

ISLAMIC REPUBLIC OF PAKISTAN

Pakistan - Power Distribution Enhancement Program
(ADB TA Loan No. 2178-PAK)

Tranche 2
Subproject No. 6.2.2

Fatehpur 132 kV Double Circuit Transmission Line

Short
Land Acquisition and Resettlement Plan

Multan Electric Power Company (MEPCO)

GOVERNMENT OF PAKISTAN

June 2009

Table of Contents

TABLE OF CONTENTS	II
ABBREVIATIONS.....	IV
DEFINITION OF TERMS.....	V
EXECUTIVE SUMMARY	VI
1. INTRODUCTION.....	1
1.1 BACKGROUND.....	1
1.2 DESCRIPTION OF THE SUBPROJECT.....	1
2. PROJECT COMPENSATION AND REHABILITATION FRAMEWORK.....	3
2.1 POLICY PROVISIONS, ELIGIBILITY AND ENTITLEMENTS.....	3
2.1.1 <i>Land Acquisition Act, 1894 (LAA)</i>	3
2.1.2 <i>Telegraph Act, 1885 (TA)</i>	4
2.1.3 <i>Katchi Abadis Act, 1987 (KAA)</i>	4
2.2 ADB'S INVOLUNTARY RESETTLEMENT POLICY	4
2.3 COMPARISON OF LAND ACQUISITION ACT AND ADB RESETTLEMENT POLICY	5
2.4 REMEDIAL MEASURES TO BRIDGE THE GAP	5
2.5 LAND CLASSIFICATION	6
2.6 LAR APPROACHES FOR THE SUBPROJECT.....	6
2.7 COMPENSATION ELIGIBILITY AND ENTITLEMENTS FOR THE PROJECT	6
2.8 ELIGIBILITY.....	7
2.9 COMPENSATION ENTITLEMENTS.....	8
2.10 ASSESSMENT OF COMPENSATION UNIT VALUES.....	8
3. ASSESSMENT OF IMPACTS	9
3.1 RESETTLEMENT FIELD SURVEY	9
3.2 MINIMISATION OF IMPACTS.....	9
3.3 IMPACTS OF THE SUBPROJECT	9
3.3.1 <i>General Description</i>	9
3.3.2 <i>Impacts of Transmission Line</i>	11
3.3.3 <i>Impacts of Towers</i>	12
3.3.4 <i>Other Impacts and Summary</i>	12
3.4 AFFECTED HOUSEHOLDS.....	14
3.4.1 <i>General</i>	14
3.4.2 <i>Significance of Impacts</i>	14
4. SOCIO-ECONOMIC PROFILE OF AFFECTED PEOPLE.....	15
4.1 CENSUS OF AFFECTED HOUSEHOLDS	15
4.1.1 <i>Field Methodology</i>	15
4.1.2 <i>General Information on Affected Households</i>	15
4.1.3 <i>Indigenous People</i>	15
4.2 DATA ON HEADS OF AFFECTED HOUSEHOLDS.....	15
4.3 DATA ON AFFECTED HOUSEHOLDS.....	16
4.3.1 <i>General</i>	16
4.3.2 <i>Housing</i>	16
4.3.3 <i>Livelihood and Incomes</i>	17
4.3.4 <i>Poverty</i>	17
4.3.5 <i>Literacy</i>	18
5. INSTITUTIONAL ARRANGEMENTS.....	19
5.1 PAKISTAN ELECTRIC POWER COMPANY (PEPCO)	19
5.1.1 <i>Distribution Companies (DISCOs)</i>	19
5.1.2 <i>Technical Assistance (Consultants)</i>	19
5.2 MULTAN ELECTRIC POWER COMPANY (MEPCO).....	21
5.2.1 <i>Planning Division</i>	21
5.2.2 <i>Chief Engineer Development</i>	21
5.2.3 <i>Grid System Construction (GSC) Division</i>	21
5.3 DISTRICT GOVERNMENT	22

5.4	RESPONSIBILITY FOR INTERNAL AND EXTERNAL MONITORING.....	22
6.	CONSULTATION AND DISCLOSURE.....	23
6.1	CONSULTATION UNDERTAKEN FOR THE LARP	23
6.2	COMPENSATION OPTIONS DISCUSSED.....	24
6.3	LARP DISCLOSURE.....	24
7.	GRIEVANCE REDRESS PROCESS	25
8.	BUDGET FOR LAND AND ASSET ACQUISITION	26
8.1	BASIS FOR COMPENSATION	26
8.2	DETERMINING THE RATES FOR COMPENSATION	26
8.3	BUDGET FOR LAND AND ASSET ACQUISITION	28
9.	IMPLEMENTATION SCHEDULE.....	30
10.	MONITORING AND EVALUATION	32
10.1	INTERNAL MONITORING.....	32
10.2	EXTERNAL MONITORING	33
10.3	INDICATORS FOR MONITORING AND EVALUATION	33
10.4	RESETTLEMENT DATABASE	33
10.5	REPORTING REQUIREMENTS	33
	<i>Appendix 1: Working Tables (Fatehpur TL, MEPCO).....</i>	<i>36</i>
	<i>Appendix 2: List of Participants in Consultation Sessions (Fatehpur TL, MEPCO).....</i>	<i>39</i>
	<i>Appendix 3 – Draft Public Information Brochure (Fatehpur TL, MEPCO).....</i>	<i>40</i>
	<i>Appendix 4: Terms of Reference for Implementation Consultant (LARP).....</i>	<i>47</i>
	<i>Appendix 5 – Terms of Reference for External Monitoring Consultant (LARP).....</i>	<i>48</i>

Abbreviations

ADB	Asian Development Bank
ADB TA	ADB Technical Assistance (Grant for Project preparation)
AHs	Affected households
APs	Affected persons
CED	Chief Engineer Development
DOR	District Officer Revenues
EMC	External Monitoring Consultant
ESIC	Environmental and Social Impact Cell (MEPCO)
ft	foot / feet (3.28 ft = 1 m)
GRC	Grievance Redress Committee
IPDF	Indigenous Peoples Development Framework
IPDP	Indigenous Peoples Development Plan
KAA	Katchi Abadis Act, 1987.
<i>kanal</i>	unit of land measurement: 1 kanal = 20 marlas (8 kanal = 1 acre)
km	kilometer
kV	kilo-Volt
LAA	Land Acquisition Act, 1894 (amended)
LAC	Land Acquisition Collector
LARF	Land Acquisition and Resettlement Framework
LARP	Land Acquisition and Resettlement Plan
m	meter
MEPCO	Multan Electric Power Company
<i>marla</i>	smallest unit of land measurement: 1 marla = 272.25 ft ² (= 25.31 m ²)
MOWP	Ministry of Power and Water
MRM	Management Review Meeting
PEPCO	Pakistan Electric Power Company
PD	Project Director
PIB	Public Information Booklet
PIC	Project Implementation Consultant
PPTA	Project Preparatory Technical Assistance
RFS	Resettlement field survey
ROW	Right-of-way
Rs.	Pakistani rupees (currency): Rs. 78.80 = US\$1.00
TA	Telegraph Act, 1885 (amended 1975)
TL	Transmission Line
TOR	Terms of Reference

Definition of Terms

Affected persons (APs)	mean all the people affected by the project through land acquisition, relocation, or loss of incomes and includes any person, household (sometimes referred to as affected households (AHs) or project affected family), firms, or public or private institutions. AHs therefore include; i) persons affected directly by the safety corridor, right-of-way, tower or pole foundations or construction work area; (ii) persons whose agricultural land or other productive assets such as trees or crops are affected; (iii) persons whose businesses are affected and who might experience loss of income due to the project impact; (iv) persons who lose work/employment as a result of project impact; and (v) people who lose access to community resources/property as a result of the project.
Compensation	means payment in cash or kind for an asset to be acquired or affected by a project at replacement cost at current market value.
Cut-off-date	means the date after which people will NOT be considered eligible for compensation i.e. they are not included in the list of AHs as defined by the Census. Normally, the cut-off date is the last date of the Resettlement Field Surveys (RFS).
Encroachers	People who extend their occupation beyond the lands they legally own. Usually not entitled to compensation but sometimes provided with assistance if they are found to be vulnerable.
Entitlement	means the range of measures comprising cash or kind compensation, relocation cost, income rehabilitation assistance, transfer assistance, income substitution, and relocation which are due to business restoration which are due to AHs, depending on the type and degree nature of their losses, to restore their social and economic base.
Inventory of losses	means pre-appraisal inventory of assets as a preliminary record of affected/lost assets.
Land acquisition	means the process whereby a person is compelled by a public agency to alienate all or part of the land s/he owns or possesses, to the ownership and possession of that agency, for public purposes, in return for fair compensation.
Non-titled	means those who have no recognizable rights or claims to the land that they are occupying and includes people using private or state land without permission, permit or grant i.e. those people without legal title to land and/or structures occupied or used by them. ADB's policy explicitly states that such people cannot be denied compensation.
Poor	means those falling below the official national poverty line (equivalent to 2,350 calories per day) of Rs 848.79 per person per month (2004).
Replacement cost	means the method of valuing assets to replace the loss at current market value, or its nearest equivalent, and is the amount of cash or kind needed to replace an asset in its existing condition, without deduction of transaction costs or for any material salvaged.
Resettlement Field Survey	means the detailed inventory of losses that is completed after detailed design and marking of project boundaries on the ground, socioeconomic data on the affected households/families, and stakeholder consultations.
Sharecropper	means the same as tenant cultivator or tenant farmer, and is a person who cultivates land they do not own for an agreed proportion of the crop or harvest.
Significant impact	means 200 people or more will experience major impacts, which are defined as; (i) being physically displaced from housing, or (ii) losing ten per cent or more of their productive assets (income generating).
Vulnerable	means any people who might suffer disproportionately or face the risk of being marginalized from the effects of resettlement and includes; (i) female-headed households with dependents; (ii) disabled household heads; (iii) poor households (within the meaning given previously); (iv) landless; (v) elderly households with no means of support; (vi) households without security of tenure; (vii) ethnic minorities; and (viii) marginal farmers (with landholdings of five acres or less).

Executive Summary

1. **The Subproject:** The conversion of Fatehpur grid station from 66kV to 132kV and construction of a new 132kV transmission line subproject has been prepared by Multan Electric Power Company (MEPCO) to provide Fatehpur area with improved power supply. The converted 132kV grid station will be connected to the existing Chok Azam - Bhakkar 132kV transmission line by constructing a new 2.67 km long 132 kV transmission line. The subproject is located in Layyah district of Punjab province.

2. **Resettlement Impacts.** The conversion Fatehpur grid station from 66kV to 132 kV will be carried out within the bounds of existing grid station. The land already belongs to MEPCO, and no additional land will be acquired for this purpose and therefore, no people will be affected. The transmission line will, however, pass through two villages and affect 7.93 ha of crops and 178 trees (174 wood trees and 4 fruit trees). As a result, 15 affected households (AHs), with a total population of 151 (APs), will be affected by loss of agricultural crops and trees. No built-up structures will be affected. As none of the AHs are to be displaced or lose more than 10% of their productive assets, the resettlement impacts are non-significant.

3. **Compensation and rehabilitation** for losses and impacts will be provided in accordance to the following matrix (see Table 1 below). This entitlements matrix contains provisions for the actual impacts of this Subproject, while an umbrella (LARP) entitlements matrix containing provisions for all the potential impacts is provided in Chapter 2 (see Table 2.2).

Table 1: Compensation Eligibility and Entitlements Matrix for This Subproject

Asset	Specification	Affected People	Compensation Entitlements
Arable Land temporarily affected by construction of towers or TL.	Access is not restricted and existing or current land use will remain unchanged by the construction of towers and transmission line	Farmer, Titleholder (15 AHs)	No land compensation provided that land is rehabilitated/restored to former quality following completion of works. Compensation, in cash, for all damaged crops and trees as per item below
Crops	Crops affected (damaged/lost)	All AHs (15 AHs)	<u>Tower impacts:</u> Cash compensation at market rate based on actual impact for a maximum of 3 harvests <u>Line corridor stringing:</u> cash compensation at market rate of 1 harvest
Trees	Trees removed	All AHs (7 AHs)	Cash compensation shall reflect income replacement

4. **Cut-off-Date.** Compensation eligibility will be limited by the cut-off date fixed by MEPCO is 30th August 2008 for this Subproject. The AHs that settle in the affected areas and/or make changes in the land use patterns after this cut-off-date will not be eligible for compensation. They will, however, be given a three months notice requesting them to vacate the premises/corridor and dismantle the affected structures and/or other establishments (if any) prior to project implementation.

5. **Significance of Impact.** Only agricultural crops and trees will be affected by this subproject. As there will no restriction on use of, or access to, the land, there will be no permanent loss of land. No houses, shops or community structures will be affected. As no assets will be lost permanently, and none of the 15 AHs will be displaced or lose more than 10% of their productive assets, the resettlement impacts will be non-significant, and therefore, this short land acquisition and resettlement plan (LARP) has been prepared.

6. **Indigenous People Issues.** All of the 15 AHs are Muslim and ethnically Punjabi. The ADB's Policy on Indigenous People, as specified in the Indigenous Peoples Development Framework (IPDF) prepared for this program is not triggered, and therefore neither an IPDP nor special action is required for this subproject.

7. **Consultation and Disclosure.** A land acquisition and resettlement framework (LARF) has been prepared for the program, and has been translated into Urdu and disclosed according to ADB's public communications policy. The LARF has also been uploaded to ADB's website. For the preparation of this LARP, consultation has been undertaken, on behalf of MEPCO, through a series of meetings with local government agencies, affected households (AHs), as well as wider community group meetings of both men and women. The resettlement field survey (RFS) was a participatory process, with the head of household assisting in the identification and calculation of losses. Further consultation will be required during the implementation of this LARP.

8. **Grievance Mechanism.** There is a process established to deal with any issues or concerns raised on any aspect of the LARP or compensation process. The verbal or written grievances of AHs will be heard, firstly, by a village level Grievance Redress Committee (GRC), and secondly, by district level GRC, both to be established to assist MEPCO in solving the APs' grievances.

9. **Cost of LARP.** The compensation costs used herein are based on the unit rates derived through consultations with the affected communities in Fatehpur area, and the District LAC during RFS in September 2008. The actual quantities of the affected assets, and their unit prices/costs used and compensations assessed are provided in Chapter 8 (Tables 8.1 to 8.5). The total cost of this short LARP (see Table 2 overleaf), including compensations for the affected crops and trees, and external monitoring (with administration charge 15% of compensations and 10% contingency) has been estimated at Rs. 5.11 million (US\$ 64,864).

Table 2: Estimated Resettlement Cost of Fatehpur 132kV TL Subproject

No.	Resettlement Activity	No.	Unit	Rs./Unit	Total Rs.
A.	Asset Compensation:	-	-	-	1,616,899
A.1	Trees:	178	No.	-	805,550
A.1.1	<i>Fruit Trees:</i>	4	No.	-	72,000
	Mango	4	No.	18,000	72,000
A.1.2	<i>Wood Trees:</i>	174	No.	-	733,550
	Shisham (sisso)	45	No.	6,018	270,800
	Kikar (acasia nicolta)	1	No.	4,600	4,600
	Poplar/Eucalypts	54	No.	3,506	189,350
	Shareen/Neem	74	No.	3,632	268,800
A.2	Crops:	-	-	-	811,349
A.2.1	<i>Towers:</i>	-	-	-	219,721
	11 Towers (1 Crop): Wheat-1	9,900	m ²	6.92	68,496
	06 Towers (2 Crops): Cotton-1&2	5,400	m ²	8.77	94,738
	02 Towers (2 Crops): Bajra-1&2	1,800	m ²	6.05	21,794
	03 Towers (2 Crops): Mongi-1&2	2,700	m ²	6.42	34,693
A.2.2	<i>TL Corridor:</i>	-	-	-	591,628
	TL Corridor (1 Crop): Cotton-1	37,620	m ²	8.77	330,005
	TL Corridor (1 Crop): Bajra-1	6,950	m ²	6.05	102,614
	TL Corridor (1 Crop): Mongi-1	24,750	m ²	6.42	159,009
B.	Rehabilitation Works:	-	-	-	37,170
B.1	Rehabilitation of Affected Farmlands	34,650	m ²	0.80	27,720
B.2	Rehabilitation of Affected Watercourses	270	M	35.00	9,450
C.	Technical Assistance:	-	-	-	2,750,000
C.1	Resettlement Specialist (implementation)	6.00	pers/mo	300,000	1,800,000
C.2	External Monitoring (LARP activities)	3.00	pers/mo	300,000	900,000
C.3	Training of MEPCO staff (incl. material)	0.50	Lumpsum	100,000	50,000
D.	Administration Costs (15% of A)	0.15	Lumpsum	1,616,899	242,535
E.	Subtotal (A+ B+ C+ D)	-	-	-	4,646,604
F.	Contingency (10% of E)	0.10	Lumpsum	4,646,604	464,660
	Total Amount (Pak. Rupees):	-	-	-	5,111,264
	Total Amount (US Dollars *):	-	-	-	64,864

* US\$ 1.00 = Rs. 78.80.

1. INTRODUCTION

1.1 Background

1. The Government of Pakistan has requested financing from the Asian Development Bank (ADB) for implementing the Power Distribution Enhancement Investment Program (the program), to be executed through a Multi-tranche Financial Facility (MFF) divided into three tranches or groups of subprojects. The Ministry of Water and Power is the Executing Agency (EA) and the Multan Electric Power Company (MEPCO) is the Implementing Agency (IA). Each of the program's tranches will constitute a project which, in turn, will be divided into several subprojects involving the construction and/or upgrading of the substations and transmission lines.

2. This Short Land Acquisition and Resettlement Plan (LARP) has been prepared for the 2.67 km long Fatehpur 132kV double circuit transmission line, one of the subprojects included in Tranche 2 of the Program, and has been prepared by MEPCO to fit the Land Acquisition and Resettlement Framework (LARF) prepared for the program as a whole. As such the subproject will comply with the following land acquisition and resettlement (LAR)-related conditions:

- The signing of contracts awards for the subproject's civil works will be contingent to the preparation of this LARP fitting the LARF and relevant ADB policies; and,
- ADB issuance of notice to proceed for the implementation of the subproject's civil works will be contingent to the full implementation of compensation and rehabilitation programs detailed in this LARP.

3. Based on ADB's Operation Manual Section F2/OP & BP (2006) for projects in which resettlement impacts are considered significant i.e. > 200 people are resettled or will lose 10% or more of their income generating assets are classified as category "A" and a full LARP is required. Projects which will create minor or non-significant impacts i.e. < 200 people will be resettled or experience a loss of <10% of income generating assets a subproject is classified as category "B" and only a short LARP is required. While the number of households affected by the subproject is 15 with a population of 151, the magnitude of impact is minor because the impacts are temporary and any of the 15 AHs will neither have to be rehabilitated nor will lose any of their income generating assets. Therefore this short LARP has been prepared for the Fatehpur subproject.

4. The following sections of this short LARP detail: (i) the principles and eligibility/entitlement criteria for compensation or rehabilitation of AHs; (ii) the LARP institutional organization; (iii) the various LARP implementation mechanisms (information disclosure, participation and consultation, grievance redress and, monitoring and evaluation); and, (iv) time schedule and budget.

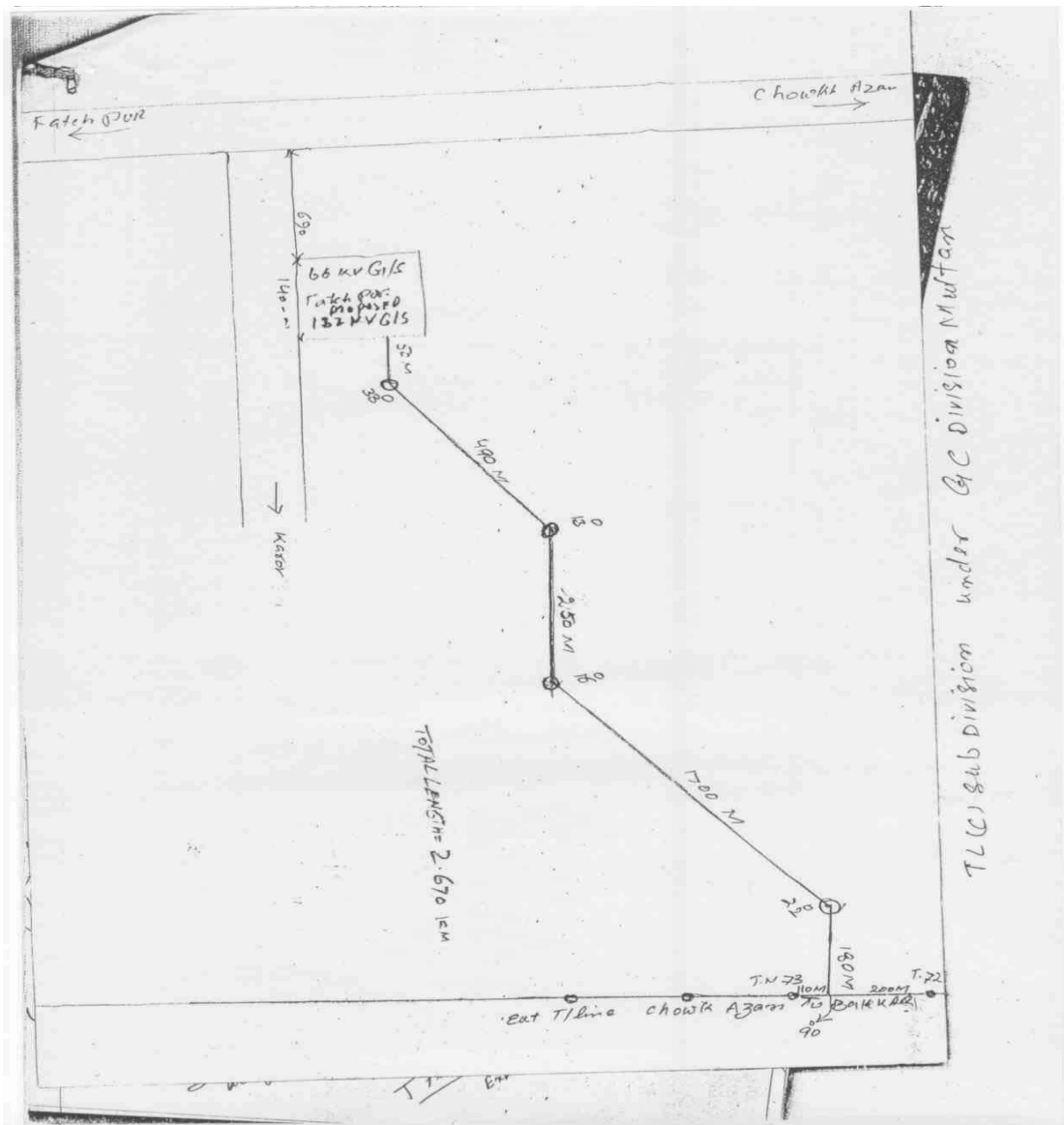
1.2 Description of the Subproject

5. The MEPCO provides electricity to Fatehpur and its surrounding rural areas through the existing Fatehpur 66 kV grid station. To meet with the increased power demand of the area, the MEPCO has planned to increase the capacity of this grid station from 66 kV to 132 kV. The conversion of the grid station will be carried out within the bounds of the existing grid station already owned by MEPCO, and no additional land will be acquired for this purpose. The converted 132kv grid station will be linked to the existing Chok Azam – Bhakkar 132kV transmission line by constructing a new 2.67 km long 132kV double circuit transmission line, starting near Dera Shafi, Chak No. 115 ML.

6. There is no land acquisition involved in the conversion of the substation, and therefore there will be no resettlement impacts. However, the new transmission line will affect crops and trees, for which this LARP has been prepared.

7. The new transmission line is 2.67 km long and will pass through two villages, namely, Chak 107 ML and Chak 115 ML located in Layyah district of Punjab province. The first 2,145 meters long section of the line traverses the farmlands of Chak 107 ML, and the remaining 540 meters section is located in Chak 115 ML village (Route Map of TL is shown **Figure 1.1** below). This transmission line will traverse private farmlands for most of its length 2,644 meter (98%) and only 41 meter (2%) uncultivated government lands (RoWs of canal and road). As a result, a total of 15 AHs, with a total population of 151 persons (APs), will be affected by temporary disruption to land, and loss of 7.93 ha of agricultural crops and 178 trees (174 wood trees & 4 fruit trees). The transmission line's construction will affect a total of 15 AHs with a population of 151 persons (APs).

Figure 1.1: Route Map of New Fatehpur 132 kV TL



۲. PROJECT COMPENSATION AND REHABILITATION FRAMEWORK

8. This section compares the Pakistani laws and regulations on land acquisition and resettlement with the requirements of the ADB Policy on Involuntary Resettlement and details summarizes the main components of the policy framework prepared specifically for the project to ensure that ADB's Policy on Involuntary Resettlement is complied with (refer to Section 2.4).

2.1 Policy Provisions, Eligibility and Entitlements

9. Regarding matters of land acquisition relative to subprojects requiring the application of the right of eminent domain, LAR will be regulated by different bodies of law, in particular the Land Acquisition Act (LAA) of 1894 covering land acquisition for stations and towers in urban areas and the Telegraphic Act of 1885 covering the construction of towers in rural areas. The Katchi Abadis Act of 1987 will cover the rehabilitation of affected squatters.

2.1.1 Land Acquisition Act, 1894 (LAA)

10. With the exception of impacts caused by poles and towers for public utilities land acquisition in Pakistan is regulated by the Land Acquisition Act, 1894 (LAA) with its successive amendments is the main law regulating land acquisition for public purpose. The LAA has been variously interpreted by local governments, and some province has augmented the LAA by issuing provincial legislations. The LAA and its Implementation Rules require that following an impacts assessment/valuation effort, land and crops are compensated in cash at market rate to titled landowners and registered land tenants/users, respectively. The LAA mandates that land valuation is to be based on the latest three years average registered land sale rates, though, in several recent cases the median rate over the past year, or even the current rates, have been applied. Due to widespread land under-valuation by the Revenue Department, current market rates are now frequently used with an added 15% Compulsory Acquisition Surcharge as provided in the LAA.

11. Based on the LAA, only legal owners and tenants registered with the Land Revenue Department or possessing formal lease agreements, are eligible for compensation or livelihood support. The rights of the non-titled are however addressed under the 1986 Punjab Jinnah Abadis for Non-proprietors in Rural Areas Act which recognize to squatters the right to receive rehabilitation in form of a replacement plot. It is to be noted that this right has been sometimes extended in practice to include some form of rehabilitation in cash or in forms different from land. Projects such as the Chotari Dam, Ghazi Barotha Hydropower, and National Highways Improvement, have awarded compensation and assistance to unregistered tenants and other forms of AH (sharecroppers/squatters).

12. It is also noted that the LAA does not automatically mandate for specific rehabilitation/assistance provisions benefiting the poor, vulnerable groups, or severely affected AHs, nor it automatically provides for rehabilitation of income/livelihood losses or resettlement costs. This however it is often done in many projects in form of ad hoc arrangements based on negotiations between a specific EA and the AHs.

13. As noted above, there are exceptions to the rule and the law is broadly interpreted at provincial level depending on operational requirements, local needs, and socio-economic circumstances. Recourse is often taken to ad hoc arrangements, agreements and understandings for resettlement in difficult situations. The above is also

influenced by the fact that an amendment of the LAA has been considered necessary by the Ministry of Environment. Accordingly, a National Resettlement Policy and a Resettlement Ordinance have been drafted to broaden LAA provisions and current practices so as to widen the scope of eligibility, but both these documents are still awaiting Government approval for implementation.

2.1.2 Telegraph Act, 1885 (TA)

14. In case of impacts caused by the poles and towers for public facilities and transmission lines land acquisition is not regulated by the LAA but instead by the Telegraph Act, 1885 (amended in 1975). The TA has been adopted by the MEPCO for the construction and maintenance of transmission/distribution lines. The TA was conceived in the British era for telegraphic poles and then was passed to post-independence Pakistan with a broader application covering also electric poles and towers. The original provision of this law was that the land occupied by telegraph poles was not to be compensated (only crops destroyed during the erection of the pole were compensated). This was based on the logic that a pole, covering only a negligible land area, does not cause substantial impacts to land users. This however is no longer the case once the same provision is extended to transmission towers.

15. The Telegraph Act (section 11) confers powers on the MEPCO to enter private lands and (section 10) construct/maintain electric poles and lines without the need to acquire the land affected and paying compensation for it. However sub-section 10 (d), provides that the MEPCO is required to avoid causing unnecessary damages to the affected land and associated assets. Finally section 16 provides that if any such damage occurs (i.e. damages to crops, irrigation facilities, land quality or land income) the project proponent has to provide just compensation for the damages caused.

16. To accommodate the APs needs under this Program LARF, MEPCO has agreed to apply the Telegraph Act liberally by: (i) properly informing the affected people through written notices and onsite public meetings; (ii) compensating at market rates all the lands occupied by towers in urban areas, or replacing the broad-based conventional towers by narrow-based tubular poles to minimize impact on land; (iii) by avoiding land impacts in rural areas through the use of towers with sufficient vertical clearance to allow the continuation of unrestricted farming and animal grazing; and, (iv) if the construction of such towers is impossible, by compensating the land occupied by tower bases also in rural areas. In addition, MEPCO will compensate by default all the crops, trees and other assets expected to be affected by the three TL construction phases: (i) construction of tower bases; (ii) tower erection; and (iii) stringing of power cables.

2.1.3 Katchi Abadis Act, 1987 (KAA)

17. The Katchi Abadis Act (KAA) covers the urban squatter's rehabilitation rights by providing plots in public resettlement areas or cash assistance. Based on the KAA, the MEPCO will provide rehabilitation compensation to eventual squatters/encroachers affected by the project.

2.2 ADB's Involuntary Resettlement Policy

18. The ADB *Policy on Involuntary Resettlement* is based on the following principles:

- Involuntary resettlement is to be avoided or at least minimized.
- Compensation must ensure maintenance of the AHs' pre-project living standards.
- Compensation is required for any AH who as a result of a project has their access to, or use of, land restricted.

- AHs should be fully informed and consulted on LAR compensation options.
- AHs' socio-cultural institutions will be supported/used as much as possible.
- Compensation will be paid with equal consideration of women and men.
- Lack of formal legal land title should not be a hindrance to rehabilitation.
- Particular attention will be paid to households headed by women and other vulnerable groups, such as indigenous people and ethnic minorities, and appropriate assistance will be provided to help them improve their status.
- LAR should be conceived and executed as a part of the project, and the full costs of compensation should be included in project costs and benefits.
- Compensation/rehabilitation assistance will be paid prior to ground leveling and demolition.

2.3 Comparison of Land Acquisition Act and ADB Resettlement Policy

19. Table 2.1 below outlines the differences between Pakistani Law and ADB policy.

Table 2.1 Pakistan and ADB Land Acquisition Policies

Pakistan's Land Acquisition & Telegraph Acts	ADB Involuntary Resettlement Policy
Land compensation only for titled landowners or holders of customary rights.	Lack of title should not be a bar to compensation and/or rehabilitation. Non-title-holders are to be rehabilitated.
Crop losses compensation provided only to registered landowners and lease/sharecrop tenants (Non-registered are often deprived).	Crop compensation are provided to landowners and sharecrop/lease tenants according to their shares whether they are registered or not
Tree losses are compensated on the basis of officially fixed rates by the Forest and Horticulture departments Land valuation based on the median registered land transfer rate over the previous 3 years.	Tree losses are compensated according to actual worth of Affected trees based on market rates. Land valuation is to be based on current replacement (open market) value.
Structures valuation based on official rates, with depreciation deducted from the structure gross value.	Valuation of built-up structures is based on current market value/cost of new construction of the structure
Land Acquisition Collector (LAC) or District Judge (in case of the Telegraph act) are the final authorities to decide disputes and address complaints regarding quantification and assessment of compensation for the affected lands and other assets	Complaints and grievances are resolved informally through community participation in the Grievance Redress Committees (GRC), local governments, NGO and/or local-level community based organizations
The Telegraph act (TA) provides that land for tower construction or under a transmission line is not to be acquired or compensated as long as the land's permanent productive potential is not affected. Under the TA therefore only temporary impacts on crops are compensated.	Based on ADB policy all land impacts are to be compensated. As urban/residential-commercial land is affected both if a tower provides clearance or not, the TA provisions have been modified for this project so as to address damages that a tower causes to plots with real estate value. For this project urban and commercial or residential plots whether urban or rural will be fully acquired and compensated at market rates. The same will happen in case of rural/agricultural land when the land under a tower is no longer usable or access to it is restricted.

2.4 Remedial Measures to Bridge the Gap

20. In principle, Pakistan Law and ADB Policy adhere not only to the objective of AH compensation, but also to that of AH rehabilitation. However, Pakistan law is unclear on how rehabilitation is to be achieved and in practice the provision of rehabilitation is left to ad hoc arrangements of local governments and project proponents. To clarify these issues and reconcile gaps between Pakistani Laws and ADB Policy, the MEPCO will comply with the LARF prepared for the program, ensuring compensation at replacement cost for all items affected, the rehabilitation of informal settlers, and the provision of subsidies or allowances for any AHs that may be relocated, suffer business losses, or who may be severely affected.

2.5 Land Classification

21. In terms of application of the LARF prepared for the program, identifying the type of land affected is an important step in determining whether land is to be compensated or not. According to the LARF, the land classification, as well as, land use will be the basis for identifying the affected lands. They are: (i) urban versus rural lands; and, (ii) residential/commercial versus agricultural lands.

22. Urban or residential/commercial land affected by tower construction both in rural and urban areas will be considered as acquired permanently and land compensation will be paid to the affected households. Agricultural land in rural areas, instead, will not be considered as permanently affected as long as permanent cultivation and access remains possible under a tower and therefore will not be acquired and compensated, for this subproject cultivation under the towers will be possible after the construction. However, when land under a tower become un-accessible agricultural /rural land will be considered as permanently affected and as such acquired and compensated.

23. For the Project Urban and Rural areas will be identified based board of revenue records. Also for the Project residential, commercial and agricultural plots will be identified based on the classification provided by district revenue records or based on the actual use of the affected land prior to the entitlements cut-off date. In case of discordance between revenue records and actual the land will be treated on the basis of actual land use.

2.6 LAR Approaches for the Subproject

24. As specified in the LARF, the construction of Towers and Distribution lines will have to be carried based on the exercise of the right of Eminent Domain and will trigger the application of the ADB policy on Involuntary Resettlement. Impacts reparation for these items under the subproject will be carried out based on the compensation eligibility and entitlements framework presented in the next sections of this chapter.

2.7 Compensation Eligibility and Entitlements for the Project

25. Land acquisition tasks under the program, and for this MEPCO subproject, will be implemented according to a compensation eligibility and entitlements framework in line with both Pakistan's law/regulation and the ADB Policy. A summary entitlements matrix for all the potential resettlement impacts is provided in Table 2.2 overleaf.

Table 2.2 – Compensation Eligibility and Entitlements Matrix

Asset	Specification	Affected People	Compensation Entitlements
Land permanently acquired for sub-station	1. Donated/bought on the open market 2. Acquired via right of eminent domain	Land owners	If donated or voluntarily sold ADB Policy is not triggered If acquired via exercise of the right of eminent domain land will be compensated at full market value.
Arable Land temporarily affected by construction of towers or TL.	Access is not restricted and existing or current land use will remain unchanged by the construction of towers and transmission line	Farmer, Titleholder	No land compensation provided that land is rehabilitated/restored to former quality following completion of works. Compensation, in cash, for all damaged crops and trees as per item below
		Leaseholder (registered or not)	No land compensation provided that the land is rehabilitated/restored to former quality following completion of works. Compensation, in cash, for all damaged crops and trees as per item below
		Sharecroppers (registered or not)	Compensation, in cash or kind, for all damaged crops/trees as per item below
		Squatters	Compensation, in cash, for all damaged crops/trees as per item below
Arable Land where	All adverse effects on	Farmer,	Land for land compensation with plots of equal value and

tower/TL construction restricts access or agricultural use.	land use independent of severity of impact	Titleholder	productivity to the plots lost; or cash for affected land at replacement cost based on market value plus 15% compulsory acquisition surcharge and free of taxes, registration, and transfer costs	
		Leaseholder (registered or not)	Renewal of lease in plots of equal value/productivity of plots lost, or Cash equivalent to market value of gross yield of affected land for the remaining lease years (up to a maximum of 3 years).	
		Sharecroppers (registered or not)	Cash compensation equal to market value of lost harvest share once (temporary impact) or twice (permanent impact)	
		Agricultural workers	Cash indemnity equal to salary (including portions in kind) for remaining part of agricultural year.	
		Squatters	1 rehabilitation allowance equal to market value of 1 gross harvest (additional to crop compensation) for land use loss.	
	Additional for severe impacts (>10% of land loss)	Farmer, Titleholder Leaseholder	1 severe impact allowance equal to market value of gross harvest of affected land for 1 year (inclusive of winter and summer crop and additional to standard crop compensation)	
		Sharecroppers (registered or not)	1 severe impact allowance equal to market value of harvest share (additional to standard crop compensation)	
		Squatters	1 severe impact allowance equal to market value of gross harvest of the affected land for 1 year (inclusive of winter and summer crops and additional to standard crop compensation)	
	Residential/ Commercial Land affected by towers/ TL	Future usage of the land will get restricted permanently	Titleholder	Land for land through provision of plots comparable in value/location to plot lost; or cash for affected land at full replacement cost free of taxes, registration, transfer costs plus 15% compulsory acquisition surcharge.
			Renter, Leaseholder	1-3 months allowance based on current monthly rent
Squatters			Relocation in a public resettlement area or a self-relocation allowance	
Houses and Structures	Affected houses /structures will be demolished	Relevant AHs/ squatters	Cash compensation at replacement rate for affected structure/other fixed assets free of salvaged materials, depreciation or transaction costs. For partial impacts full cash assistance to restore remaining structure.	
Crops	Crops affected (damaged/lost)	All AHs/ squatters	<u>Tower impacts</u> : Cash compensation at market rate based on actual impact for a maximum of 3 harvests <i>for this subproject 1 harvest is expected to be sufficient</i> <u>Line corridor stringing</u> : cash compensation at market rate of 1 harvest.	
Trees	Trees removed	All AHs/ squatters	Cash compensation shall reflect income replacement	
Business Employment	loss of business or employment	All AH/ squatters	Owner: (i) Cash compensation equal to 1 year income, if loss permanent; (ii) cash compensation for the period of business interruption, if loss is temporary. Worker/employee: lost wages indemnity for the business interruption period up to a 3 months maximum.	
Relocation	Transport, transition costs	All AHs so affected	Provision of sufficient allowance to cover transport expenses and livelihood expenses for one month.	
Community	structures & installations	Concerned community	Rehabilitation/substitution of affected structures/utilities (i.e. mosques, roads, schools etc.	
Vulnerable AH		AH below poverty	Employment priority in project-related jobs.	

2.8 Eligibility

26. The AHs entitled to compensation and/or rehabilitation under the program are:

- All AHs of landowner farmers affected by crop loss;
- All AHs affected by loss of fruit and/or wood trees.

27. Compensation eligibility will be limited by a cut-off date to be set for each subproject on the stating day of the AH census and impact assessment. AHs who settle

in the affected areas the cut-off date will not be eligible for compensation. They will, however be given sufficient advance notice, requested to vacate premises and dismantle affected structures prior to project implementation. Their dismantled structures will not be confiscated and they will not pay any fine or sanction. Forced eviction will only be considered all other efforts are exhausted.

28. Cut-off Date: Compensation eligibility will be limited by a cut-off date fixed by the MEPCO is 30th August, 2008 for this 132 kV double circuit transmission line subproject, which was the last day of the AH Census and Impact Assessment fieldwork. AHs that settle in the affected areas and/or make changes in the land use patterns this cut-off date will not be eligible for compensation. They will, however, be given sufficient advance notice requesting them to vacate premises/corridor and dismantle affected structures and/or other establishments (if any) prior to project implementation.

29. They will be allowed to reuse their salvaged material for free and they will not be asked to pay any fine for making those change. Forced eviction will only be considered all other efforts are exhausted.

2.9 Compensation Entitlements

30. Entitlement provisions for AHs affected by restricted access to, or use of, land, and income losses and rehabilitation subsidies will include provisions for such land losses, house and buildings losses, crops and trees losses, a relocation subsidy, and a business losses allowance based on tax declarations and/or lump sums. These entitlements are detailed below:

- **Crops:** Cash compensation at current market rate for the harvest actually lost up to 3 harvests being as it may be winter or summer crop (for crops affected by towers); 1 harvest being as it may be summer or winter crop (for crops affected by the line stringing). Compensation will be paid both to the landowners and tenants based on their specific sharecropping agreements.
- **Trees:** Cash compensation shall reflect income replacement (see below).

2.10 Assessment of Compensation Unit Values

31. The methodology for assessing unit compensation values of different affected items is as follows:

- Agricultural crops will be valued at net market rates at the farm gate for the first year crop. In the eventuality that more than one-year compensation is due to the AHs the crops after the first will be compensated at gross market value.
- Fruit trees will be valued based on age category (a. seedling; b. not yet productive; c. productive). Productive trees will be valued at gross market value of one year income multiplied by the number of years needed to grow a new tree with the productive potential of the lost tree.
- Wood trees will be valued based on the market rates.

۳. ASSESSMENT OF IMPACTS

3.1 Resettlement Field Survey

32. The finalized technical design of the subproject was made as mandatory pre-requisite for carrying out the resettlement field surveys (RFS). The design included the identification and layout of the site and technical drawings showing line profile with spotting of bases for the towers. Having these pre-requisites, the RFS team undertook fieldwork by actively involving the MEPCO's technical surveyor and Assistant Manager, Social Safeguards. The impact assessment involved quantification and costing of the affected area and assets through a participatory approach, socioeconomic data on AHs, and consultation with gender-segregated groups of AHs and other villagers¹.

33. The RFS fieldwork was started in Fatehpur subproject area on 22nd of August 2008. The RFS team comprised one resettlement specialist, two field surveyors, one male and one female, and the MEPCO's technical surveyor. The field surveys were carried out in a total period of nine days which had ended on 30th August 2008. Thus, MEPCO has fixed 30th August 2008 as the cut-off-date for this subproject, which was communicated to the AHs and affected communities during the community consultation sessions, and will be communicated again through Public Information Brochure (PIB) in Urdu. The affected communities were clearly informed that no subsequent changes made in land use pattern or construction of a structure will be entertained by MEPCO for any compensation under this Subproject.

3.2 Minimisation of Impacts

34. The MEPCO usually takes all possible steps to safeguard against and minimize the likely adverse impacts on local communities in the design and implementation of its power distribution enhancement subprojects, involving construction of grid stations and transmission lines. Accordingly, the following specific actions were applied to avoid and minimize the likely resettlement impacts of this Fatehpur 132kV grid station and transmission line subproject:

- Alignment of the transmission line and tower to tower spans are altered slightly to avoid both the compact housing and commercial areas and scattered farm-houses; and,
- A minimum clearance under the line required is 7 m, which is maintained for the whole line, even by providing 2 m to 6 m leg and/or body extension to the towers where required.

35. As a result, no buildings or farming enterprises (i.e., poultry farms, fruit orchards, tube-wells, etc.) are affected. The transmission line traverses throughout the open lands, including private agricultural lands where only the agricultural crops and trees will be affected by the Subproject execution.

3.3 Impacts of the Subproject

3.3.1 General Description

36. The Fatehpur subproject involves the construction of a 2.67 km long 132 kV double circuit transmission line and conversion of the existing substation, totally within

¹ Socioeconomic survey findings are presented in Section 4 and Section 6 - Consultations and Disclosure.

the existing site boundary. The new transmission line will mostly traverse private farmlands (98%) and a small section of government land (2%) like canal, road, paths and water courses as shown in Table 3.1 below. (Further detailed data are provided in **Appendix 1: Working Tables**).

37. The transmission line for this subproject consists of the following sections:

- **Section A:** Chak No. 107 ML (2,145 m long with 8 towers);
- **Section B:** Chak No. 115 ML (540 m long with 3 towers);

Table 3.1: Total Length of Transmission Line

Transmission Line by Village	Total Length of Transmission Line			% land
	Private Land (m)	Uncultivated Govt. land (m)	Total Length (m)	
A – Chak 107 ML	2,118	27	2,145	79.89
B - Chak 115 ML	526	14	540	20.11
Total	2,644	41	2685	100.00
Percentage	98.47	1.53	100.0	--

38. No land will be acquired permanently for the grid station conversion works or the construction of transmission line and no built-up structures will be affected by either one. However, the transmission line's construction and stringing works will affect crops and trees within 30m wide safety corridor. As a result, only 15 AHs with a population of 151 persons (APs) will be affected (see Table 3.2 below).

Table 3.2: Overall Resettlement Impacts of the Subproject (Fatehpur TL)

Affected Asset	Item	Unit	Values
Farmlands (Crop Loss)	Length	m	2,644
	Area	m ²	79,320
	AHs*	No.	15
Trees Removal	Fruit Trees	No.	4
	Wood Trees	No.	174
	AHs*	No.	7

* Of the total 15 AHs suffering from loss crops, 7 AHs will also suffer from loss of fruit/wood trees.

39. Compensations for the losses of crops and trees will be provided according to the following matrix (see Table 3.3 below). This entitlement matrix contains provisions for actual impacts of this Subproject, while an umbrella (LARF) entitlements matrix containing provisions for all potential impacts is provided in Chapter 2 (see Table 2.2).

Table 3.3: Compensation Eligibility and Entitlements Matrix for This Subproject

Asset	Specification	Affected People	Compensation Entitlements
Arable Land temporarily affected by construction of towers or TL.	Access is not restricted and existing or current land use will remain unchanged by the construction of towers and transmission line	Farmer, Titleholder (15 AHs)	No land compensation provided that land is rehabilitated/restored to former quality following completion of works. Compensation, in cash, for all damaged crops and trees as per item below
Crops	Crops affected (damaged/lost)	All AHs (15 AHs)	Tower impacts: Cash compensation at market rate based on actual impact for a maximum of 3 harvests Line corridor stringing: cash compensation at market rate of 1 harvest.
Trees	Trees removed	All AHs (7 AHs)	Cash compensation shall reflect income replacement

40. Major crops grown in the area are wheat in the Rabi season (winter-spring) and Cotton, Bajra and Mongi in the Kharif season (summer-autumn). This is the dominant cropping pattern in the subproject area, with minor areas of sugarcane and fodder. Thus, the subproject's impact assessment has been made on the basis of Wheat, Cotton, Bajra (millet) and Mongi (mong beans) crop losses.

41. In addition, there are scattered wood and fruit trees, found mostly on farmland boundaries. The trees include Eucalyptus, Shareen, Shisham (sisso), Kikar and Mango (fruit tree). MEPCO's technical survey and design team made utmost efforts to avoid affecting trees, and as a result, only 178 trees (174 wood and only 4 fruit trees) will need to be removed from the 30m wide corridor.

3.3.2 Impacts of Transmission Line

42. The sections of the transmission line in between the towers (TL Corridor) will cause damage to, or loss of, crops during the stringing of power cables. This last activity is usually carried out rapidly, one stretch at a time, and completed in one cropping season, for which one-crop compensation will be paid. AHs will also be compensated for the loss of their trees that are located within the 30m wide corridor and will be removed. There are no built-up structures affected by this subproject.

43. The following Tables 3.4 and 3.5 show that length of the transmission line, excluding land under the towers, is 2355 meter, with a total area of 7.065 ha. Of the total corridor some 2,314 meter (98%) traverses private farmland and affects an area of 6.94 ha while 41 meter is through uncultivated government land and an area of 0.12 ha. The construction of towers, including the last stringing activity will affect three consecutive crops, and accordingly, the 8 AHs will be paid compensation for the loss of 3 crops. In contrast, the stringing activity of the transmission line (in-between the towers) will be the last activity, and it will affect only one crop (Cotton, Bajra and Mongi crops: 2011) for which all the 15 AHs will be paid compensation for the loss of one crop. The affected trees will be compensated for once, based on the current market rates. Further details on the affected crops and trees are provided in the following subsections 3.3.3 and 3.3.4, and in Chapter 8 (Budget).

Table 3.4: Distribution of Transmission Line Corridor* by Type of Land

Transmission Line	Length of corridor (m)		Affected Area (m ²)	
	Private Farmland	Uncultivated Govt. Land	Private Farmland	Uncultivated Govt. Land
A - Chak 107 ML	1,878	27	56,340	810
B - Chak 115 ML	436	14	13,080	420
Total	2,314	41	69,420	1,230

* The 30m wide strip of land in-between the towers (excl. 900m² perimeter area around the tower).

Table 3.5: Temporary Land Impacts on Private Farmland in the TL Corridor*

Transmission Line	Number of AHs	Total Length (m)	Affected Area	
			m ²	Ha
A - Chak 107 ML	13	1,878	56,340	5.63
B - Chak 115 ML	2	436	13,080	1.31
Total	15	2,314	69,420	6.94

* The 30m wide strip of land located in-between the towers (excluding 900m² perimeter tower area).

3.3.3 Impacts of Towers

44. The new 132 kV transmission line will require the construction of 11 towers. No private or public land will be acquired permanently, as none of the new towers will be constructed in an established urban or a developing housing area, and sufficient clearance will be provided under the towers for convenient mobility of tractors to allow the affected farmers to continue cultivating their lands without restriction.

45. The farmland under and around towers will, however, be affected temporarily causing loss of crops and trees during the 3-tier process of tower construction: (i) construction of foundations, (ii) erection of towers, and (iii) stringing of power cables. According to the time schedule provided in Chapter 9, the whole process of construction and stringing is expected to be completed in a total period of 13 months, starting in August 2010 and ending by August 2011. Thus, it will cause crop losses for three consecutive cropping seasons, namely: (i) Kharif/summer season 2010, Cotton, Bajra and Mongi crops; (ii) Rabi/winter season 2010-11, Wheat crop; and (iii) Kharif/summer season 2011, Cotton, Bajra and Mongi crops;. Accordingly, cash compensation will be paid to the 8 AHs for the loss of their crops for three consecutive cropping seasons.

46. All the 11 towers will be located on private farmlands. For tower installation, crops and trees in an area not only under the tower, but also in a small perimeter surrounding it as the access, working and storage areas, will be affected by the construction works. This area is assessed to be 900 m² (0.09 ha) per tower. Thus, the 11 towers will affect temporarily a total of 9,900 m² (0.99 ha) of farmland, belonging to eight farming households (AHs), as shown in Table 3.6 below.

Table 3.6: Temporary Impacts of Towers on Private Farmland

Transmission Line	No. of AHs	No. of Towers	Affected Area	
			m ²	Ha
A - Chak 107 ML	6	8	7200	0.72
B - Chak 115 ML	2	3	2700	0.27
Totals	8	11	9,900	0.99

3.3.4 Other Impacts and Summary

47. Overall, a total of 15 farming households will be affected by the construction of the new 132 kV transmission line. Of them, 8 AHs will be affected by both towers and the transmission line, while the remaining 7 AHs will be affected only by the transmission line during the stringing activity, as shown in Table 3.7 below. Accordingly, the 8 AHs will be compensated for three crops (two for crops affected as a result of tower construction, and a third for crop damage/loss during the stringing activity). The 7 AHs who will experience crop damage or loss because of stringing activity only, will receive compensation for one crop.

Table 3.7: Temporarily Affected Crops by Fatehpur 132 kV TI

Transmission Line	Affected Crops (ha)					
	Private Land			Government Land		
	Total	Tower	Corridor	Total	Tower	Corridor
A - Chak No. 107 ML	6.35	0.72	5.63	0.00	0.00	0.00
B - Chak No. 115 ML	0.58	0.27	1.31	0.00	0.00	0.00
Total	7.93	0.99	6.94	0.00	0.00	0.00

48. In addition to crop loss, 178 private trees also fall within the 30 meter wide corridor of transmission line. All these 178 trees will need to be removed by the

construction of the line, of these 178 trees 174 trees are wood trees and 4 are fruit trees, as shown in Table 3.8 below. Some 6 AHs will lose 174 wood trees and one AH will lose 4 fruit trees. All affected trees are scattered and mostly located along the field boundaries. There are no plantations, orchards of fruit trees affected. Of the 174 wood trees, 96 trees will be affected by the transmission line, while the remaining 78 trees will be affected by the construction of towers. Compensation for the affected trees will be paid for once on their initial removal.

Table 3.8: Affected Wood Trees by Section of Transmission Line

Affected Tree	Number of Affected Trees		
	Total	Wood trees	Fruit Trees
A - Chak 107 ML	154	154	0
B - Chak 115 ML	24	20	4
Total	178	174	4

49. Compensation for affected trees will be paid for the total removal. The compensation for affected wood trees is based on current market rate of the wood which is assessed on the basis of tree size (height and girth), and for fruit trees compensation will be assessed on the basis of fruit value for ten years and maturity level of the tree as shown in Table 3.9 and 3.10 below.

Table 3.9: Number of Affected Wood Trees by Size (Fatehpur 132 TL)

No.	Name of Affected Wood Tree	Relative Size	Affected Wood Trees (No.)		
			Chak 107 ML	Chak 115 ML	Total
1	Shisham (Sisso)	Small	11	2	13
		Medium	19	4	23
		Large	8	1	9
Sub-total (a): Shisham			38	7	45
2	Kikar (Acacia)	Medium	0	1	1
3	Poplar/Eucalypts	Small	28	0	28
		Medium	23	0	23
		Large	3	0	3
Sub-total (c): Poplar/Eucalypts			54	0	54
4	Shareen/ Neem	Small	18	4	22
		Medium	34	6	40
		Large	10	2	12
Sub-total (d): Shareen/ Neem			62	12	74
TOTAL:			154	20	174

Table 3.10: Number of Affected Fruit Trees by Maturity Level (Fatehpur TL)

No.	Name of Fruit Tree	Maturity Level	Affected Fruit Trees (No.)		
			Chak 107 ML	Chak 115 ML	Total
1	Mango	Immature	0	4	4
		Mature-1	0	0	0
		Mature-2	0	0	0
Total :			0	4	4

50. There are no houses or structures affected. Similarly, there are no community property resources, nor any business activities affected by the construction of the towers and/or stringing of transmission line.

3.4 Affected Households

3.4.1 General

51. The construction of 2,670 meter long transmission line will traverse farmland in two villages of the Layyah district of Punjab province. A total of 15 AHs will experience temporary effects on their land and loss of crops and trees (see Table 3.11 below). Of the total 15 AHs, eight AHs will be affected by both the towers and transmission line, while seven AHs are affected by the transmission line corridor only (stringing activity).

Table 3.11: Households Affected by Towers and Line Corridor

TL Section of by Village	Length of Line (m)	No. of Towers	Number of Affected Households (AHs)		
			Towers + Line	Line only	Total
A - Chak 107 ML	2,118	8	6	7	13
B - Chak 115 ML	526	3	2	0	2
Total:	2,644	11	8	7	15
Percentage:	-	-			100.0

3.4.2 Significance of Impacts

52. The impact of the temporary effects on land and loss of crops will be minor or non-significant for all 15 AHs. The AHs own relatively large farms with highly fertile land, and none will lose >10% of their total crop, as shown in Table 3.12 below. The 30m wide corridor will be used temporarily as a working corridor for installation of the new towers and stringing of the power lines. The overall crop loss is non-significant and ranges from 2.27 % to 9.74 % of total crop (and an average of 7.75 %).

Table 3.12: Proportion of Crop Loss (Fatehpur TL)

Transmission Line	No. of Ahs	Proportion of Crop Loss (%)		
		Minimum	Maximum	Average
A - Chak 107 ML	13	4.45	9.74	8.12
B - Chak 115 ML	2	2.27	8.47	5.37
Total	15	2.27	9.74	7.75

53. Moreover, there are no vulnerable people among 15 AHs; none of the AHs are on or below the national poverty line and include families in a joint/extended family system which also assists in providing a safety net against external economic shocks. Finally, the overall impacts on the villages are minor.

4. SOCIO-ECONOMIC PROFILE OF AFFECTED PEOPLE

4.1 Census of Affected Households

4.1.1 Field Methodology

54. After obtaining the pre-requisite location maps, field layout and profile drawings, revenue records and in-field assistance of a technical surveyor, intensive fieldwork was carried out for preparing this Short LARP. The field methodology included carrying out of RFS comprising 100% Census of AHs, and community consultation (see Section 6).

4.1.2 General Information on Affected Households

55. The incoming/outgoing transmission line crosses two villages. There are 15 AHs with a total population of 151 affected people (APs) impacted either by losses of crops or trees. The various impacts have been discussed in Section 3.

56. All of the participants in the RFS were the head of household. All the AHs are Muslim and are ethnically Punjabi. The language of all APs is Saraiki.

Table 4.1: Affected Households & Population by Village

Transmission Line	No. of AHs	Affected People (APs)
A - Chak 107 ML	13	117
B - Chak 115 ML	2	34
Total	15	151

57. In terms of social groups, there are three major castes in the subproject area, who are Arain group accounting for 46.7%, Toor (33.3%) and Malik (20%).

Table 4.2: Social Group of Affected Households

Transmission Line	Social group (No. of AHs)		
	Arien	Toor	Malik
A - Chak 107 ML	7	5	1
B - Chak 115 ML	-	-	2
Total	7	5	3
Percentage	46.67	33.33	20.00

4.1.3 Indigenous People

58. None of the AHs are tribal or minority and all land is held in private ownership (i.e. no tribal or communal ownership). Therefore the standard provisions of the LARF and this LARP are sufficient to ensure an effective compensation process and the requirements of ADB *Policy on Indigenous People* are complied with. The ADB's policy, as specified in the Indigenous Peoples Development Framework (IPDF) prepared for the project is not triggered, and therefore neither an IPDP nor special action is required for this subproject.

4.2 Data on Heads of Affected Households

59. All fifteen heads of AHs are male. In terms of marital status thirteen (87 %) Head of AHs are married and two (13%) are unmarried. In terms of age, 12 household heads

(80%) are between 41 and 60 years, one (6.7%) is between 61 and 75 years, while two (13%) are young, aged between 30 and 40 years. There are no elderly HAHs (older than 75 years).

60. In terms of literacy and education, most of the heads of households 13 (87 %) are illiterate while only two (13 %) are primary, and none of the household head is highly educated.

4.3 Data on Affected Households

4.3.1 General

61. Households in the subproject area are large, with an average size of 10.1 people per household, and include joint or extended families. The smallest household is made up of six people while the largest household consists of 19 people. Tables 4.3 to 4.5 provide details on household size, and their age and gender compositions.

62. Just over half (54%) of all APs are male. As seen in Table 4.5, adults account for 56% of all APs, and children (up to 15 years of age) account for 27% of all APs.

Table 4.3: Size of Affected Households

Transmission Line	No. of AHs	Household Size (No. of people)		
		Minimum	Maximum	Average
A - Chak 107 ML	13	6	11	9.0
B - Chak 115 ML	2	15	19	17.0
Total	15	7	19	10.1

Table 4.4: Gender Composition of Affected Households

Transmission Line	No. of AHs	Total Number of Persons		
		Male	Female	Total
A - Chak 107 ML	13	61	56	117
B - Chak 115 ML	2	21	13	34
Total:	15	82	69	151

Table 4.5: Age and Gender Composition of AHs

Age Group	Age in Years	Total Number of Persons			
		Male	Female	Total No.	Percentage
Children	Up to 15	23	18	41	27.15
Youth	16 – 25	8	12	20	13.25
Adults	26 – 60	49	35	84	55.63
Older Adults	Above 60	2	4	6	3.97
Total:	All Ages	82	69	151	100.00
Percentage	All Ages	54.30	45.70	100.00	-

4.3.2 Housing

63. None of the AHs live in simple dwellings (constructed of thatch, sack, bamboo, clay or earth). All respondents stated that they live in houses constructed of brick and concrete.

4.3.3 Livelihood and Incomes

64. As all AHs rely on farming for at least part of their income, the tenure of agricultural land is an important factor in terms of security and sustainability of livelihood. Among the AHs, all household heads stated they are the registered land owners. There are no households that rent or lease agricultural land, no households that claim ownership, and no squatters. None of the APs is a share cropper or a lease holder. Table 4.6 shows that the total farm size of AHs to be medium, with an overall average of 16.33 Acres and a range from 5 Acres to 42 Acres.

Table 4.6: Farm Size of Affected Households

Transmission Line	No. of Ahs	Farm Size (Acres)		
		Minimum	Maximum	Average
A - Chak 107 ML	13	5.00	40.00	14.46
B - Chak 115 ML	2	15.00	42.00	28.50
Total	15	5.00	42.00	16.33

65. In total some 151 APs are engaged in livelihoods, and there are more male than female APs engaged in the three livelihood sectors. The primary livelihood sector is agriculture, accounting for 57% working APs, followed by 23% in small business of trade, and 20% in waged employment.

Table 4.7: Livelihood Sector by Gender of APs

Livelihood Sector	No. of APs			Sector %
	Male APs	Female APs	Total APs	
Agriculture	27	5	32	57.14
Business	11	2	13	23.21
Employment	8	3	11	19.64
Sum Total	46	10	56	100.00
Gender %	82.14	17.86	100.00	—

66. Major part (39%) of the income of AHs is from small business, trade or labour, followed by waged employment (35%) and 26% of household income is from agriculture. In each of the three sectors male APs earn more than female APs.

Table 4.8: Income by Livelihood Sector and Gender

Livelihood Sector	Average Income by Gender (Rs. 000)			Sector %
	Men	Women	Total	
Agriculture	552.3	62.0	614.3	26.04
Business	875.1	45.0	920.1	39.01
Employment	654.0	170.5	824.5	34.95
Total:	2,081.4	277.5	2,358.9	100.00
Gender %	88.24	11.76	100.00	---

4.3.4 Poverty

67. In Pakistan the official poverty line 849 Rs per person per month. Based on the data provided in the RFS there are no AHs that fall on or below the poverty line. Average

per capita monthly income is Rs 1,467, with a minimum of 997 Rs/person/month and a maximum of 2,450 Rs/person/month.

Table 4.9: Monthly Per Capita Income

Transmission Line	No. of AHs	Monthly Per Capita Income (Rs.)		
		Minimum	Maximum	Average
A - Chak 107 ML	13	997	2,450	1451
B - Chak 115 ML	2	1,542	1,603	1573
Over all	15	997	2,450	1467

4.3.5 Literacy

68. Table 4.10 shows an overall literacy rate 51.66 per cent. Literacy is higher for male APs with a percentage of 60 as compared to female APs with a percentage of 42.

Table 4.10: Literacy by Age and Gender

APs	Total Number of Persons		
	Male	Female	Total
Total APs	82	69	151
Literate APs	49	29	78
Illiterate APs	33	40	73
Literacy rate (%)	59.76	42.02	51.66

◦. INSTITUTIONAL ARRANGEMENTS

69. The institutional arrangements of planning and management of the Power Distribution Enhancement Program (or the ADB-funded Power Distribution Enhancement MFF Project) are described as follows (see also Figure 5.1 overleaf):

5.1 Pakistan Electric Power Company (PEPCO)

70. The Project Management Unit (PMU), PEPCO is the focal organization based in Lahore responsible for the Power Distribution Enhancement Program, for keeping liaison with the Government of Pakistan and Asian Development Bank (ADB) on behalf of all the DISCOs, and taking care of disbursement of funds (including ADB loan) and technical assistance through Consultants to, and coordination of the Program planning and management activities of the DISCOs.

5.1.1 Distribution Companies (DISCOs)

71. The DISCOs included in the ADB-funded MFF Project (the Program) are:

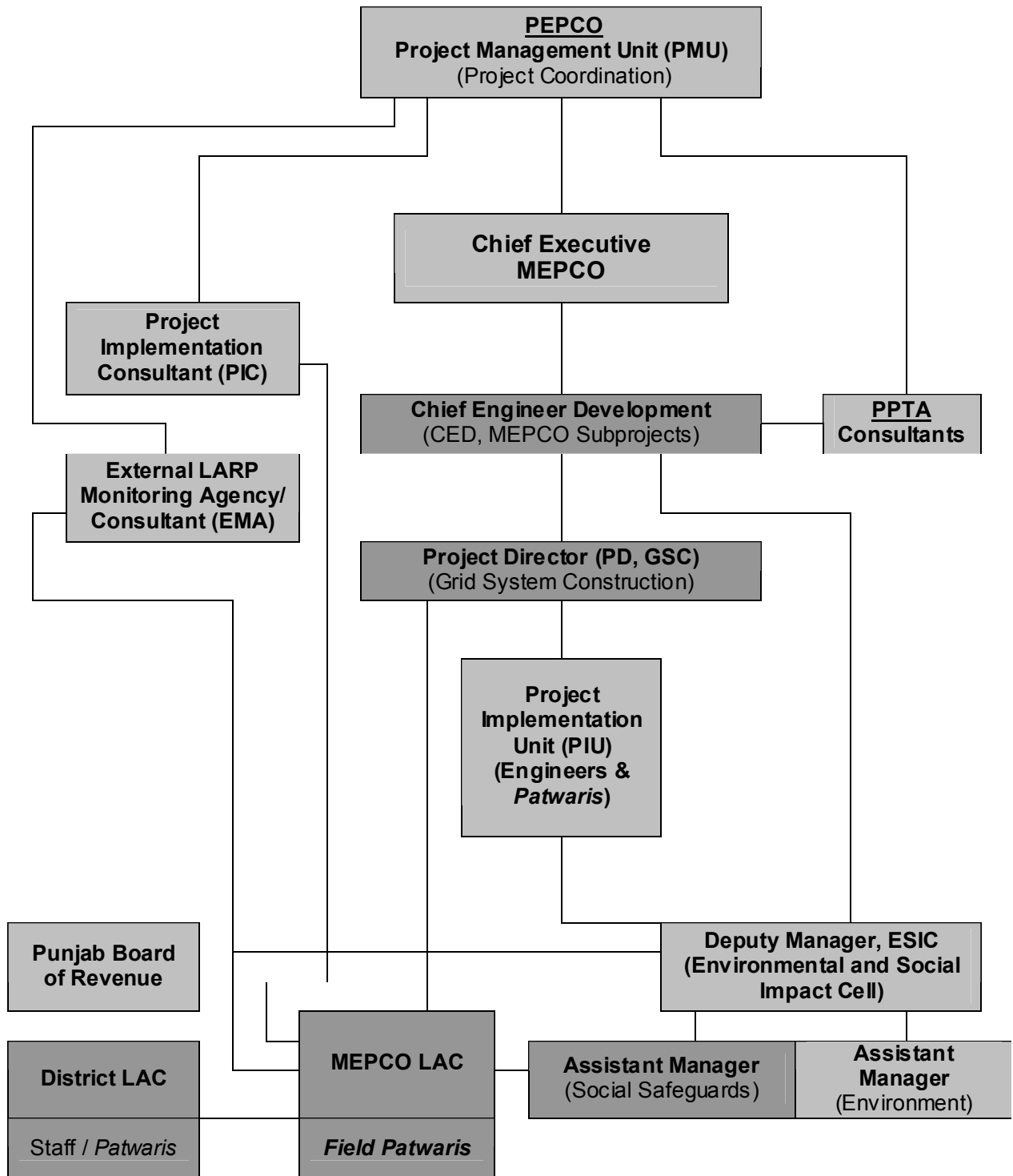
- (1) PESCO: Peshawar Electric Supply Company, Peshawar, NWFP;
- (2) IESCO: Islamabad Electric Supply Company, Islamabad;
- (3) GEPCO: Gujranwala Electric Power Company, Gujranwala, Punjab;
- (4) LESCO: Lahore Electric Supply Company, Lahore, Punjab;
- (5) FESCO: Faisalabad Electric Supply Company, Faisalabad, Punjab;
- (6) MEPCO: Multan Electric Power Company, Multan, Punjab;
- (7) QESCO: Quetta Electric Supply Company, Quetta, Baluchistan; and,
- (8) HESCO: Hyderabad Electric Supply Company, Hyderabad, Sindh.

5.1.2 Technical Assistance (Consultants)

72. PMU, PEPCO provides technical assistance to all the eight DISCOs through the following Consultants, based in Lahore:

- (1) PPTA: Project Preparation Technical Assistance was hired by PEPCO in 2007 and since then it has been assisting the DISCOs in the preparation of the Tranche 1 & 2 Subprojects. The PPTA Resettlement Experts have thus far assisted the DISCOs in the preparation of LARPs and DDRs for the Subprojects included in Tranches 1 and 2.
- (2) PIC: Project Implementation Consultant is expected to be hired and mobilized by PEPCO by mid-2010, to provide technical assistance to the DISCOs in updating and implementation of the approved Subprojects. Accordingly, the PIC Resettlement Experts will assist the DISCOs through their respective ESICs in updation, revision and implementation of the LARPs and DDRs.
- (3) EMC: External Monitoring and Evaluation Consultant is expected to be hired and mobilized by PEPCO by mid-2010, to independently monitor and evaluate the implementation of approved LARPs on the Tranche 1 and 2 Subprojects of all the DISCOs, and report directly to ADB with copy to the respective DISCOs.

Figure 5.1: Organization for LARP Planning, Implementation and Monitoring



5.2 Multan Electric Power Company (MEPCO)

73. MEPCO as the implementing agency (IA) bears the overall responsibility for the preparation, implementation and financing of all tasks set out in this LARP, as well as inter-agency coordination required for the implementation of the Subprojects. As such, it takes care of the preparation/updating and implementation of the LARPs and DDRs, and internal monitoring and evaluation activities (see also Chapter 10: Monitoring and Evaluation). Institutionally, MEPCO has three functional divisions, namely, the Planning, Projects and Grid System Construction divisions.

5.2.1 Planning Division

74. The **Planning Division** is responsible for preparation of PC-1s, for preparation of load forecasts and feeder analysis. The division is responsible for preparation of the Energy Loss Reduction (ELR) work orders. Formerly subproject preparation and keeping liaison with the Government of Pakistan and Asian Development Bank (ADB), as the donor of this MFF Project had also been the responsibility of this division. But lately the activity has been shifted to the Office of Chief Engineer Development.

5.2.2 Chief Engineer Development

75. The former **Projects Division** has now been named as the **Office of Chief Engineer Development (CED)**, is responsible for the overall planning, management and coordination of the approved Subprojects. The CED is currently being assisted by the PPTA Consultants[†] (including the Resettlement Experts responsible for LARP/DDR preparation), in preparing the identified Subprojects in line with the ADB Policies, and obtaining approval from the donor ADB. Its major functions include keeping regular liaison with ADB and relevant departments of the federal, provincial and district governments, preparation, updating and implementation of the LARPs and the related monitoring and evaluation activities.

76. The CED, MEPCO has already established an **Environmental and Social Impacts Cell (ESIC)** to take care of safeguards related activities. It is headed by a Deputy Manager, and assisted by two Assistant Managers, Environment and Social Safeguards, respectively. He will be responsible for the LARP preparation/updating, implementation and internal monitoring for each Subproject, with assistance from A ESIC's Assistant Manager, Social Safeguards, MEPCO LAC and PIC Resettlement Expert, expected to be on board by June 2010.

77. The Scope of Work to be handled by the ESIC far exceeds the physical and professional ability and capabilities of the incumbents. To support the ESIC, to carry out its responsibilities, a Monitoring Consultant is being hired. In addition, a Project Implementation Consultant (IC)[†] will also be hired who will also have social and environmental experts to assist MEPCO in revising and updating the LARP as and when required, and then in implementation of the LARP. The Consultants will be provided full logistic support (including office space and field transport) by MEPCO.

5.2.3 Grid System Construction (GSC) Division

78. The **Grid System Construction (GSC) Division** is responsible for implementing the approved Subprojects, including construction/improvement of grid stations and

[†] British Power International (BPI), a UK Based Power Consultant firm.

[†] Terms of Reference for Implementation Consultant's Resettlement Expert are provided in Appendix 4.

transmission lines. This office is headed by the **Project Director (GSC)**, and it will establish Project Implementation Units (PIUs), comprising Engineers and *Patwaris*, at the respective towns of each Subproject. The PIU for this Subproject will be established at Layyah. In addition, PD GSC has an in-house Land Acquisition Collector (LAC) to take care of the land acquisition and resettlement activities.

79. The MEPCO LAC, along with field *Patwaris*, in addition to implementation of the LARP activities, will provide in-field assistance to the Resettlement Experts of ESIC and PIC in updating, revision and internal monitoring of the LARPs. He normally works as an independent entity, but in case of local needs like price updating, grievance redress, etc., may involve the local Union Councils and other leaders at the local levels, and/or the District LACs and Punjab Board of Revenue for addressing broader level matters and resolving permanent Land Acquisition issues (not applicable to this Subproject). He will be provided technical assistance by the Resettlement Experts included in both ESIC and PIC teams.

5.3 District Government

80. The district government have jurisdiction for land administration, valuation and acquisition. At the provincial level these functions rest on the Punjab Board of Revenue while at the district level they rest on the District Land Acquisition Collector (District LAC). Within LAC office the *Patwari* (land records clerk), carry out specific roles such as titles identification and verification. But as this Subproject does not require any land acquisition, involvement of District LACs will normally be not required by MEPCO LAC.

5.4 Responsibility for Internal and External Monitoring

81. Land acquisition and resettlement tasks under the Program will be subjected to both internal and external monitoring. Internal monitoring will be conducted by ESIC, assisted by MEPCO LAC and PIC Resettlement Expert. The external monitoring responsibilities will be assigned to an External Monitoring Consultant (EMC) to be engaged by PMU, PEPCO according to the Terms of Reference (TOR) that have been approved by ADB.⁵ The monitoring aspect of LARP implementation is further elaborated in Chapter 10 of this LARP.

⁵ Terms of Reference for External Monitoring are provided in Appendix 5.

6. CONSULTATION AND DISCLOSURE

6.1 Consultation Undertaken for the LARP

82. The consultative process undertaken for the preparation of the LARP has included not only AHs, but also the local communities of the area. Special attention was paid to identify the needs of vulnerable groups (such as the poor, women, and elderly), to ensure that their views have been considered in the formulation of the LARP.

83. Consultation with stakeholders at the different stages of the subproject is required by ADB's Policy on Involuntary Resettlement and as provided for in the LARF. To start with, consultations with the AHs were conducted as part of inventory taking of affected lands and other assets. The communities' and especially the AHs' responses to the proposed subproject were found to be positive.

84. Along with the participatory RFS, semi-structured discussions aiming at community awareness and consultations regarding the project's likely impacts were also held with the small groups of men and women along the proposed transmission line. A total of six group discussions and consultation sessions were held with four groups of men and four groups of women, wherein a total number of 34 persons (19 men and 15 women) participated (see Table 6.1 and Appendix 2: List of Participants).

85. During the same consultation sessions, the cut-off-date of 30th August, 2008 for compensation eligibility was communicated to all the participants. They were clearly told that no subsequent changes in the land use would be entertained by MEPCO.

Table 6.1: Participants in Group Discussions and Consultations

Village	Number of Groups			Number of Participants		
	Men	Women	Total	Men	Women	Total
A - Chak 107 ML	1	1	2	5	5	10
B - Chak 115 ML	1	1	2	7	5	12
B - Chak 251 TDA	1	1	2	7	5	12
Total	3	3	6	18	15	34

86. The affected communities' concerns and suggestions have been incorporated into subproject design and will be implemented as an integral part of resettlement activities. The major concerns raised during the consultation included the adequacy and timeliness of compensation payments, as well as safety measures to be taken during the construction of the towers and stringing of the transmission lines. In response, MEPCO will make sure that the crop compensation amounts are assessed justly and paid to the AHs, at least fifteen days prior to temporary use of land before starting the civil works.

87. The local communities' response (awareness, perceptions and preferences) to the Fatehpur transmission line subproject and resettlement related matters are summarized as follows:

- This subproject is necessary under the current local conditions;
- Crop and tree compensation should be fair and timely;
- Local skilled and unskilled labor should be used wherever possible;
- Local norms should be honored; and
- Construction work should be completed in time.

6.2 Compensation Options Discussed

88. In addition to the focus group discussions and consultative meetings described above, the survey included a questionnaire with several questions regarding AHs' preferences for compensation and rehabilitation options. This information has been and will be used to assist in determining the support measures required by AHs.

89. The first compensation priority of all AHs is for cash. When asked why they preferred cash compensation, almost all the AHs stated the reason was to assist with daily living expenses as they will lose their livelihood in the shape of crops.

90. In summary, the compensation and resettlement options discussed and agreed upon during the consultation meetings included:

- Relocation - not applicable;
- Assistance - not applicable;

6.3 LARP Disclosure

91. An English version of the program's LARF has already been uploaded to ADB and MEPCO websites, and an Urdu version has been made available by PMU, PEPCO to the MEPCO headquarters.

92. In line with ADB's public communications policy, this LARP in English will also be posted on the ADB and MEPCO websites, while its translation in Urdu will be disclosed to the AHs at the MEPCO's office and posted on the ADB and MEPCO websites.

93. In addition, a public information booklet in Urdu, summarizing compensation provisions will be sent to all AHs. A draft booklet in English is provided in Appendix 3, which will be translated into Urdu by MEPCO and distributed to all AHs by June 2010.

V. GRIEVANCE REDRESS PROCESS

94. MEPCO normally takes care to prevent grievances rather than going through a redress process. This can be obtained through careful LAR design and implementation, by ensuring full participation and consultation with AHs, and by establishing extensive communication and coordination between the community and MEPCO. Nevertheless, a grievance mechanism will be made available to allow an AH appealing against any disagreeable decision, practice or activity arising from compensation for the affected land or other assets. AHs will be fully informed of their rights and of the procedures for addressing complaints verbally during consultation meetings and through PIB in Urdu.

95. A complaint register will be kept at Fatehpur grid station to be maintained by the grid station in-charge. MEPCO will inform the AHs of the availability of this arrangement through PIB in Urdu. The complaints received will be processed and resolved by the MEPCO's Assistant Manager, Social Safeguards and LAC by involving the local leadership and Union Councils, and/or District LAC.

96. Firstly, attempts will be made to redress the grievances through a village level grievance redress committee (GRC) comprised of MEPCO's ESIC and LAC or *Parwari*, and the village notable elders, like *Chaudhry*, *Numbardar* and the concerned Councilor of the Union Council. But if the grievances cannot be redressed satisfactorily at the village level, a grievance redressal mechanism will be established at the District level, comprising of District Coordination Officer (Chairman), District LAC and MEPCO's ESIC and LAC. As a last resort, the aggrieved AH may seek justice through the Court.

97. All the finances will move directly from MEPCO to the AHs, as compensation for their loss of crops and trees. The complaints and grievances will be normally addressed by MEPCO locally by involving local leadership and Union Councils, and only for unresolved grievances the District Governments may need to be involved, as described in Table 7.1 below.

Table 7.1: Grievance Resolution Process

Land & Crop Compensation Issues	Other Compensation or Project Issues
1. First, complaints resolution will be attempted at village level through the involvement of the ESIC, district government, and/or informal mediators.	1. First, complaints resolution will be attempted at village level through the involvement of the ESIC, district government, and/or informal mediators.
2. If still unsettled, a grievance can then be lodged to the LAC who has 30 days to decide on the case.	2. If still unsettled, a grievance can be lodged to the PIU/ESIC, which will have 30 days to respond.
3. If no solution was reached a grievance can be lodged with support of the ESIC to the MEPCO. The AH must lodge the complaint within 1 month of lodging the original complaint with the LAC and must produce documents supporting his/her claim. The MEPCO will provide the decision within 21 days of registering the complaint. The MEPCO decision must be in compliance with this LARF provisions.	3. If no solution was reached a grievance can be lodged with support of the ESIC to the MEPCO. The AH must lodge the complaint within 1 month of lodging the original complaint with the LAC and must produce documents supporting his/her claim. The MEPCO will provide the decision within 21 days of registering the complaint. The MEPCO decision must be in compliance with this LARF provisions.
4. Should the grievance redress system fail to satisfy the AH, they can further submit their case to the appropriate court of law as per the process set out in Sections 18 to 22 of the LAA (1894).	4. Should the grievance redress system fail to satisfy the AH, they can further submit their case to the appropriate court of law as per the process set out in Sections 18 to 22 of the LAA (1894).

^. BUDGET FOR LAND AND ASSET ACQUISITION

8.1 Basis for Compensation

98. Compensation for projects requiring land acquisition can often differ between the borrower and ADB (and other providers of official development assistance). To comply with ADB's Policy on Involuntary Resettlement, rates used to compensate for lost land and assets must be at replacement values, to "at least" restoring people's livelihoods and ensuring that people affected by a project are not left worse off.

99. According to the project's LARF, replacement cost is the amount of cash or kind needed to replace an asset in its existing or better condition, and is the value determined as compensation for the current market price without depreciation or deduction of the costs of any transaction or for any material salvaged. The processes for establishing the rates used for this subproject followed the methodology set out in the project's LARF.

8.2 Determining the Rates for Compensation

100. Based on the foregoing requirements and the LARF provisions, the methodology for assessing unit compensation values of the different items is described as follows:

- Basic crop compensation was valued at net farm-gate market rates. If additional crops compensation is due it will be calculated at market value minus inputs. Compensation for crops affected by tower bases and perimeters is three-crop and for stringing of lines is for one-crop;
- Fruit trees were valued based on age category (a. seedling; b. not yet productive; c. productive). Productive trees were valued at gross market value of one year income multiplied by the number of years needed to grow a new tree with the productive potential of the lost tree; and,
- Wood trees were valued based on type, size, and age. AHs are entitled to keep the wood (as salvaged material) without any deductions from the amount of compensation.

101. The valuation survey registered current crop and tree sales, at local markets and communities. It was based on community consultations, market surveys and relevant local government agencies, namely the Agriculture, Forestry departments. The results of the survey are provided in the tables below. The prices of affected assets given herein are based on the market rates in August 2008 which are still considered valid as there have occurred no major change in crop and tree prices since then. However, these prices will be updated and this LARP revised accordingly by MEPCO at least one month prior to awarding Contract for the Subproject implementation works.

102. The subproject area is intensively irrigated agricultural area, with dominant wheat-rice/cotton rotation of crops. All the affected farmers grow wheat in the rabi/winter season, and rice and/or cotton in the kharif/summer season. Thus, the market prices of all the three crops were collected from the four affected villages and the markets of Fatehpur and Layyah towns. For the purpose of compensation average of the price of wheat, cotton, bajra (millets) and mongi (mong beans) are used.

103. The areas under each affected crop, market prices and compensations assessed are shown in the following Tables 8.1, 8.2 and 8.3 overleaf. Similarly, the market prices and compensations assessed for the affected fruit and wood trees are shown in the next Tables 8.4 and 8.5, respectively.

Table 8.1: Rate/Price for Crops in Subproject Area

Cropping Season	Affected Crop		Average Crop Income per Unit Area (Rs.)		
	No.	Name	Acre (basis)	Hectare	Square Meter
Rabi (Autumn-Winter)	1	Wheat	28,000.00	69,188.00	6.92
Kharif (Spring-Summer)	2	Cotton	35,500.00	87,720.50	8.77
	3	Bajra	24,500.00	60,539.50	6.05
	4	Mongi	26,000.00	64,246.00	6.42
Sum Total:			114,000.00	281,694.00	28.17
Average (all 3 crops):			28,500.00	70,423.50	7.04

Table 8.2: Assessment of Crop Compensation for Towers (Fatehpur)

Cropping Season	Affected Crops	No. of Towers*	Cropped Area Affected (m ²)	Compensation Assessed	
				Rate (Rs./m ²)	Amount (Rs.)
Kharif 2010	Cotton-1	6	5,400	8.77	47,369.07
	Bajra-1	2	1,800	6.05	10,897.11
	Mongi-1	3	2,700	6.42	17,346.42
Rabi 2010-11	Wheat-1	11	9,900	6.92	68,496.12
	Cotton-2	6	5,400	8.77	47,369.07
	Bajra-2	2	1,800	6.05	10,897.11
Kharif 2011	Mongi-2	3	2,700	6.42	17,346.42
Total:		33	29,700	-	219,721.32

* Cropped area affected by construction of One Tower is estimated at 900 m² (30mx30m).

Table 8.3: Assessment of Crop Compensation for Transmission Line (Fatehpur)

Cropping Season	Affected Crops	TL Corridor* Length (m)	Cropped Area Affected (m ²)	Compensation Assessed	
				Rate (Rs./m ²)	Amount (Rs.)
Kharif 2011	Cotton	1,254	37,620	8.77	330,004.52
	Bajra	565	16,950	6.05	102,614.45
	Mongi	825	24,750	6.42	159,008.85

- The transmission line's right-of-way falling in-between any two towers has been termed as TL Corridor.

Table 8.4: Assessment of Compensation for Affected Fruit Trees (Fatehpur)

No.	Name of Fruit Tree	Maturity Level	Affected Fruit Trees (No.)			Rate (Rs./Tree)	Compensation Amount (Rs.)
			Chak 107 ML	Chak 115 ML	Total		
1	Mango	Immature	0	4	4	18,000	72,000

Table 8.5: Assessment of Compensation for Affected Wood Trees (Fatehpur)

No.	Name of Affected Wood Tree	Relative Size	Affected Wood Trees (No.)			Market Rate (Rs)	Compensation Amount (Rs)
			Chak 107 ML	Chak 115 ML	Total		
1	Shisham (Sisso)	Small	11	2	13	3,800	49,400
		Medium	19	4	23	5,850	134,550
		Large	8	1	9	9,650	86,850
Sub-total (a): Shisham			38	7	45	-	270,800
2	Kikar (Acasia)	Small	0	0	0	3,200	-
		Medium	0	1	1	4,600	4,600
		Large	0	0	0	6,400	-
Sub-total (b): Kikar			0	1	1	-	4,600
3	Poplar/Eucalypts	Small	28	0	28	3,000	84,000
		Medium	23	0	23	3,850	88,550
		Large	3	0	3	5,600	16,800
Sub-total (c): Poplar/Eucalypts			54	0	54	-	189,350
4	Shareen/Neem	Small	18	4	22	2,800	61,600
		Medium	34	6	40	3,500	140,000
		Large	10	2	12	5,600	67,200
Sub-total (d): Shareen/Neem			62	12	74	-	268,800
TOTAL:			154	20	174	-	733,550

8.3 Budget for Land and Asset Acquisition

104. This LARP includes the cost of compensation, rehabilitation and other restoration/assistance entitlements of the 15 private AHs only, with a breakdown by crops and trees, and other associated costs. The cost estimate has been based on the rates derived through consultation and survey as described in Section 8.2. The rates for compensation and cash entitlements for rehabilitation as well as allowances payable to AHs will be adjusted annually, based on the actual annual inflation rate. MEPCO, with the LACs, will determine the annual inflation rates and adjust all cash entitlements.

105. The total compensation for the affected crops and trees has been assessed at Rs. 1.62 million (see Table 8.6 overleaf).

106. The administrative charges have been estimated as 15% of the total of compensation for crops and trees. These charges are to cover the costs of implementing the plan (producing and distributing the PIB, holding individual and group consultations and public meetings as required, verifying the Census Survey, revising the LARP if required (to reflect any minor changes), organizing and arranging for the compensation payments through the LACs), and internal monitoring of the plan and its implementation.

107. A contingency of 10% of the subtotal of the compensation and administrative charges has been included in the cost estimate.

108. Funds for compensation and implementation of the LARP will be from the Government (counterpart funds) via MEPCO, budgetary requirements for economic restoration, as part of resettlement budget will also come from the counterpart funds and shall be identified as allowances. The EMA will be financed as a project loan cost as a component of the project support fund.

109. As shown in Table 8.6 overleaf, the total estimated cost of LARP implementation, will be 5.11 million Rs (US\$ 64,864) for this Subproject. MEPCO will update the LARP cost at least one month before awarding the contract for civil works.

Table 8.6: Estimated Resettlement Cost of Fatehpur 132kV TL Subproject

No.	Resettlement Activity	No.	Unit	Rs./Unit	Total Rs.
A.	Asset Compensation:	-	-	-	1,616,899
A.1	Trees:	178	tree	-	805,550
A.1.1	<i>Fruit Trees:</i>	4	No.	-	72,000
	Mango	4	No.	18,000	72,000
A.1.2	<i>Wood Trees:</i>	174	No.	-	733,550
	Shisham (sisso)	45	No.	6,018	270,800
	Kikar (acasia nicolta)	1	No.	4,600	4,600
	Poplar/Eucalypts	54	No.	3,506	189,350
	Shareen/Neem	74	No.	3,632	268,800
A.2	Crops:	-	-	-	811,349
A.2.1	<i>Towers:</i>	-	-	-	219,721
	11 Towers (1 Crop): Wheat-1	9,900	m ²	6.92	68,496
	6 Towers (2 Crops): Cotton-1&2	5,400	m ²	8.77	94,738
	2 Towers (2 Crops): Bajra-1&2	1,800	m ²	6.05	21,794
	3 Towers (2 Crops): Mongi-1&2	2,700	m ²	6.42	34,693
A.2.2	<i>TL Corridor:</i>	-	-	-	591,628
	TL Corridor (1 Crop): Cotton-1	37,620	m ²	8.77	330,005
	TL Corridor (1 Crop): Bajra-1	6,950	m ²	6.05	102,614
	TL Corridor (1 Crop): Mongi-1	24,750	m ²	6.42	159,009
B.	Rehabilitation Works:	-	-	-	37,170
B.1	Rehabilitation of Affected Farmlands	34,650	m ²	0.80	27,720
B.2	Rehabilitation of Affected Watercourses	270	m	35.00	9,450
C.	Technical Assistance:	-	-	-	2,750,000
C.1	Resettlement Specialist (implementation)	6.00	pers/mo	300,000	1,800,000
C.2	External Monitoring (LARP activities)	3.00	pers/mo	300,000	900,000
C.3	Training of MEPCO staff (incl. material)	0.50	lumpsum	100,000	50,000
D.	Administration Costs (15% of A)	0.15	lumpsum	1,616,899	242,535
E.	Subtotal (A+B+C+D):	-	-	-	4,646,604
F.	Contingency (10% of E)	0.10	lumpsum	4,646,604	464,660
	Total Amount (Pak. Rupees):	-	-	-	5,111,264
	Total Amount (US Dollars*):	-	-	-	64,864

* US\$ 1.00 = Rs. 78.80.

9. IMPLEMENTATION SCHEDULE

110. The overall Program will be implemented over a five year period, with the second tranche of subprojects scheduled to commence upon loan approval by mid-2010. The updation, implementation and monitoring of the LAR related activities will take place after the Project Implementation Consultant (PIC) and External Monitoring Consultant have mobilized by mid-2010 for tranche 1, and expected to continue for tranche 2.

111. This LARP will be revised by MEPCO based on the then updated market replacement prices/costs of the affected assets by mid-2010, or at least one month prior to awarding Contract for the Subproject implementation. Final compensations will also be paid to all the AHs by mid-2010, or at least one month prior to actual mobilization of the Contractor to commence the construction/stringing works by mid-2010 and complete the Subproject by late-2011 (in a maximum of 15 months). The PIC Resettlement Expert will provide assistance to ESIC, MEPCO in updating the costs and revising the LARP, including the Time Schedule (if necessary), while the EMC Resettlement Expert will monitor the LAR related activities independently and report directly to ADB, with a copy to MEPCO by late-2011, prior to the Contractor mobilization.

112. The Civil works contractors will not be issued a notice of possession of site for any section of construction/stringing works unless the MEPCO has (i) satisfactorily completed, in accordance with the approved LARP, and made all compensation payments, (ii) ensured that the rehabilitation assistance is in place, and (iii) the area required for civil works is free of all encumbrances. The LARP implementation schedule, shown in Table 9.1 overleaf, envisages the following sequence of activities:

- (a) The technical survey, design preparation/finalization and site demarcation of the Subproject were carried out by MEPCO from January to June 2008, while RFS were undertaken jointly by PPTA Consultant and MEPCO in August 2008;
- (b) LARP preparation by PPTA Consultant in September 2008, revised in December 2009 and January 2010, and Contract awards by PMU, PEPCO to PIC and EMC are scheduled by mid-2010;
- (c) Mobilization of PIC & EMC is expected to take place by start-2010, followed by LARP updating/revision, grievance redressing, payment of compensations, and LARP monitoring reports (internal & external) completed by mid-2010; and,
- (d) Commencement of civil works (construction/stringing) to start in August 2010 and completed by August 2011, and monitoring (internal & external) of LAR activities will continue throughout, with the final external monitoring and evaluation report to be submitted to ADB with copy to MEPCO by end-2011.

Table 9.1: Implementation Schedule (Fatehpur, MEPCO)

LARP Activity/Task		Responsibility		Year 2008				Year 2009				Year 2010				Year 2011				
		Primary	Secondary	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	
Preparation	Land Acquisition and Resettlement Framework	HESCO	PPTA	Adopted from the first tranche																
	Indigenous People Development Framework	HESCO	PPTA	Adopted from the first tranche																
	Survey & Design of Transmission Line	HESCO	-																	
	Site Demarcation of Affected Lands	HESCO	-																	
	Resettlement Field Survey of Transmission Line	HESCO	PPTA																	
	Draft Land Acquisition and Resettlement Plan	HESCO	PPTA																	
	LARP Revision (if necessary)	HESCO	ESIC/PIC																	
	Disclosure of LARF & LARP on ADB Website	ADB	PEPCO																	
LARP Disclosure - Brochure in Urdu	HESCO	ESIC																		
Implementation (LARP)	Mobilize Project Implementation Consultant	Govt/ADB	HESCO																	
	Adjust compensation rates for inflation	HESCO	ESIC/PIC																	
	LARP Update/Revision (if necessary)	HESCO	ESIC/PIC																	
	Submit revised LARP / Approval by EPA/ADB	HESCO	Govt/ADB																	
	Information dissemination to Affected People	HESCO	ESIC/PIC																	
	Mobilize External Monitoring Consultant	Govt/ADB	HESCO																	
	Initial payment of compensations	HESCO	ESIC/PIC																	
	Grievance Redress Process	HESCO	ESIC/PIC																	
Final payment of compensations	HESCO	ESIC/PIC																		
Construction	Possession of land for starting works	Dist. LACs	HESCO																	
	Internal Monitoring of LARP Implementation	ESIC/PIC	HESCO																	
	External M&E of LARP implementation	EMA	HESCO																	
	Award of Contracts for Civil Works	HESCO	Govt/ADB																	
	Contractor mobilized to start work	Contractor	HESCO																	
	Commencement of Civil Works	Contractor	HESCO																	

10. MONITORING AND EVALUATION

113. Monitoring and Evaluation (M&E) are critical activities in involuntary resettlement caused by various infrastructure development projects, like this Power Distribution Enhancement project. Monitoring involves periodic checking to ascertain whether activities are progressing as per schedule while evaluation is essentially a summing up, at the end of the project, assessment of actual achievement in comparison to those aimed at during the implementation.

114. The MEPCO through ESIC will be responsible for internal monitoring. The Resettlement Specialist will provide necessary technical assistance in implementing and monitoring the resettlement activities. Both the Resettlement Specialists will be provided field-types vehicles for field visits and carrying out their respective monitoring and evaluation activities in the Subproject area.

10.1 Internal Monitoring

115. The Short LARP includes indicators and benchmarks for achievement of the objectives under the resettlement program, which can be categorized as follows:

- Process indicators, which include project inputs, expenditures, staff deployment;
- Output indicators are results in terms of numbers of Affected persons compensated for their Affected assets (land, crops and/or trees), and,
- Impact indicators related to the long-term effect of the project on people's lives in the project-Affected area.

116. The first two types of indicators, related to process and immediate outputs and results, will be monitored internally by ESIC. This information will be collected from the project site and assimilated in the form of a Quarterly progress report to assess the progress and results of LARP implementation, and adjust the work program, where necessary, in case of any delays or problems.

117. Specific activities under LARP implementation to be monitored are the following:

- Information campaign and consultation with AHs on a continued basis;
- Status of land acquisition/purchase and payments of crop and tree compensations;
- Status of restoration of damaged community infrastructure (water pipelines, irrigation channels / watercourses, drains, roads, streets, etc.)
- Grievances redress activities

118. The ESIC will be responsible for monitoring the day-to-day resettlement activities of the subproject. The socio-economic census and land acquisition data will provide the necessary benchmark for field level monitoring, to be carried out through:

- Review of IOL/Census information for all AHs;
- Consultation and informal interviews with AHs;
- In-depth case studies;
- Informal sample survey of AHs;
- Key informant interviews; and
- Community public meetings.

119. A performance data sheet will be developed to monitor the project at the field level. Quarterly reports will be received from the field offices and LAC/GSC will be responsible for overall project level monitoring.

10.2 External Monitoring

120. As mentioned earlier, an Individual Consultant, a Consulting firm, or an NGO will be engaged on part-time basis to carry out independent monitoring and evaluation of the LARP implementation (see TORs in Appendix 5). Independent evaluation will be undertaken on a bi-annual basis till the end of the Project. The Consultant will be selected by the MEPCO/PMU, with advice and concurrence of ADB. S/he will submit the monitoring and evaluation reports directly to ADB with a copy to MEPCO.

121. S/he will review the status of the resettlement implementation in light of the targets, budget and duration that had been laid down in this short LARP. The key tasks during external monitoring include:

- Review and verify internal monitoring reports prepared by ESIC;
- Identification and selection of impact indicators;
- Impact assessment through formal & informal surveys with the Affected persons;
- Consultations with AHs, officials, community leaders for review report; and
- Assessment of the resettlement efficiency, impact and sustainability, and drawing lessons for future resettlement policy formulation and planning.

10.3 Indicators for Monitoring and Evaluation

122. The following will be considered as the basis for indicators in monitoring and evaluation of the subproject's LARP implementation:

- Socio-economic conditions of the AHs in the post-resettlement period;
- Communications and reactions from AHs on entitlements, compensation, options, alternative developments and relocation timetables etc.;
- Changes in housing and income levels;
- Valuation of property;
- Grievance procedures;
- Disbursement of compensation; and
- Level of satisfaction of AHs in the post resettlement period.

10.4 Resettlement Database

123. All information concerning resettlement issues related to land acquisition, socio-economic information of the acquired land; inventory of crop and tree losses by individual AHs, compensation and entitlements and payments will be collected by ESIC and the Consultants through their concerned field offices and computerized by the ESIC, MEPCO. This database will form the basis of information for implementation, monitoring and reporting purposes and facilitate efficient resettlement management.

10.5 Reporting Requirements

124. The ESIC responsible for supervision and implementation of LARP will prepare quarterly progress reports on resettlement activities and submit the same to the ADB for

review and approval. The Resettlement Specialist (Consultant) will also conduct internal monitoring of the LARP implementation independently and submit quarterly reports to the MEPCO and ADB. These internal quarterly monitoring reports will also highlight the bottlenecks and recommend ways and means to improve such problematic situations.

125. The external consultant will submit a one-time consolidated review report directly to ADB and determine whether or not resettlement goals have been achieved, more importantly whether livelihoods and living standards have been restored/ enhanced and suggest suitable recommendations for improvement. S/he will also provide a copy of the same report to the MEPCO Headquarters for information and successive action.

APPENDICES

Appendix 1 – Working Tables

Appendix 2 – List of People Consulted for LARP

Appendix 3 – Draft Public Information Brochure

Appendix 4 – Terms of Reference for External Monitoring Consultant

Appendix 5 – Terms of Reference for External Monitoring Consultant

Appendix 1: Working Tables (Fatehpur TL, MEPCO)

Table A.1 Crops affected by 132kV Double Circuit Fatehpur Transmission Line

TL Reach (Tower Nos.)		Affected Farmland		Temporarily Affected Farmlands by Towers						Temporarily Affected Farmland by TL Corridor					
		Length (m)	Area (m ²)	No. of Towers	Area (m ²)	Area of Affected Crops				Length (m)	Affected Area (m ²)	Area of Affected Crops			
From	To					Wheat	Cotton	Bajra	Mongi			Wheat	Cotton	Bajra	Mongi
Fatehpur 132kV Transmission Line															
A - Chak 107 ML															
GS	1	50.00	1,500.00	1	900	900	-	900	-	20.00	600.00	600.00	-	600	-
1	2	242.00	7,260.00	1	900	900	900	-	-	212.00	6,360.00	6,360.00	6,360.00	-	-
2	3	240.00	7,200.00	1	900	900	-	-	900	210.00	6,300.00	6,300.00	2,850.00	-	3,450
3	4	243.00	7,290.00	1	900	900	-	900	-	213.00	6,390.00	6,390.00	-	2,640	3,750
4	5	300.00	9,000.00	1	900	900	-	-	900	270.00	8,100.00	8,100.00	2,250.00	-	5,850
5	6	278.00	8,340.00	1	900	900	900	-	-	248.00	7,440.00	7,440.00	630.00	3,450	3,360
6	7	280.00	8,400.00	1	900	900	900	-	-	250.00	7,500.00	7,500.00	4,650.00	2,850	-
7	8	277.00	8,310.00	1	900	900	900	-	-	247.00	7,410.00	7,410.00	5,400.00	2,010	-
8	9	208.00	6,240.00	-	-	-	-	-	-	208.00	6,240.00	6,240.00	1,440.00	-	4,800
sub-total (A):		2,118	63,540	8	7,200	7,200	3,600	1,800	1,800	1,878.00	56,340	56,340	23,580	11,550	21,210
B - Chak 115 ML															
8	9	58.00	1,740.00	1	900	900	-	-	900	28.00	840.00	840.00	-	-	840
9	10	276.00	8,280.00	1	900	900	900	-	-	246.00	7,380.00	7,380.00	3,780.00	3,600.00	-
10	11	192.00	5,760.00	1	900	900	900	-	-	162.00	4,860.00	4,860.00	4,860.00	-	-
sub-total (B):		526	15,780	3	2,700	2,700	1,800	-	900	436	13,080	13,080	8,640	3,600	840
TOTAL:		2,644	79,320	11	9,900	9,900	5,400	1,800	2,700	2,314	69,420	69,420	32,220	15,150	22,050
Percentage:		-	100.00	-	100.00	100.00	54.55	18.18	27.27	-	100.00	100.00	46.41	21.82	31.76

Table A-2: Type and Number of Affected Trees in 132kV TL Fatehpur Sub-project

(Within 30m Wide Corridor - Right of Way)

TL Reach (Tower Nos.)		Affected Fruit Trees			Affected Wood Trees (No.)				Total Affected Trees (No.)
From	To	Compact Area (m2)	Mango	Shisham (Sisso)	Kikar (Acasia)	Poplar / Eucalypts	Shareen/ Neem*	Total (W)	
Fatehpur 132kV D/C Transmission Line									
A - Chak 107 ML									
GS	1	-	-	3	-	-	-	3	3
1	2	-	-	5	-	-	-	5	5
2	3	-	-	2	-	-	-	2	2
3	4	-	-	-	-	35	-	35	35
4	5	-	-	-	-	6	-	6	6
5	6	-	-	-	-	6	5	11	11
6	7	-	-	-	-	7	24	31	31
7	8	-	-	-	-	-	8	8	8
8	9	-	-	28	-	-	25	53	53
Sub-total (A):		-	-	38	-	54	62	154	154
B - Chak 115 ML									
8	9	-	4	-	-	-	-	-	4
9	10	-	-	3	1	-	7	11	11
10	11	-	-	4	-	-	5	9	9
Sub-total (B):		-	4	7	1	-	12	20	24
TOTAL:		-	4	45	1	54	74	174	178
Percentage:		-	2.25	25.28	0.56	30.34	41.57	97.75	100.00

Table A-2: List of Affected Households by 132kV Fatehpur TL Subproject

AH No.	Name of Affected Farmer (Head of Household)	Name of Hamlet/Village	Tenurial Status	Crop Share (%)	Total Land Holding		Affected Area (m ²)	Affected Percentage
					Acres	Sq. Meters		
A - Chak 107 ML								
1	Ali Ahmad	Chak 107 ML	Landowner	100%	35.00	141,680	13,800	9.74
2	Umar Deen S/O Muhammad Bota	Chak 107 ML	Landowner	100%	15.00	60,720	5,520	9.09
3	Shamshad Ali S/O Abdul Sitar	Chak 107 ML	Landowner	100%	18.00	72,864	6,180	8.48
4	Abdul Majeed S/O Naik Muhammad	Chak 107 ML	Landowner	100%	5.00	20,240	1,920	9.49
5	Muhammad Nazir S/O Malah	Chak 107 ML	Landowner	100%	5.00	20,240	1,920	9.49
6	Abdul Majeed S/O Malah	Chak 107 ML	Landowner	100%	7.50	30,360	1,800	5.93
7	Muhammad Ahsan S/O Malah	Chak 107 ML	Landowner	100%	40.00	161,920	14,400	8.89
8	Khurshid Muhammad S/O Abdul Ghani	Chak 107 ML	Landowner	100%	15.00	60,720	2,700	4.45
9	Muhammad Sadiq S/O Deen Muhammad	Chak 107 ML	Landowner	100%	10.00	40,480	3,300	8.15
10	Muhammad Shabir S/O Deen Muhammad	Chak 107 ML	Landowner	100%	12.00	48,576	3,600	7.41
11	Muhamm Mushtaq S/O Deen Muhammad	Chak 107 ML	Landowner	100%	8.00	32,384	2,400	7.41
12	Hashim Khan S/O Ghulam Muhammad	Chak 107 ML	Landowner	100%	10.00	40,480	3,300	8.15
13	Shahjahan S/O Ghulam Muhammad	Chak 107 ML	Landowner	100%	7.50	30,360	2,700	8.89
Sub-Total (A):					188	761,024	63,540	105.57
Average (A):					14.46	58,540.31	4,887.69	8.12
B - Chak 115 ML								
14	Muhammad Shafi S/O Abdul Azem	Chak 115 ML	Landowner	100%	42.00	170,016	14,400	8.47
15	Muhammad Ismail S/O Jamal Deen	Chak 115 ML	Landowner	100%	15.00	60,720	1,380	2.27
Sub-Total (B):					57	230,736	15,780	10.74
Average (B):					28.50	115368.00	7890.00	5.37
TOTAL (A+B):					245	991760	79320	116.32
AVERAGE:					16.33	66117.33	5288.00	7.75

Appendix 2: List of Participants in Consultation Sessions (Fatehpur TL, MEPCO)

Men's Groups				Women's Groups			
No.	Name	Status	AH	No.	Name	Status	AH
Dera Muhammad Shafi (Chak 115 ML):							
1	Muhammad Shogat	Landowner	-	1	Shamim Khaton	House-Wife	-
2	Muhammad Jabar	Landowner	-	2	Shakiran Bibi	House-Wife	-
3	Maqbool Ali	Labour	-	3	Kaniz Fatima	House Girl	-
4	Muhammad Shafi	Landowner	AH	4	Hajiran Khatoon	Student	-
5	Ehsan Elahi	Shopkeeper	-	5	Rahela Khatoon	House Girl	-
(Chak 107 ML):							
6	Ansar Gulshair	Landowner	-	7	Bashiran Bibi	House-Wife	-
7	Shahid Iqbal	Shopkeeper	-	8	Nadea Bibi	House Girl	-
8	Fransis Masih	Sharecropper	-	9	Sajida Bibi	House-Wife	-
9	Shahjahan	Landowner	AH	10	Balqis Bibi	Service	-
10	Shana	Labour	-	11	Zarina Bibi	Student	-
11	Hashim Khan	Landowner	AH				
12	Khurshid Muhammad	Landowner	AH				
Dera Muhammad Aslam (Chak 251 TDA)							
13	Ali Ahmad	Landowner	AH	12	Rashidan Bibi	House-Wife	AH
14	Muhammad Aslam	Teacher+ LO	AH	13	Sadia Bibi	House-Wife	AH
15	Muhammad Zubair	Landowner	-	14	Marian Khaton	House-Wife	AH
16	Muhammad Navid	Landowner	-	15	Zahida Kosar	House-Wife	AH
17	Muhammad Afzal	Sharecropper	-	16	Amina Bibi	House-Wife	-
18	Akbar Khan	Labour	-				
19	Ghulam Muhammad	Shopkeeper	-				

Appendix 3 – Draft Public Information Brochure (Fatehpur TL, MEPCO)

Power Distribution Enhancement Program (Tranche 2)

New Fatehpur 132 kV D/C Transmission Line

Multan Electric Power Company

Government of Pakistan

August 2008

A. GENERAL

1. Multan Electric Power Company (MEPCO) is intending to take a loan from the Asian Development Bank (ADB) to implement the Power Distribution Enhancement Program, aiming at upgrading and extending the transmission network to expanding the capacity and coverage of the network. The project will be implemented over five to six years, and will include a number of tranches or groups of subprojects.

2. The second tranche includes more than hundred subprojects including some new Sub-Stations, expansion of existing Sub-Stations, and installation of associated transmission lines; most of the subprojects will not cause any resettlement impacts as they entail transformers being installed within an existing Sub-Station site and no works beyond the existing Sub-Station site boundaries. There are few subprojects (including this Fatehpur 132 kV Double Circuit Transmission Line Subproject) that required transmission lines and the installation of the towers for these will require temporary land acquisition, and the stringing of their lines will mean that crops and trees will be damaged.

3. The New Fatehpur 132 kV Transmission Line Subproject will supply additional power from Chowk Azam - Bakhar 132 kv transmission line to the existing Fatehpur Sub-Station at Fatehpur, to enhance its capacity from 66kV to 132kV.

4. The implementation of this Fatehpur subproject will affect crops and trees in your communities. To compensate and/or rehabilitate these losses the provisions of relevant Pakistan laws and of the ADB Policy on Involuntary Resettlement will be adopted. This has included the preparation of a Land Acquisition and Resettlement Framework (LARF) setting out the basic compensation/rehabilitation provisions for the PTEP and a Land Acquisition and Resettlement Plan (LARP) providing data on impacts and affected households and indicating in detail how the impacts will be compensated or rehabilitated has been prepared for each subproject that requires temporary disturbance to land and subsequent compensation for crops and trees.

5. Both the LARF and the LARP in Urdu language will be available for perusal to anyone interested at the Project Implementation Unit in Layyah district. This booklet summarizing the provisions of the LARF and the LARP for the New Fatehpur 132 kV Transmission Line Subproject is given to all the families whose land, trees and crops and incomes are affected by this subproject. The objective of this booklet is to inform them of the essential compensation and rehabilitation policy for the New Fatehpur 132kV Transmission Line Subproject and of a number of basic issues relative to the implementation of the compensation and rehabilitation program.

B. PRINCIPLES FOR COMPENSATION AND/OR REHABILITATION OF AFFECTED FAMILIES

6. Principles for the compensation/rehabilitation of affected households (AHs) by the new Fatehpur 132 kV Transmission Line Subproject are:

- (1) Land acquisition will be avoided and acquisition will only occur where access to, or use of, an AH's land is affected;
- (2) Compensation will guarantee maintenance of AHs pre-project living standards;
- (3) AHs will be fully informed/consulted on compensation options;
- (4) AHs' socio-cultural institutions will be supported and used;
- (5) Land acquisition provisions will equally apply to women and men;
- (6) Lack of formal title will not impede rehabilitation of families losing land;
- (7) Particular attention be paid to women-headed households and vulnerable groups;
- (8) Land acquisition budgets will be included in project costs; and
- (9) Compensation will be fully provided prior to ground leveling and demolition.

C. COMPENSATION AND REHABILITATION ELIGIBILITY AND ENTITLEMENTS

7. All families residing in affected areas and holding affected assets or incomes before the eligibility cut-off date for the project 30th August 2008 (the date of the end of the impact survey) will be entitled to compensation and/or rehabilitation for their losses. This provision includes legal owners, sharecroppers and leaseholders, and squatters as detailed in Table 1.

Table 1 - Eligibility and Entitlements Matrix

Asset	Specification	Affected People	Compensation Entitlements
Arable Land temporarily affected by construction of towers or TL.	Access is not restricted and existing or current land use will remain unchanged by the construction of towers and transmission line	Farmer, Titleholder (15 AHs)	No land compensation provided that land is rehabilitated/restored to former quality following completion of works. Compensation, in cash, for all damaged crops and trees as per item below
Crops	Crops affected (damaged/lost)	All AHs (15 AHs)	<u>Tower impacts</u> : Cash compensation at market rate based on actual impact for a maximum of 3 harvests <u>Line corridor stringing</u> : cash compensation at market rate of 1 harvest.
Trees	Trees removed	All AHs (7 AHs)	Cash compensation shall reflect income replacement

D. Subproject Impacts

8. Overall, a total of 15 farming households (15 AHs, 151 APs) will be affected by the construction of the new Fatehpur 132 kV transmission line. Of them, eight AHs will be affected by both towers and the transmission line, while the remaining seven AHs will be affected only by the transmission line during the stringing activity. Accordingly, the eight AHs will be compensated for three crops (2 crops affected by towers and an additional 1 crop affected by the stringing activity). The seven AHs who will experience crop loss because of stringing activity only, will receive compensation for one crop (see Table 2 below for area of affected crops).

9. In addition to crop loss, 174 private wood and 4 fruit trees will be affected and removed from the 30m wide corridor of transmission line. Seven AHs (47%) will lose 178 trees. The affected trees are mostly located on field boundaries. Compensation for the affected trees will be paid for once on their initial removal (see Table 3 for details on affected fruit and wood trees).

Table 2 – Total Area of Affected Crops by Type of Land

Transmission Line	Affected Crops (ha)					
	Private Land			Government Land		
	Total	Tower	Corridor	Total	Tower	Corridor
A - Chak 107 ML	6.35	0.72	5.63	0.0	0.0	0.0
B - Chak 115 ML	1.58	0.27	1.31	0.0	0.0	0.0
Total	7.93	0.99	6.94	0.0	0.0	0.0

Table 3 – Affected Wood Trees by Type of Tree and Section of Transmission Line

TL Reach (Tower Nos.)		Affected Fruit Trees		Affected Wood Trees (No.)					Total Affected Trees (No.)
From	To	Compact Area (m2)	Mango	Shisham (Sisso)	Kikar (Acasia)	Poplar / Eucalypts	Shareen/ Neem*	Total (W)	
A - Chak 107 ML									
GS	1	-	-	3	-	-	-	3	3
1	2	-	-	5	-	-	-	5	5
2	3	-	-	2	-	-	-	2	2
3	4	-	-	-	-	35	-	35	35
4	5	-	-	-	-	6	-	6	6
5	6	-	-	-	-	6	5	11	11
6	7	-	-	-	-	7	24	31	31
7	8	-	-	-	-	-	8	8	8
8	9	-	-	28	-	-	25	53	53
Sub-total (A):		-	-	38	-	54	62	154	154
B - Chak 115 ML									
8	9	-	4	-	-	-	-	-	4
9	10	-	-	3	1	-	7	11	11
10	11	-	-	4	-	-	5	9	9
Sub-total (B):		-	4	7	1	-	12	20	24
TOTAL:		-	4	45	1	54	74	174	178
Percentage:		-	2.25	25.28	0.56	30.34	41.57	97.75	100.00

10. Besides the loss of crops and trees, there are no houses or structures affected. Similarly, there are no community property resources, nor any business activities affected by the construction of the towers and/or stringing of transmission line.

E. Unit Prices and Compensations

11. In the subproject area three crops Bajra, Mongi and Cotton are cultivated in Kharif and wheat is cultivated in the Rabi Season. For the purpose of compensation average of the price of wheat, Bajra, Mongi, and Cotton are used. Thus, the current market prices of wheat, Bajra, Mongi and cotton crops were collected from local markets and through AP consultations and crop compensations were assessed accordingly (see Tables 4 and 5 below).

Table 4 - Rate/Price for Crops in Subproject Area (Fatehpur)

Cropping Season	Affected Crop		Average Crop Income per Unit Area (Rs.)		
	No.	Name	Acre (basis)	Hectare	Square Meter
Rabi (Autumn-Winter)	1	Wheat	28,000.00	69,188.00	6.92
Kharif (Spring-Summer)	2	Cotton	35,500.00	87,720.50	8.77
	3	Bajra	24,500.00	60,539.50	6.05
	4	Mongi	26,000.00	64,246.00	6.42

Table 5 – Assessment of Crop Compensation (Fatehpur)

Cropping Season	Affected Crop		Average Income (Rs./sq. meter)	Affected Area (square meters)	Total Affected Income (Rs.)
	No.	Name			
Rabi (Autumn-Winter)	1	Wheat	6.92	79,320	548,799
Kharif (Spring-Summer)	2	Cotton	8.77	37,620	330,005
	3	Bajra	6.05	16,950	102,614
	4	Mongi	6.42	24,750	159,009
Sum Total:			28.17	158,640	1,140,427

12. Similarly, the prices of the affected wood trees were collected on the basis value of wood from the local markets and in consultation with the AHs, and compensation of fruit trees was assessed on the basis of the value of fruit for ten years, as shown in the following Tables 6 and 7.

Table 6 – Assessment of Compensation for Affected Wood Trees (Fatehpur)

No.	Affected Wood Tree	Relative Size	Affected Wood Trees (No.)			Market Rate (Rs)	Compensation Amount (Rs)
			Chak No. 107 ML	Chak No. 115 ML	Total		
1	Shisham (Sisso)	Small	11	2	13	3,800	49,400
		Medium	19	4	23	5,850	134,550
		Large	8	1	9	9,650	86,850
Sub-total (a): Shisham			38	7	45	-	270,800
2	Kikar (Acasia)	Small	0	0	0	3,200	-
		Medium	0	1	1	4,600	4,600
		Large	0	0	0	6,400	-
Sub-total (b): Kikar			0	1	1	-	4,600
3	Poplar/Eucalypts	Small	28	0	28	3,000	84,000
		Medium	23	0	23	3,850	88,550
		Large	3	0	3	5,600	16,800
Sub-total (c): Poplar/Eucalypts			54	0	54	-	189,350
4	Shareen/Neem	Small	18	4	22	2,800	61,600
		Medium	34	6	40	3,500	140,000
		Large	10	2	12	5,600	67,200
Sub-total (d): Shareen/Neem			62	12	74	-	268,800
TOTAL:			154	20	174	-	733,550

Table 7 – Assessment of Compensation for Affected Fruit Trees (Fatehpur)

No.	Name of Fruit Tree	Maturity Level	Affected Fruit Trees (No.)			Rate (Rs./Tree)	Compensation Amount (Rs.)
			Chak 107 ML	Chak 115 ML	Total		
1	Mango	Immature	0	4	4	18,000	72,000
		Mature-1	0	0	0	28,000	-
		Mature-2	0	0	0	25,000	-
Sub-total (b): Mango			0	4	4	-	72,000

F. Grievance Mechanism

13. MEPCO normally takes care to prevent grievances rather than going through a redress process. This can be obtained through careful LAR design and implementation, by ensuring full participation and consultation with AHs, and by establishing extensive communication and coordination between the community and MEPCO. Nevertheless, a grievance mechanism will be made available to allow an AH appealing against any disagreeable decision, practice or activity arising from compensation for the affected land or other assets. AHs will be fully informed of their rights and of the procedures for addressing complaints verbally during consultation meetings and through PIB in Urdu.

14. A complaint register will be kept at Fatehpur grid station to be maintained by the grid station in-charge. MEPCO will inform the AHs of the availability of this arrangement through PIB in Urdu. The complaints received will be processed and resolved by the MEPCO's Assistant Manager, Social Safeguards and LAC by involving the local leadership and Union Councils, and/or District LAC.

15. Firstly, attempts will be made to redress the grievances through a village level grievance redress committee (GRC) comprised of MEPCO's ESIC and LAC or *Parwari*, and the village notable elders, like *Chaudhry*, *Numbardar* and the concerned Councilor of the Union Council. But if the grievances cannot be redressed satisfactorily at the village level, a grievance redressal mechanism will be established at the District level, comprising of District Coordination Officer (Chairman), District LAC and MEPCO's ESIC and LAC. As a last resort, the aggrieved AH may seek justice through the Court.

16. All the finances will move directly from MEPCO to the AHs, as compensation for their loss of crops and trees. The complaints and grievances will be normally addressed by MEPCO locally by involving local leadership and Union Councils, and only for unresolved grievances the District Governments may need to be involved, as described in the following Table 8.

Table 8 – Grievance Resolution Process

Land & Crop Compensation Issues	Other Compensation or Project Issues
1. First, complaints resolution will be attempted at village level through the involvement of the ESIC, district government, and/or informal mediators.	1. First, complaints resolution will be attempted at village level through the involvement of the ESIC, district government, and/or informal mediators.
2. If still unsettled, a grievance can then be lodged to the LAC who has 30 days to decide on the case.	2. If still unsettled, a grievance can be lodged to the PIU/ESIC, which will have 30 days to respond.
3. If no solution was reached a grievance can be lodged with support of the ESIC to the MEPCO. The AH must lodge the complaint within 1 month of lodging the original complaint with the LAC and must produce documents supporting his/her claim. The MEPCO will provide the decision within 21 days of registering the complaint. The MEPCO decision must be in compliance with this LARF provisions.	3. If no solution was reached a grievance can be lodged with support of the ESIC to the MEPCO. The AH must lodge the complaint within 1 month of lodging the original complaint with the LAC and must produce documents supporting his/her claim. The MEPCO will provide the decision within 21 days of registering the complaint. The MEPCO decision must be in compliance with this LARF provisions.
4. Should the grievance redress system fail to satisfy the AH, they can further submit their case to the appropriate court of law as per the process set out in Sections 18 to 22 of the LAA (1894).	4. Should the grievance redress system fail to satisfy the AH, they can further submit their case to the appropriate court of law as per the process set out in Sections 18 to 22 of the LAA (1894).

G. SOME BASIC QUESTIONS RELATED TO THE IMPACTS COMPENSATION AND REHABILITATION PROGRAM FOR THE PROJECT

Question 1 – Do we need to have a land title in order to be compensated or rehabilitated?

Answer: No. Lack of formal legal rights (title) to land does not prevent AHs from receiving at least rehabilitation assistance. All AHs who were occupying or using the affected land at the time of the cut-off date (see above) will be entitled to compensation or at least rehabilitation under the project. Users of land with title or traditional rights (or who can prove they are legally using the land) who are Affected by restricted access to, or use of, the land will be entitled to compensation for land and any assets on the land affected. Users of land who do not have title or traditional rights to land will be provided full compensation for any structures, crops or trees on land affected by the project and if their access to, or use of, the land is Affected, will receive rehabilitation for land losses either in form of replacement land (if available) or in form of a cash allowance for land-use loss.

Question 2 – Does compensation apply to my house or structures?

Answer: Yes. Houses and any other structures (small shops, animal sheds, etc) that will be affected by the project shall be compensated at replacement cost so that owners can build another structure of the same size and standard.

Question 3 – What about my crops and trees?

Answer: Your affected crops and trees will also be compensated at current market value. Compensation for crops will be based on the anticipated harvest at market value, while compensation for trees will be based on the type, age and productivity of each tree Affected.

Question 4 – Does the above mean that anybody in your community can claim compensation or rehabilitation?

Answer: No. The entitled affected families are only those who were residing in project Affected areas and had affected assets at the time the impacts assessment and the affected people census was carried out. The cut-off-date for eligibility for this subproject is 30th August 2008 when the impact survey and the affected people census were completed. Anybody who encroaches into the area after the cut-off-date will not be entitled to compensation or any other form of resettlement assistance.

Question 5 – Do we need to vacate and clear the Affected properties immediately after they have been identified as needed by the project?

Answer: No. Clearing the affected areas will only take place after the compensation or rehabilitation for affected land or other lost assets and the appropriate subsidies have been provided to you. After the day in which compensation and rehabilitation was delivered to you, you will then have 1 month to clear the land. If you have not done so after a month the project will be allowed to enter your ex-property and clear land for you.

Question 6 – If there is any disagreement regarding the way the compensation policy set up in the LARP has been implemented or any other issue relative to the compensation and rehabilitation program for the project do we have the right to complain, and if so how and where?

Answer: Yes. Any AH may file a complaint or grievance with the grid station in-charge at Fatehpur grid station, which the ESIC will process and try to resolve through informal means by involving local leaderships and union councils. If unanswered within 15 days, the complaint can then be lodged to PEPCO's project management unit in Lahore. Finally if the grievance is still not settled within 1 month, the AH can seek redress at the appropriate court. The village administrations and the Land Acquisition Coordination Committee (LACC) composed by senior members of the AH communities and by their elected representatives will assist the AH in these cases. The concerned land acquisition coordination committees will properly document all complaints and resolutions. AHs will be exempted from all taxes, administrative and legal fees associated with resolving the dispute.

Question 7 – Who can we contact for more information about the project?

Answer: For further information about the project as a whole, and/or the LARP for the New Fatehpur 132 kV Transmission Line Subproject, or if you would like to receive a full copy of the Land Acquisition and Resettlement Framework (LARF: 2008) for the project, please contact as the follows:

- **MULTAN ELECTRICT POWER COMPENY**
- **Address: WAPDA House, Multan**
- **Phone Number: +92-61-9210333**
- **Contact person: Malak Jala-ud-Din (Chief Engineer Development)**

Appendix 4: Terms of Reference for Implementation Consultant (LARP)

The terms of reference (related to LARP activities) of the Project Implementation Consultants (PIC) are specifically, the PIC shall ensure that:

- (i) All the land acquisition and resettlement framework and plan are updated/ revised and implemented promptly and efficiently according to its terms in accordance with the applicable Pakistani Laws, and ADB's Policy on involuntary resettlement;
- (ii) The PIC will guarantee that all subprojects affecting ethnic minorities are constructed and operated in accordance with the requirements of ADB's Policy on indigenous peoples and applicable Pakistani rules and regulations;
- (iii) PIC will follow the principles of the ADB's Policy on Gender and Development and use appropriate Pakistani laws during each subproject implementation;
- (iv) Ensure that subproject specific social/resettlement mitigation measures are incorporated into contract documents;
- (v) Supervise social safeguards' related reporting requirements and ensure its timely submission to ADB and MEPCO. The reporting documents include LARPs updating, progress monitoring and completion reports;
- (vi) Monitor and supervise land acquisition and resettlement related activities, and other social impact mitigation activities, as defined in the final LARPs;
- (vii) Ensure no civil works to be done unless the applicable provisions of the LARPs are, including in particular the timely delivery of compensation and assistance (if any) to affected families, have been complied with;
- (viii) Establish a grievance redressing mechanism procedure for the subprojects;
- (ix) Conduct and develop internal monitoring and evaluation database and reporting system of the LARP implementation. The report will also include any change in the implementation schedule, problems or difficulties encountered and work to be carried out in the next period in accordance with the procedures and details provided in the ADB's Handbook on Involuntary Resettlement, and acceptable to ADB; and,
- (x) The monitoring reports will be included in the quarterly progress reports to be submitted to ADB with copy to MEPCO.

Appendix 5 – Terms of Reference for External Monitoring Consultant (LARP)

The part time consultant will be responsible for the external evaluation of the implementation of the resettlement plan. S/he has the following general tasks:

- I. To review and verify the progress in resettlement implementation as outlined in the Resettlement Plan/s specific for the project components.
- II. To assess resettlement efficiency, effectiveness, impacts and sustainability, drawing both on policies and practices and to suggest any corrective measures, if necessary.

A. Specific Tasks

1. Design an appropriate set of indicators for gathering and analyzing information on resettlement impacts; the indicators shall include the following issues:
 - Budget and timeframe regarding land acquisition and crop/tree compensations,
 - Delivery of entitlement packages in a timely and efficient manner,
 - Satisfaction of affected people on entitlements, compensation,
 - Satisfaction of AHs with grievance procedures and outcomes,
 - Socio-economic conditions of the AHs in the post-resettlement period,
 - Level of satisfaction of AHs in the post resettlement period.
2. Review results of internal monitoring and verify claims through random checking at the field level to assess whether resettlement objectives have been generally met. Involve the AHs and community groups in assessing the impact of resettlement for monitoring and evaluation purposes.
3. Conduct both individual and community level impact analysis through the use of formal and informal surveys, key informant interviews, focus group discussions and community public meeting to assess the impact of resettlement.
4. Identify the strengths and weaknesses of basic resettlement objectives and approaches, implementation strategies, including institutional issues, and provides suggestions for improvements in future resettlement policy making and planning. Directly feedback the results and recommendations to the MEPCO and ADB.

B. Qualifications

1. A local expert can conduct this independent evaluation. The consultant must have at least 5 years experience in project monitoring work and a MA in Social Science. The consultant should have experience in resettlement management and monitoring work in ADB-financed projects.

C. Implementation Schedule and Inputs

1. The expert will be hired for a total period of three months for an intermittent input, involving at least three monitoring and evaluation missions. S/he expert is expected to conduct at least two missions during and one monitoring mission upon completion of the RP implementation and submit a final monitoring and evaluation review report directly to ADB with a copy to MEPCO.

D. Reporting Requirements

- v. The monitoring expert will review the status of the RP implementation in light of the targets, budget and duration as outlined in the LARP for this subproject. The expert will submit reports directly to the ADB with a copy to MEPCO after each monitoring mission and determine the implementation status and quality of resettlement operations and also assess whether resettlement goals have been achieved. He will suggest suitable recommendations for improvement.
- ^ The external monitoring expert will prepare a Final Report on the subproject's LARP monitoring work and submit directly to ADB with a copy to MEPCO at the end of the contract period indicating the project performance and lessons learned for future projects of this kind.