRIEVANCE FORM**

<b>Indicate the Nature of Grievance(s)</b>	<b>Name</b> .....
<b>1</b> .....	<b>Address</b> .....
.....	.....
<b>2</b> .....	<b>Contact</b> .....
.....	<b>Name of Sub Project</b>
<b>3</b> .....	.....
.....	<b>Date and registration of grievance</b>
<b>4</b> .....	-----
.....	

**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.**

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**Signature of Complainant**

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**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**

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**Signature of**

**Chairperson**

**Annex 2: Impacts Covered and Required Measures for Compensating Resettled Persons**

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**Impacts Covered**

3. This policy covers direct economic and social impacts<sup>9</sup> that both result from Bank-assisted investment projects<sup>10</sup>, and are caused by

(a) The involuntary<sup>11</sup> taking of land<sup>12</sup> resulting in

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9 . Where there are adverse indirect social or economic impacts, it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse economic and social impacts, particularly upon poor and vulnerable groups. Other environmental, social, and economic impacts that do not result from land taking may be identified and addressed through environmental assessments and other project reports and instruments.

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

11. For purposes of this policy, "involuntary" means actions that may be taken without the displaced person's informed consent or power of choice.

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

- (i) Relocation or loss of shelter;
- (ii) Lost of assets or access to assets; or
- (iii) Loss of income sources or means of livelihood, whether or not the affected persons must move to another location

### **Required Measures**

6. To address the impacts covered under para. 3 (a) of this policy, the borrower prepares a resettlement plan or a resettlement policy framework (see paras. 25-30) that covers the following:
- (a) The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
    - (i) Informed about their options and rights pertaining to resettlement;
    - (ii) Consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and
    - (iii) Provided prompt and effective compensation at full replacement cost<sup>13</sup> for losses of assets<sup>14</sup> attributable directly to the project.
  - (b) If the impacts include physical relocation, the resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
    - (i) Provided assistance (such as moving allowances) during relocation; and
    - (ii) Provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site.<sup>15</sup>

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

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

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



(c) Where necessary to achieve the objectives of the policy, the resettlement plan or resettlement policy framework also include measures to ensure that displaced persons are

(i) Offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living;<sup>16</sup> and

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

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

11. Preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based. These strategies may include resettlement on public land (see footnote 1 above), or on private land acquired or purchased for resettlement. Whenever replacement land is offered, resettles' are provided with land for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the land taken. If land is not the preferred option of the displaced persons, the provision of land would adversely affect the sustainability of a park or protected area,<sup>17</sup> or sufficient land is not available at a reasonable price, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.

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16 . Such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements

17 . See [OP 4.04](#), *Natural Habitats*.

12. Payment of cash compensation for lost assets may be appropriate where (a) livelihoods are land-based but the land taken for the project is a small fraction<sup>18</sup> of the affected asset and the residual is economically viable; (b) active markets for land, housing, and labor exist, displaced persons use such markets, and there is sufficient supply of land and housing; or (c) livelihoods are not land-based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.
13. For impacts covered under para. 3(a) of this policy, the Bank also requires the following:
  - (a) Displaced persons and their communities, and any host communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement. Appropriate and accessible grievance mechanisms are established for these groups.
  - (b) In new resettlement sites or host communities, infrastructure and public services are provided as necessary to improve, restore, or maintain accessibility and levels of service for the displaced persons and host communities. Alternative or similar resources are provided to compensate for the loss of access to community resources (such as fishing areas, grazing areas, fuel, or fodder).
  - (c) Patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons. To the extent possible, the existing social and cultural institutions of resettles and any host communities are preserved and resettles' preferences with respect to relocating in preexisting communities and groups are honored.

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