



Multan Electric Power Company (MEPCO)

Electricity Distribution Efficiency Improvement Project (EDEIP) Islamic Republic of Pakistan

Abbreviated Resettlement Action Plan (ARAP)

for

**Construction of Associated 132 kV
Transmission Lines for Rahim Yar
Khan and Shah Jamal Grid Stations**

September 2025



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ABBREVIATIONS

ARAP	Abbreviated Resettlement Action Plan
CEO	Chief Executive Officer
E&S	Environmental and Social
EDEIP	Electricity Distribution Efficiency Improvement Project
ESS	Environmental Social Standard
ESS5	Environmental and Social Standard 5
GoP	Government of Pakistan
GoPb	Government of Punjab
GRC	Grievance Redressal Committee
GRM	Grievance Redressal Mechanism
HESCO	Hyderabad Electric Supply Company
HT	High Tension
kg	Kilogram
km	kilometer
kV	kilo Volt
LAA	Land Acquisition Act (1894)
LAC	Land Acquisition Collector
MEPCO	Multan Electricity Power Company
MoE	Ministry of Energy
PAH	Project Affected Household
PAP	Project Affected Person
PESCO	Peshawar Electric Supply Company
PIMSC	Project Implementation and Management Support Consultant
PKR	Pakistan Rupees
PMU	Project Management Unit
RF	Resettlement Framework
ROW	Right of Way
SEP	Stakeholder Engagement Plan
WB	World Bank

GLOSSARY

Displaced Household	All members of a subproject affected household residing under one roof and operating as a single economic unit, who are adversely affected by the Project or any of its components; may consist of a single nuclear family or an extended family group.
Displaced Persons	In the context of involuntary resettlement, displaced persons are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Compensation	Payment in cash or in kind of the replacement cost of the acquired assets.
Cut-of-Date	The completion date of the census of project-displaced persons is usually considered the cut-off date. A cut-off date is normally established by the borrower government procedure that establishes the eligibility for receiving compensation and resettlement assistance by the project displaced persons. In the absence of such procedures, the borrower/client will establish a cut-off date for eligibility.
Entitlement	Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation, which are due to displaced persons, depending on the nature of their losses, to restore their economic and social base.
Economic Displacement	Loss of land, assets, access to assets, income sources, or means of livelihood because of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.
Involuntary Resettlement	Land and/or asset loss, which results in a reduction of livelihood level. These losses have to be compensated for so that no person is worse off than they were before the loss of land and/or assets.
Meaningful Consultation	Is a process that (i) begins early in the project preparation stage and is carried out on an ongoing basis throughout the project cycle; (ii) provides timely disclosure of relevant and adequate information that is understandable and readily accessible to affected people; (iii) is undertaken in an atmosphere free of intimidation or coercion; (iv) gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups; and (v) enables the incorporation of all relevant views of affected people and other stakeholders into decision making, such as project design, mitigation measures, the sharing of development benefits and opportunities, and implementation issues.

Rehabilitation	Compensatory measures provided under the WB Policy Framework on Involuntary Resettlement other than payment of the replacement cost of acquired assets.
Replacement Cost	The rate of compensation for acquired housing, land and other assets will be calculated at full replacement costs. The calculation of full replacement cost will be based on the following elements: (i) fair market value; (ii) transaction costs; (iii) interest accrued, (iv) transitional and restoration costs; and (v) other applicable payments, if any. In applying this method of valuation, depreciation of structures and assets should not be considered.
Vulnerable Groups	Distinct group of people who may suffer disproportionately from resettlement effects. The WB ESF defines vulnerable groups as households below the poverty line, the elderly, those without legal title to assets, landless, women, children and indigenous people.

Executive Summary

The Multan Electric Power Company (MEPCO) is planning to construct two 132-kilovolt (kV) transmission lines to connect the 132-kV Shah Jamal and Rahim Yar Khan-III grid stations with the existing transmission line network. This Abbreviated Resettlement Action Plan (ARAP) has been prepared to address the resettlement impacts of the proposed transmission lines in compliance with the WB Environmental and Social Standard-5 (ESS5) (these transmission lines will be collectively called the proposed transmission lines or proposed subproject in this document). MEPCO is planning to construct these transmission lines under the Electricity Distribution Efficiency Improvement Project (EDEIP) with financial assistance from the World Bank (WB). This project aims to enhance the electricity distribution network, improve infrastructure, and provide a reliable power supply to consumers.

The length of the proposed transmission line for Shah Jamal grid station will be about 14 kilometers (km) and for Rahim Yar Khan-III grid station, it will be about 4.6 km. A total of 87 towers (57 for Shah Jamal and 30 for Rahim Yar Khan-III grid stations) will be constructed for the proposed transmission lines.

The Project Affected Persons (PAPs) associated with construction of these transmission lines have been estimated to be less than 200, therefore this ARAP has been prepared in accordance with WB requirements.¹

The main objectives of this ARAP are to assess the resettlement impacts of the proposed transmission line construction on affected communities; engage PAPs and other stakeholders throughout the subproject life cycle; evaluate and document the compensation requirement and entitlements; compensate resettlement impacts following WB's ESS5 guidelines and national legislation; and ensure timely payment of entitlements.

A Resettlement Framework (RF) has been prepared for the entire EDEIP in 2021 and this ARAP has been prepared in accordance with the guidelines provided in RPF.

i. Resettlement Impacts

The construction of the proposed 132-kV transmission lines will affect about 138 acres (55.8 hectares) of cultivated land. Of this, around 1.02 acres (0.40 hectares) will be affected by construction of tower foundations, while the remaining land will be affected by the transmission line right of way (RoW). However, these lands will not be acquired and the ownership will remain with the existing landowners. The construction work will also affect the crops over this land. A total of 88 landowners will be affected; among them, 63 landowners will be impacted by the installation of the tower foundations, while 25 landowners will be affected due to the transmission line's RoW requirements. The proposed transmission lines will not cause any permanent land acquisition nor will they cause any physical displacement.

¹ According to the World Bank guidelines provided in Involuntary Resettlement Source Book (World Bank 2004), if PAPs are less than 200, an ARAP is required to be prepared; whereas if PAPs are more than 200, a full Resettlement Plan (RP) is required to be prepared.

ii. Consultation and Stakeholder Engagement

A Stakeholder Engagement Plan (SEP) has been prepared for the entire EDEIP. SEP provides details of the initial consultations carried out during the EDEIP preparation, in addition to the guidelines for the further consultations to be carried out for each subproject under EDEIP. Following these guidelines, stakeholder consultations for the proposed transmission lines were conducted with PAPs, local community, and government officials. A total of twenty meetings were conducted, including two dedicated sessions with female of subproject area to ensure gender-inclusive participation. Stakeholders consistently raised several concerns, with the most prominent being: transparency in resettlement processes, adequacy and fairness of compensation packages, potential livelihood disruptions, and opportunities for local employment during subproject implementation.

iii. Cut-Off Date

The census for this ARAP was completed on 30 October 2024, establishing this as the official cut-off date for determining subproject impacts and compensation eligibility. As communicated to the PAPs during consultation meetings, any individual relocating to or constructing any structure on the subproject land after this date will not qualify for compensation or resettlement assistance under this ARAP.

iv. Socioeconomic Information and Profile

The socio-economic survey was carried out during October 2024 for the both transmission lines. The total population of the project affected households (PAHs) is 468, including 220 males (47%) and 248 females (53%). As per the social survey, the average family size in the area is 6.5 persons per household. During the survey, most of the PAPs stated that they live in joint families. The data regarding the distribution of PAPs by age categories indicates that around 43% of household members are below the age of 40 years. As per the social survey, 18% of PAPs are illiterate. This is due to the lack of resources and other opportunities. The monthly average income of the PAHs is more than Pak Rupees (PKR) 40,000.

v. Compensation and Entitlements

The compensation amount for PAHs under this ARAP has been estimated in accordance with the WB ESS5. Eligible PAHs will receive compensation for affected land and crops through cross cheques. The entitlement matrix given below presents the subproject's compensation framework, ensuring that all PAHs will receive appropriate payments without omission of any financial and economic impacts.

Table ES-1: Eligibility and Entitlement Matrix

Sr. No.	Category	Type of Loss	Entitled PAHs	Compensation Policy
1	Land under the towers	Diminished value of land	63 PAHs for towers;	For installation of towers, one-time allowance will be paid as per market rate of the land taken for each tower, to compensate the diminution of land under tower.

Sr. No.	Category	Type of Loss	Entitled PAHs	Compensation Policy
	Land under Transmission Lines		25 PAHs for RoW	For the land under the transmission line conductors, compensation to a maximum of 15 % of the market value of land depending on the land use will be paid towards its diminution within the width of ROW due to laying of a transmission line and imposing of certain restrictions, such as construction of structures and plantation of trees.
2	Crop Compensation	During construction	63 PAHs for towers 25 PAHs for ROW	Cash compensation (one year crop) at current market rate proportionate to size of the affected cultivated area, based on crop type and highest average yield over past 3 years or as assessed through the respective Agricultural Departments.
3	Temporary land occupation	Land temporarily required during civil works	Owner, lessee, tenant	- Rental fee payment for period of occupation of land, as mutually agreed by the land owner and contractor; - Restoration of land to original state at the time of contractor's demobilization; and - Guaranteed access to structures (if any) and remaining land with restored infrastructure and water supplies.
4	Unanticipated Impacts	As and when identified	All PAHs	To be addressed appropriately during subproject implementation according to the World Bank ESS5.

vi. Institutional Arrangements, Monitoring and Reporting

MEPCO has established the Project Management Unit (PMU), which holds the primary responsibility for ARAP implementation, including timely compensation disbursement, compliance monitoring, and adherence to both national regulations and WB's ESSs. PMU has engaged the Project Implementation and Management Support Consultants (PIMSC) to provide technical assistance in overall EDEIP implementing including resettlement activities, facilitating grievance redress, and preparing progress reports. PMU will also be tasked to monitor the ARAP implementation.

vii. Grievance Redress Mechanism (GRM)

MEPCO has established a three-tier GRM to address concerns and complaints related to the its subprojects under EDEIP as follows: Field-Level Grievance Redress Committee (GRC) for local resolution of grievances; PMU-Level GRC for unresolved issues at the local level; and Higher-Level Authorities (MEPCO Chief Executive Officer (CEO), district administration, legal recourse if necessary).

viii. ARAP Implementation Cost

The total resettlement budget for this ARAP implementation has been estimated to be about **PKR 142.4 million**, which includes compensation for land and crops, monitoring and administrative costs, and contingencies.

1 SUBPROJECT DESCRIPTION

1.1. Overview

The Government of Pakistan (GoP), through the Ministry of Energy (MoE), in collaboration with three Distribution Companies (DISCOs) - Multan Electric Power Company (MEPCO), Hyderabad Electricity Supply Company (HESCO), and Peshawar Electric Supply Company (PESCO) - is implementing the Electricity Distribution Efficiency Improvement Project (EDEIP) with World Bank financing. This project aims to enhance DISCOs' distribution networks by upgrading infrastructure to provide reliable power supply to their consumers.

MEPCO is undertaking priority development subprojects under EDEIP. These subprojects aim to modernize and upgrade the electricity distribution network to ensure a more efficient, reliable, and sustainable power supply for the MEPCO consumers.

The EDEIP for MEPCO includes the following key infrastructure components (subprojects):

- Construction of six new 132-kilo Volt (kV) grid stations and allied transmission lines namely Arif Wala-II grid station, Khanewal-II grid station, Shah Jamal grid station, Dera Ghazi Khan-III grid station, Rahim Yar Khan-III grid station, and Layyah-II grid station.
- Rehabilitation of 70 high-tension (HT) 11kV feeders to improve electricity distribution.
- Installation of 9000 Transformer Monitoring Systems on distribution transformers to enhance performance monitoring.

1.2. Proposed Subproject: 132 KV Allied Transmission Lines for Rahim Yar Khan and Shah Jamal Grid Stations

Under EDEIP, MEPCO is planning to construct two 132- kV transmission lines to connect the 132-kV Shah Jamal and Rahim Yar Khan-III grid stations² with the MEPCO transmission line network (these transmission lines will be collectively called the proposed transmission lines or proposed subproject in this document). The Shah Jamal Grid Station will be connected with the existing Muzaffargarh - Dera Ghazi Khan (DG Khan) transmission line while the Rahim Yar Khan grid station will be connected with the existing Rahim Yar Khan - Industrial Estate transmission line. The length of the proposed transmission line for Shah Jamal grid station will be about 14 kilometers (km) and for Rahim Yar Khan-III grid station, it will be about 4.6 km. A total of 87 towers (57 for Shah Jamal and 30 for Rahim Yar Khan-III grid stations) will be constructed for the proposed transmission lines.

1.3. Abbreviated Resettlement Action Plan (ARAP)

This ARAP has been prepared to address the resettlement impacts of the proposed transmission lines in compliance with the WB Environmental and Social Standard-5 (ESS5).

² The construction of Shah Jamal and Rahim Yar Khan-III grid stations is also included in EDIEP as stated above, however no resettlement impacts are expected associated with the lands for these grid stations since these grid stations will be constructed on government-owned land without any encumbrance.

The Project Affected Persons (PAPs) associated with construction of these transmission lines are less than 200, therefore an Abbreviated Resettlement Action Plan (ARAP) has been prepared in accordance with the WB requirements.³

The main objectives of this ARAP are to:

- a. Assess the resettlement impacts on the local community caused by the subproject.
- b. Engage stakeholders, including PAPs, throughout the subproject lifecycle through consultations.
- c. Evaluate and document the compensation requirement and entitlements;
- d. Compensate all resettlement impacts following WB's ESS5 guidelines and national legislation.
- e. Ensure timely payment of compensation and the restoration of livelihoods.

A Resettlement Framework (RF) has been prepared for the entire EDEIP in 2021 and this ARAP is being prepared in accordance with the guidelines provided in RF.

1.4. Resettlement Requirements

This ARAP has been prepared based on detailed design information and as per World Bank's standards. The following conditions must be met before the civil works are started on the proposed transmission lines:

- The final ARAP is approved by the World Bank.
- Institutional arrangements for environmental and social (E&S) management are in place.
- This ARAP is implemented and all compensation and entitlements listed in this ARAP have been paid to PAPs.

³ According to the World Bank guidelines provided in Involuntary Resettlement Source Book (World Bank 2004), if PAPs are less than 200, an ARAP is required to be prepared; whereas if PAPs are more than 200, a full Resettlement Plan (RP) is required to be prepared.

2 LEGAL AND POLICY FRAMEWORK

This section describes national laws and regulations, World Bank ESS5 that apply to the subproject, and identifies gaps between national laws and WB ESS5.

2.1. National Legal Framework

The Land Acquisition Act (LAA) 1894 is country's core law that deals with matters related to the acquisition of private land and other immovable assets that may exist on it when the land is acquired for public purposes. In the absence of a specific resettlement policy, the LAA is the de-facto legal instrument governing resettlement and compensation to PAPs. Although LAA lays down detailed procedures for the acquisition of private properties for public purposes and compensation, it does not provide consideration to social, cultural, and economic conditions associated with and affected by resettlement. The proposed subproject does not involve land acquisition, hence this Act is not applicable.

2.2. WB's Environmental and Social Standards-5 (ESS5)

The WB ESS5 requires that projects involving physical or economic displacement avoid or minimize involuntary resettlement wherever possible. Where unavoidable, it mandates fair compensation at replacement cost for lost assets and livelihoods, restoration of living standards, and livelihood improvement for affected communities. ESS5 emphasizes meaningful consultation with displaced persons, transparency in valuation and compensation processes, and special provisions for vulnerable groups. Compliance ensures resettlement activities are planned and implemented through a structured Resettlement Action Plan (RAP) or ARAP, with monitoring to guarantee outcomes align with project objectives and safeguard affected populations. ESS5 ensures compensation for both titleholders and non-titleholders who are directly or indirectly affected.

3 SOCIOECONOMIC INFORMATION AND PAPS PROFILE

This section describes the socio-economic characteristics of the subproject area. These aspects consider the socioeconomic baseline and demographic conditions of the PAPs including planned infrastructure and development orientations.

3.1. Overall Socio-economic Conditions of the Area

The proposed transmission line subprojects are located in Muzaffargarh and Rahim Yar Khan districts. Both subproject areas are predominantly rural, where the majority of residents depend on agriculture and livestock rearing for their livelihoods. The land required for the construction of the transmission lines is entirely cultivated. Major crops include wheat, sugarcane, and rice. According to data provided by the Agriculture Department, the average yields in Shah Jamal are approximately 35 maunds⁴ per acre for wheat, 40 maunds per acre for sugarcane, and 500 maunds per acre for rice. In Rahim Yar Khan, average yields are reported as 40 maunds for wheat, 1000 maunds for sugarcane, and 30 maunds for rice per acre.

During community consultations, local stakeholders emphasized that agriculture is the primary source of livelihood, while a smaller proportion of residents are employed in government and private sectors in Multan, Rahim Yar Khan, and other regions of the country. The subproject area lacks secondary-level educational facilities for both boys and girls, compelling children to travel to nearby urban centers to pursue higher education. However, the associated costs of travel and schooling are beyond the financial capacity of most households, resulting in limited access to education. Consequently, literacy rates in the area remain low, with female literacy particularly constrained due to cultural and socio-economic barriers.

Healthcare infrastructure in Basti Khan Garh, Shah Jamal is also inadequate, with limited access to quality medical facilities, essential equipment, and trained personnel. There is no government or private hospital in the area, however, a few small clinics operate primarily by the dispensers. The physical infrastructure in Basti Khan Garh requires significant improvement, as the area has poorly maintained roads, insufficient sanitation, and unreliable electricity supply. Lack of proper waste management and sanitation facilities poses significant environmental and health risks to the residents.

3.2. PAPs Profile

The socio-economic survey was carried out during October 2024 for the both transmission lines. The total population of the 72 project affected households (PAHs) is 468, out of which 47% (220) of the members are male while 53% (248) are females. As per the social survey, the average family size in the subproject area is 6.5 persons per household. During the survey, most of the PAHs stated that they live in joint families. The data regarding the distribution of PAHs by age categories indicates that around 43% of household members are below age 40 years of age whereas the remaining 57% are above 40 years. As per the social survey, 18% of PAHs are illiterate. This is due to the lack of resources and other opportunities. The survey data reveals

⁴ One maund is about 40 kilogram (kg).

that the monthly average income of the 72 respondents is more than Pakistani Rupees (PKR) 40,000.

Access to drinking water and sanitation is believed to be essential for health, security, livelihood, and quality of life, and is especially critical for women and children. Improved water supply and sanitation interventions could thus provide a wide range of benefits like longer lifespans, reduced morbidity and mortality from various diseases, and lowered health costs. The survey findings reveal that most of the respondents in all the districts had adequate access to basic amenities such as electricity, water supply, transportation, or medical facilities. Most respondents rely on groundwater for drinking, while using nearby canal water for secondary uses like washing clothes and utensils. The survey reveals that most of the respondents are suffering from waterborne diseases. The education, health, and other basic needs are adequate with presence of schools and basic health facilities in all the subproject areas. The women in the project area are basically housewives but also participate in the agricultural activities along with their men. The women are mostly illiterate but are aware of their basic rights. They have a good awareness of menstrual hygiene.

4 SUBPROJECT IMPACTS

This section discusses the land and resettlement impacts associated with proposed subproject.

4.1. Impact on Land and Crops

The construction of the proposed 132 kV transmission lines will affect about 138 acres (55.8 hectares) of land. Of this, around one acre (0.40 hectares) of land will be affected by the tower foundations while about 137 acres of land will be affected by the transmission line right of way (RoW). However, these lands will not be acquired and the ownership will remain with the existing landowners. A total of 88 landowners will be affected by the proposed transmission lines. These will include 63 landowners that will be directly impacted by the installation of the tower foundations, while 25 landowners will be affected due to the transmission line's RoW requirements. The list of PAPs is attached as **Annex-I**. The entire RoW comprises cultivated land hence the transmission line construction will also affect crops over an area of about 138 acres. The proposed transmission lines will not cause any permanent land acquisition nor will they cause any physical displacement. Details of affected land is provided in **Table 4.1**.

The area required for each tower is 47.61 square meters (6.9 meters x 6.9 meters) and the ROW is 30 meters wide.

Table 4.1: Details of Affected Land

Transmission Line	Length (km)	Number of Towers	Land Required for Towers (Acres)	Towers on Private Land	Private Land under Towers (Acres)	Total Land under RoW (Acres)	Private Land under RoW (Acres)
For Shah Jamal Grid Station	14	57	0.68	51	0.61	104	102.8
For Rahim Yar Khan Grid Station	4.6	30	0.36	28	0.34	34	33.64
Total	18.6	87	1.04	79	0.95	138	136.44

5 CONSULTATION, PARTICIPATION AND INFORMATION DISCLOSURE

This section outlines the stakeholders involved in the subproject, their perspectives regarding the subproject and its construction activities, and the methodology employed to engage with displaced persons and the broader community during the consultation process.

5.1. Stakeholder Engagement Plan

A Stakeholder Engagement Plan (SEP) has been prepared for the entire EDEIP. The SEP provides details of the initial consultations carried out during its preparation, in addition to the guidelines for the further consultations to be carried out for each subproject under EDEIP. The consultations carried out for the proposed subproject have also been conducted in accordance with the provisions of the SEP.

5.2. Consultation with Stakeholders

While preparing this ARAP, individual, and focus group discussions were held with the PAPs, locals from neighboring community, and officials of concerned departments including Revenue, Forest and Agriculture. These meetings will be continued during the entire subproject lifecycle. A total of eight consultations has been conducted with the PAPs. Keeping in view the local norms, two separate meetings were held with female PAPs, to gain their opinions and concerns regarding the subproject. In conclusion, the women consultations underscore the urgent need for gender-inclusive strategies in the Shah Jamal and Rahim Yar Khan subproject areas. Addressing the educational and economic marginalization of women through targeted policy measures and community engagement initiatives is essential for fostering gender equity and sustainable development in the region.

Consultation details with stakeholders are given in **Table 5-1**, while the summary of the concerns and feedback from both male and female are provided in **Tables 5-2**, **5-3** and **5.4**.

Table 5.1: Consultation/ Meetings held with the Stakeholders

Sr. No	Date	District	Tehsil	Village	Number of Participants	Description
Shah Jamal						
1	30-07-2024	Muzaffargarh	Muzaffargarh	Khan Garh	09	Meeting with the PAPs and Local Community
2	30-07-2024	Muzaffargarh	Muzaffargarh	Basti Kas Pirhar	05	Meeting with the women of the PAPs
3	01-08-2024	Muzaffargarh	Muzaffargarh	M. Daah	03	Meeting with the PAPs
4	19-09-2024	Muzaffargarh	Muzaffargarh	Basti Jalhari	06	Meeting With the PAPs
5	30-09-2024	Muzaffargarh	Muzaffargarh	Basti Molookay	08	Meeting with the PAPs and local community
Rahim Yar Khan						
1	30-11-2024	Rahim Yar Khan	Rahim Yar Khan	Peer Wala	10	Meeting with the PAPs and local community
2	06-01-2025	Rahim Yar Khan	Rahim Yar Khan	Quraishi Pura	08	Meeting with the PAPs
3	09-01-2025	Rahim Yar Khan	Rahim Yar Khan	Kuhana Quraishi	09	Meeting With the PAPs
4	09-01-2025	Rahim Yar Khan	Rahim Yar Khan	Dera Shams	05	Meeting with the PAPs and local community
5	10-01-2025	Rahim Yar Khan	Rahim Yar Khan	Shah Khan Korai	07	Meeting with the PAPs and local community
6	10-01-2025	Rahim Yar Khan	Rahim Yar Khan	Dera Ch Bashir Ahmad	09	Meeting with the PAPs and local community

Table 5.2: Concerns of the stakeholders

Sr. No.	Concerns of Stakeholder	Response	Responsibility
1	The Environmental Protection Agency (EPA) emphasized the importance of maintaining environmental standards during a consultation for the Rahim Yar Khan grid station subproject during construction. He emphasized the following points; • Maintaining clean air, soil, and water quality; • Afforestation and plantation drives around the grid station area; • Enhancing; and ecological value of the site.	It was explained to the Assistant Director that to incorporate the environmental considerations into the subproject plan, including maintaining clean air, soil, and water quality, afforestation will be part of the Environmental and Social Impact Assessment (ESIA).	PMU/MEPCO and Consultant
2	Assistant Director EPA said that No Objection Certificate (NOC) is mandatory before construction Start.	ESIA will be submitted to the EPA to obtaining the NOC.	PMU & MEPCO
3	Assistant Director Social Welfare Department had no major concerns about the grid station construction since the site is on unused, barren land with no residential or livelihood activities. This minimizes potential social impacts, such as displacement. They suggested ongoing community engagement to maintain transparency and social harmony throughout the subproject.	The ARAP team noted down Assistant Director's feedback and assured continuous community engagement to maintain transparency and social harmony throughout the subproject, as per their suggestion.	PMU
4	Staff of the Khawaja Farid University welcomed the subproject and proposed collaboration opportunities, such as internships and field visits for students, particularly in engineering and environmental science. They also suggested protecting local flora and fauna by incorporating ecological preservation strategies into the subproject plan to minimize harm to biodiversity.	The ARAP team noted down the suggestion of the university staff.	PMU
5	The Assistant Director Agriculture suggested that MEPCO should implement soil conservation measures during construction to minimize impact on nearby agricultural areas.	The ARAP team noted down the suggestion	PMU

Table 5.3: Concerns and Responses of Male PAPs

Sr. No.	Concerns of PAPs	Response	Action	Responsibility
1	PAPs requested for provision of skilled/unskilled jobs.	Priority will be given to the PAPs for the job opportunities.	A clause will be added in the contract of the contractor to ensure full compliance.	Project Management Unit (PMU) & MEPCO
2	PAPs showed their concerns over affected land under towers and standing crops.	MEPCO will compensate the land and affected crops during construction of the TLs. The ARAP team explained to them about the compensation process of the affected land under towers and crops in accordance with the WB Policy.	Affected land under towers along with crops will be compensated as per WB Policy	PMU & MEPCO
3	Local community raised concerns that during construction activities they may have to face the environmental effects like noise/ vibration and dust emissions, therefore, properly sprinkling of water should be done by the contractor.	It was explained that the contractor will be bound to implement the measures in this regard by putting clause in his contract. ESIA is being carried out to address the environmental impacts of the subproject.	ESIA will be strictly implemented during the construction phase.	PMU & MEPCO, Contractor
4	PAPs asked about any forum for the complaint registration.	ARAP team explained that the grievance redress mechanism (GRM) has already been established to address the complaints of the PAPs who will have the complete access over it.	GRM will remain operational throughout the subproject cycle. Details are provided in this ARAP.	PMU & MEPCO, CSC & Contractor
5	The installation of towers in the middle of agricultural fields will affect the agricultural activities.	It was explained that compensation for land and crops will be paid to the PAHs and after the installation of towers, the agricultural activities may be resumed.	Compensation will be paid for the land under the towers.	PMU & MEPCO
6	The worth of land will be reduced after the installation of towers in the middle of fields.	It was explained that compensation for land and crops will be paid to the PAHs.	Compensation will be paid for the land under the towers.	PMU & MEPCO
7	The towers are a constant threat of electric hazards/shocks.	It was explained that all necessary systems and procedures will be included in the grid	Trainings and awareness sessions will be arranged to make the community aware of the possible	PMU & MEPCO

Sr. No.	Concerns of PAPs	Response	Action	Responsibility
		station design to address the electrocution risk.	hazards.	
8	local community showed concerns that the contractors should be bound to ensure the environment and social compliance during construction activities.	It was explained that GRM has already been established to address the complaints of the PAHs who will have the complete access over it.	GRM will remain operational throughout the subproject cycle. Details are provided in this ARAP.	PMU & MEPCO, CSC & Contractor
9	Mobility and routes towards the masjids, schools and hospitals should not be disturbed.	Special instructions will be given to the design consultant followed by the contractor to avoid the disturbance of these critical places.	Alternate routes will be provided to avoid the disturbance and the issue will be discussed in the construction management plan. GRM is established to address the local complaints.	PMU & MEPCO, CSC & Contractor
10	How the rates of crops and average yields will be determined?	The average yields and rate of crops will be market reflective and will be finalized with the involvement of relevant government departments.	PMU staff will pay compensation as per approved ARAP.	PMU & MEPCO & Contractor
	During the installation of towers, try to use minimum land so that crop damage can be reduced.	During the construction stage, maximum effort will be made to avoid the productive cultivated land.	It will ensure by the PMU and consultant.	PMU & MEPCO &
	Construction work of the T/L should be started after harvest of the seasonal crops.	Maximum effort will be made to start construction after harvest of seasonal crop, however in case of any crop losses; compensation at current market rate will be given to owners of the crops.	PMU will ensure that construction activity start after the harvesting season.	Contractor

Table 5.4: Consultation with the Local Women

Sr. No.	Concerns of PAPs	Response	Action	Responsibility
1	Vocational training should be provided to the local area women along the ROW.	Efforts will be made for such trainings program	Suggested training cost incorporated in the ARAP	PMU & MEPCO
2	The local community is quite poor therefore; government should provide maximum economic benefits to the local community.	It was explained that the compensation and assistance to be paid to the PAPs will provide economic benefits to them.	ARAP will be fully implemented.	PMU & MEPCO

5.3. Disclosure of ARAP

The PMU is responsible for ensuring that all resettlement related information is effectively and comprehensively communicated to all the PAPs and other stakeholders in national language (Urdu).

This ARAP and Urdu translation of its Executive Summary will be disclosed at the MEPCO website. The PMU will prepare and distribute the subproject Information brochure among the PAPs/local community in both English and Urdu languages before start of the ARAP implementation. Furthermore, the Executive Summary of this ARAP will be translated into Urdu and shared with the PAPs and other stakeholders.

6 INSTITUTIONAL ARRANGEMENTS

MEPCO through PMU is responsible for the overall management, supervision, and execution of the subproject including the implementation of this ARAP. PMU is responsible for ensuring that ARAP is fully implemented, and all the compensations and assistances are provided to the PAHs as detailed in this ARAP. PMU is responsible for ensuring that the GRM remains operational throughout the subproject lifecycle. PMU is also responsible for ensuring the monitoring and reporting activities are carried out as detailed in this ARAP.

Currently, the E&S personnel in PMU comprise Deputy Manager (E&S) deputed to work as Manager (E&S) and Assistant Manager (Social) with the additional charge of Assistant Manager (Gender Specialist) . However, a new position of Land Acquisition Collector (LAC) has been created to strength E&S capacity of PMU and to oversee the ARAP implementation. The LAC will ensure accurate identification and documentation of the affected land and assets and facilitate timely disbursement of compensation to eligible PAPs for land, crops, trees, and structures.

In addition, Project Implementation and Management Support Consultant (PIMSC), GOPA INTEC, has also been hired to assist MEPCO in project implementation including preparation and implementation of environment and social instruments. PIMSC will assist PMU in ARAP implementation. They will take the lead in the field activities including consultations, GRM implementation, payment of compensations and assistance and other similar activities.

The district administration will be involved to provide full support and coordination to all stakeholders and keep law and order related to security measures. The District Collector/Deputy Commissioner is responsible for providing the revenue record.

In term of ARAP implementation, MEPCO will ensure that land required for the subproject is made available to the contractor in accordance with the agreed schedule and resettlement activities are implemented in compliance with this ARAP.

7 COMPENSATION, ENTITLEMENT ASSISTANCE AND BENEFITS

This section defines PAPs entitlements and eligibility, it further describes all resettlement and rehabilitation measures in terms of entitlements identified in this ARAP and World Bank guidelines for the PAPs who will be eligible for the compensation.

7.1. Cut-off Date

Cut-off date for the subproject is the day of the end of the census survey for the impact assessment. Any person settled in the subproject area after the cut-off date will not be eligible for compensation. For the proposed subproject, census was completed on October 30, 2024, which will be considered as Cut-off Date for compensation purpose.

7.2. Compensation and Entitlement Policy

Compensation and entitlements have been determined based on the replacement cost principle of ESS5. **Table 7-1** provides the Entitlement Matrix for different types of losses assessed during the socioeconomic/census survey. It also covers the provisions for any unanticipated impacts arising during subproject implementation. Land compensation/allowances will be paid to the PAPs before taking land possession.

Table 7-1: Eligibility and Entitlement Matrix

Sr. No.	Category	Type of Loss	Entitled PAHs	Compensation Policy
1	Land under the towers Land under Transmission Lines	Diminished value of land	63 PAHs for towers; 25 PAHs for RoW	- For installation of towers, one-time allowance will be paid as per market rate of the land taken for each tower, to compensate the diminution of land under tower. - For the land under the transmission line conductors, compensation to a maximum of 15 % of the market value of land depending on the land use will be paid towards its diminution within the width of ROW due to laying of a transmission line and imposing of certain restrictions, such as construction of structures and plantation of trees.
2	Crop Compensation	During construction	63 PAHs for towers 25 PAHs for ROW	Cash compensation (one year crop) at current market rate proportionate to size of the affected cultivated area, based on crop type and highest average yield over past 3 years or as assessed through the respective Agricultural Departments.
3	Temporary land occupation	Land temporarily required during civil works	Owner, lessee, tenant	- Rental fee payment for period of occupation of land, as mutually agreed by the land owner and contractor; - Restoration of land to original state at the time of contractor's demobilization; and - Guaranteed access to structures (if any)

Sr. No.	Category	Type of Loss	Entitled PAHs	Compensation Policy
				and remaining land with restored infrastructure and water supplies.
4	Unanticipated Impacts	As and when identified	All PAHs	• To be addressed appropriately during subproject implementation according to the World Bank ESS5.

8 GRIEVANCE REDRESS MECHANISM (GRM)

This section describes the GRM structure and functions to be established for EDEIP.

8.1. GRM Structure

MEPCO has established a three-tier Grievance Redress Mechanism (GRM) for EDEIP in order to address the concerns and complaints related to its subprojects under EDEIP.

First tier of GRM will be established at the field level, providing the fastest and most accessible means for resolving grievances at the local level. A field level Grievance Redress Committee (GRC) will be established, led by the Manager (E&S). Its members will include Land Acquisition Collector (LAC), (when land acquisition is involved), representative of PIMSC and two members from the PAPs. Complaints would be resolved within two to 10 working days, depending on the nature of the grievance. If a complaint remains unresolved or the complainant is not satisfied with the outcome, grievance may be escalated to the second tier at the PMU level.

As the second tier of GRM, a GRC has already been established at PMU level, which would handle grievances that are not resolved at the local level. This GRC has been notified and is headed by the Chief Engineer (Development); other members include Project Director, Deputy/Manager (E&S), Manager (Complaint Center) and representative of PIMSC and PAPs (if relevant). The GRC will recommend corrective measures and assign clear responsibilities for implementing its decision within 25 working days, depending on the nature of the complaint. If the complainant is still not satisfied with the decision, he/she will have the option to pursue administrative or legal remedies without restriction.

Third tier of GRM provides an alternative redress mechanism if a grievance remains unresolved at the PMU level or if the complainant is dissatisfied with the decision. At this stage, affected persons can seek resolution through higher authorities, including the Chief Executive Officer (CEO) or Board of Directors (BOD) of MEPCO, District Administration, Secretary Energy and Power Department, Pakistan Citizen Portal, or, if necessary, the court of law. This ensures that complainants have access to multiple levels of redress, guaranteeing transparency and fairness in addressing grievances related to environmental and social management.

The GRM will be linked with the MEPCO's existing Complaint Center that addresses the complaints from the electricity consumers.

8.2. Project Affected Persons

The PAPs will be encouraged and mobilized to form a Project Affected Persons Committee (PAPC). PAP representation facilitates communication and information flow among PAPs and with other stakeholders. The representatives will closely liaise with Grievance Redress Committees (GRC) formed at PMU, CEO or district administration level, and field levels. The PAPC will meet monthly and on demand from members, to address resettlement planning and implementation issues. The PAPC members may elect from among themselves a representative or hold elections in a meeting of all PAPs.

9 ARAP IMPLEMENTATION

9.1. Resettlement Plan Preparation and Implementation

MEPCO is responsible for the arrangement of finances for the implementation of final ARAP. For a clear and transparent disbursement process the sequence of activities will be followed as described in **Table 9-1** and also shown in **Table 9-2**.

Table 9-1: ARAP Preparation and Implementation Activities/Schedule

Sr. No.	Activity	Responsibility	Compliance Status
1	Finalization of Detailed Design	PMU & Consultant	Done
2	Socioeconomic survey, resettlement impact inventory with extent of loss to each PAH prepared, compensation, entitlements finalized.	Consultant/PMU	Done
3	Preparation of ARAP	Consultant	Done
4	WB reviews and comments on final ARAP	WB	Done
5	Institutional arrangements established for ARAP implementation	PMU	Done
6	Arrangement of resettlement cost	PMU	Will be carried out within two weeks of ARAP finalization
7	Distribution of executive summary of ARAP, and notices to receive PAPs for compensation payment	PMU	ARAP will be disclosed after approval from WB and notices will be served after the approval of ARAP
8	Completion of payment of resettlement allowances according to the procedure provided in the ARAP.	PMU & Revenue Department	After final ARAP approval
9	Submission of External Monitoring Report	Monitoring Consultant	Before start of construction works
10	Issuance of no-objection for civil works	PMU	After the final ARAP implementation External Monitoring report is approved by WB
11	Commencement of civil works	PMU/Contractor	after receiving the No Objection Notice.

Table 9-2 Resettlement Plan Implementation Schedule

Sr. No	Items	Months										Responsibility
		1	2	3	4	5	6	7	8	9	10	
1	Finalization of Detailed Engineering Design											Design consultant (DC)
2	Socio-economic, gender survey and census of PAPs											DC
3	Conducting public Consultations and Disclosure											DC/PMU
4	Formation of GRC: Complaint from Aggrieved PAPs, Investigation and Actions & Monitoring Resolution of Complaint											PMU
5	Preparation of the final ARAP and Disclosure											DC
6	Approval of ARAP											
7	Compensation payment											PMU & Revenue
8	Payment of Allowances to PAPs											
9	Monitoring and Reporting: Review of ARAP Implementation											Monitoring consultants; PMU
10	Contractor re-mobilization/ commencement of civil works											PMU & Contractor

10 MONITORING AND REPORTING

This section describes the internal and external monitoring mechanism for ARAP implementation.

10.1. Internal Monitoring

One of the main roles of PMU will be to ensure proper and timely implementation of all activities of ARAP. E&S Section of PMU with the assistance of PIMSC will collect information from the subproject sites about the implementation status of key activities, the process and integrate the data in the form of a monthly reports to assess the progress and results of ARAP implementation. This monitoring and reporting will be a regular activity which is extremely important in order to undertake midway corrective steps.

10.2. External Monitoring

The PMU will engage qualified and experienced External Monitoring Expert. The external monitoring expert will review the internal monitoring reports, gather field data, and assess whether resettlement objectives and goals have been achieved. A key focus will be to evaluate whether livelihoods and living standards of PAPs have been restored/ enhanced and suggest suitable recommendations for improvement. The external monitor will also identify the gaps in ARAP implementation and advise the PMU on compliance issues.

10.3. Reporting Requirements

PIMSC will prepare monthly progress reports and assist PMU to prepare internal monitoring reports on a quarterly basis. The external monitoring reports will be prepared on biannual basis or twice during the subproject implementation (first during and the second after the completion of construction works).

Awarding of civil works contract for the subproject is conditional to the approved ARAP, while the commencement of construction is conditional to full payment to PAPs and implementation of ARAP to be validated by external monitoring expert.

11 BUDGET AND FINANCING

This section presents the overall cost estimates for ARAP implementation. It includes compensation as defined in the Entitle Matrix provided in **Section 7**.

11.1. Overview

The resettlement costs, including cost of compensation and administration, is considered an integral part of the subproject cost. This budget provides the outlay for different expenditure categories assessed through field surveys carried out during October 2024.

11.2. Summary of Entitlements and Support Costs

The resettlement cost estimate for this subproject includes eligible compensation and support cost for ARAP monitoring. The support cost, which includes monitoring, reporting, and other administrative expenses are part of the overall subproject cost. Contingency provisions have also been made to consider variations from this estimate. The overall budget for the resettlement component has been estimated as about **PKR 142.4 million** as detailed in **Table 11-1**. The cost of land is based on the price agreed with the PAPs.

11.3. Compensation

The eligible allowances for this resettlement and rehabilitation budget estimate are outlined below.

- Compensation for crops; and
- Compensation for diminution of land under towers and transmission line.

11.4. Compensation Cost for Crops

Affected landowners and farmers will receive crop compensation based on one year's harvest income. The Agriculture Departments of Rahim Yar Khan and Shah Jamal provided crop rates for the affected areas, where sugarcane and rice are the main crops. Compensation is calculated using average yields and costs from these departments.

The subproject affects 1.02 acres land under 79 towers and 136.88 acres for the transmission line right-of-way. Crop yields and prices vary between the two districts: Rahim Yar Khan reports 1,000 maunds/acre of sugarcane and 30 maunds/acre of rice, while Shah Jamal reports 500 maunds/acre of sugarcane and 40 maunds/acre of rice.

Prices also different in both district such as in Rahim Yar Khan, sugarcane price is PKR 425/maund and rice is PKR 3,500/maund and average production is 1000 and 30 maund respectively. In Shah Jamal, sugarcane is PKR 400/maund and rice is PKR 4,500/maund. In Rahim Yar Khan, 33.64 acres of land will be affected, with 0.09 acres for towers and 33.64 acres for the transmission line. According to the Agriculture Department, the crop prices in the Shah Jamal area, sugarcane is priced at PKR 400 per maund, while Rice is valued at PKR 4,500 per maund. These rates will be used for calculating crop compensation. The detailed crop rates and yields are in **Annex-II**.

11.5. Land Diminution

The land diminution for towers and Right-of-Way (ROW) in both transmission lines has been assessed based on the rate of PKR 3 million per acre, as provided by local notables. This rate is considered consistent due to the agricultural nature of the land in the area. The 79 towers for the proposed subprojects will take about 0.95 acres of land. Hence the land diminution caused by the towers has been assessed as about **PKR 2.84 million (about PKR 36,000 per tower)**. The diminution of land under the transmission line has been assessed as 15% of the cost of land. Land under the transmission line has been computed as 136.88 acres. Hence the diminution of land under the transmission line has been assessed as about **PKR 61.6 million**.

11.6. Monitoring and Administration

Monitoring and evaluation of ARAP implementation process will be required through organizing internal and external monitoring arrangements as described in **Section 10**. For this purpose, a sum of about **PKR 6.1 million**, which is 5% of the total compensation cost, is included in the budget estimates.

A provision of about **PKR 1.2 million**, which is 1% of the total compensation cost, has been made in the ARAP budget to cover administrative expenses related to ARAP implementation.

11.7. Contingencies

A 10% contingency has been added to cover any cost escalation and/or unforeseen expenses during ARAP implementation. Contingencies cost amounts to about **PKR 12.9 million**.

Table 11-1: Summary of Resettlement Budget

Sr.No.	Description of Item	Unit	Quantity	Unit Cost (PKR)	Total Compensation (PKR)
A	Shah Jamal TL				
	Rice	Acre	102.81	180,000	18,505,800
	Sugarcane	Acre	102.81	200,000	20,562,000
	Diminution of land under towers	Acre	0.61	3,000,000	1,830,000
	Diminution of land under transmission line	Acre	103.1	450,000	46,395,000
	Sub-Total				87,292,800
B	Rahim Yar Khan TL				
	Sugarcane	Acre	33.64	425,000	14,297,000
	Cotton	Acre	33.64	130,000	4,373,200
	Diminution of land under towers	Acre	0.34	3,000,000	1,020,000
	Diminution of land under transmission line	Acre	33.73	450,000	15,178,500

Sr.No.	Description of Item	Unit	Quantity	Unit Cost (PKR)	Total Compensation (PKR)
	SUB-TOTAL				34,868,700
	Sub Total A+B				122,161,500
C	Monitoring and Evaluation (5% of the above)				6,108,075
D	Administration Cost (1% of the above)				1,221,615
	TOTAL (C+D)				7,329,690
	TOTAL (A+B+C+D)				129,491,190
E	Contingencies, 10% of the Total Cost				12,949,119
	GRAND TOTAL				142,440,309

Monitoring and Evaluation will cover the cost of External Monitoring Consultant while the implementation support will be from the administrative and contingency cost.

ANNEXES

Annex-I: List of PAPs

نام فاضل	اوسط وزن تقریباً	ریٹ ماہرید تقریباً	کل
نماذ	۱۰۰۰ من فی ایکڑ	۴۵/ فی من	۴۵۰۰۰/۰
کپاس	۲۰ من فی ایکڑ	۶۵۰/ فی من	۱۳۰۰۰۰/۰
باغیچہ	—	۱۵۰۰۰/ فی ایکڑ	۱۵۰۰۰/۰
چاول	۵۰ من فی ایکڑ	۳۵۰/ فی من	۱۰۵۰۰۰/۰

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P.T.O.

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Annex-III: Photolog