

RESETTLEMENT PLAN

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SRI: Southern Road Connectivity Project

Section from Mathugama up to Welipenna interchange of Southern Expressway,
of Horana – Anguruwathota – Aluthgama (B157) Road

Prepared by Ministry of University Education and Highways, Government of Sri Lanka
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CURRENCY EQUIVALENTS

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ABBREVIATIONS

ADB	Asian Development Bank
AI	Agricultural Instructor
CEA	Central Environmental Authority
CEO	Chief Engineer's Office
CSC	Construction Supervision Consultant
CV	Chief Valuer
DH	Displaced Household
DMS	Detailed Measurement Survey
DD	Detailed Design
DH	Displaced Household
DSD	Divisional Secretariat Division
DS	Divisional Secretary
ESDD	Environment and Social Division, RDA
PIB	Public Information Booklet
PS	Pradeshya Saba
GN	Grama Niladhari
GND	Grama Niladhari Division
GOSL	Government of Sri Lanka
GRC	Grievance Redress Committee
Ha / ha	Hectare
KM / km	Kilometer
LA	Local Authority
LAA	Land Acquisition Act
LARC	Land Acquisition and Resettlement Committee
LARD	Land Acquisition and Resettlement Division, RDA
LAO	Land Acquisition Officers

LAR	Land Acquisition & Resettlement Unit
LARS	Land Acquisition and Resettlement Survey
MOL	Ministry of Land and Land Development
MOUEH	Ministry of University Education and Highways
NEA	National Environmental Act
NGO	Non-governmental Organization
NHSP	National Highways Sector Project
NIRP	National Involuntary Resettlement Policy
PD	Project Director
PEA	Project Executing Agency
PIU	Project Implementation Unit
PMU	Project Management Unit
RF	Resettlement Framework
RP	Resettlement Plan
RDA	Road Development Authority
ROW	Right-of-Way
Rs.	Sri Lankan Rupees
SD	Survey Department
SES	Socio Economic Survey
SEW	Southern Expressway
SPS	ADB Safeguards Policy Statement, 2009
SRCP	Southern Road Connectivity Project
TA	Technical Assistance
TL	Team Leader
IOL	Inventory of Losses
UC	Urban Council
TOR	Terms of Reference

NOTE

In this report, "\$" refers to US dollars.

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The details of affected land, structure and persons in the resettlement plan is based on the Preliminary Survey Plans, which identifies the exact number of affected lots (with their extent) and affected persons.

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Executive summary

Project description

1. Improving the connectivity between 33 km of key national highways linking and the southern expressway within key cities in Colombo region is a project with priority considerations of the Government of Sri Lanka. The project will be implemented by Road Development Authority (RDA) under the Ministry of University Education and Highways (MoUEH). Impact of the project will be efficient road transport in south region of Sri Lanka. The outcome will be improved connectivity between the Southern Expressway (SEW) and the local road network. The project is officially termed as Southern Roads Connectivity Project (SRCP) and the Project Management Unit (PMU) of National Highways Sector Project (NHSP) has been re-designated to be the PMU for SRCP.

2. Mathugama (ch. 32+000) to Welipenna Interchange (IC) of SEW (ch. 42+640) section of Horana – Anguruwathota – Aluthgama (B157) road is one of the road sections to be improved under SRCP. Length of this road section is 10.640 km. The proposed project will increase the carriageway to accommodate a proper two (2) lane configuration. Road improvements will also include hard and soft shoulders, line or earth drains at selected locations and utility reservations, where necessary. Thus the existing Right of Way will be increased up to about 16 m to 18 m. Such an increase of the ROW requires strips of land to be acquired from both sides of the existing road.

3. Under the NHSP a section of 23.480 km was ear marked for improvements, starting from ch. 30+000 (Maduruagoda) to ch. 53+480 (Aluthgama). Out of this 23.480 km, the section from ch. 42+640 (Welipenna IC) to ch. 53+480 has been improved. And another two kilometers (from ch. 30+000 to ch. 32+000) is also under improvements. Therefore, under the SRCP the section from ch. 32+000 to ch. 42+640 will have to be improved. A Resettlement Plan (RP) was prepared under NHSP during the project Feasibility study which was updated in year 2013 (for the section from ch. 30+000 to 42+640) based on the Advance Tracings (ATs). As the Preliminary Plans (PPs) for section ch. 32+000 to ch. 42+640 is now available, the RP prepared in year 2013 requires to be updated. This RP updating exercise was conducted with above objective. Data collection and analysis was conducted by a set of field enumerators closely supervised by a Resettlement Specialist. Field data collection (a full census of affected persons and an inventory of losses) and analysis was carried out during the months of November and December, 2015. The RP is based on the requirements of the National Involuntary Resettlement Policy and ADB Safeguard Policy Statement, 2009. This RP is based on the Preliminary Survey Plans derived from the detailed designs. Therefore, the details included in this RP on affected land, structures and persons are the final count and the exact quantum of impact. RDA will hold prime responsibility for execution of this Resettlement Plan.

Scope of land acquisition and resettlement

4. As per the updated details a total of 3,622 persons will be affected due to the proposed improvements to Mathugama (ch. 32+000) to Welipenna IC of SEW (ch. 42+640) section of B157 road. Table A below summarizes the impacts of land acquisition on private, public and common lands and the number of persons physically and economically displaced.

Table A. Summary of land to be acquired and persons displaced

Quantum of land	
Total Quantum of land to be acquired	4740.08 perches (1124 lots)
Private land:	3979.54 perches (949 lots)
Government land:	698.21 perches (164 lots)
Common property ¹ :	62.33 perches (11 lots)
Categories of Displaced Persons	
Total number of persons displaced by the project:	3,622 persons (DHHs + DPs) 877 DHHs 2745 DPs

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

Socioeconomic information and profile

5. The displaced population within the project area totals to 3,622 persons comprising of 1,724 males and 1,898 females. Of this total population, 877 persons are Displaced Household Heads (DHHs) who are considered as chief occupants of the concerned families or of business/ commercial ventures.

Information dissemination, consultation and participatory process

6. Information dissemination, consultation and participatory process involved with DPs and other stakeholders maintain transparency throughout the RP process. This openness reduces potential conflicts; minimize risk of project delays and help PMU to formulate resettlement and rehabilitation to suit the needs of DPs.

Grievance redresses mechanism

7. Importance of establishing a GRM is to resolve problems in an efficient, timely and cost effective manner in a cordial environment with the participation of all stakeholders including affected parties. Any construction related activity which adversely affects the general public in the project area shall be resolved by the GRM. However, the complainant can still access the formal judiciary system at any time.

8. The PMU is responsible for disseminating information on GRM to affecting parties and make sure the accessibility to the system. The grievance redress mechanism will also have an in-built monitoring mechanism to check on responsiveness to complaints or grievances lodged. The different forms of receiving the complaints will be clearly described together with the different stages of the process. In addition, if the proposed mechanism is not in a position to respond to some of the grievances for any reason, the mechanism will indicate alternatives available for those instances.

9. For effective functioning of GRC, it is necessary to develop awareness among stakeholders of the project on GRM and GRC. The General Public, Public Officers, Social Organizations, Contractors and Divisional Secretaries in respective areas will have to be knowledgeable in GRM and GRC in order to successfully implement the GRM. A two-stage GRM will be implemented for the Project. Accordingly two (2) GRCs will be appointed for these two stages. The higher level GRC will be formulated at Divisional Secretariat level,

¹ Include access roads, public grounds, cemeteries and wells etc.

while the lower level (ground level) GRC will be formulated at Grama Niladari Level (GN within each package). Each step should be completed in 4 weeks or less.

Legal framework

10. The RP is based on the Sri Lanka NIRP of 2001, involuntary resettlement policy component of the ADB's Safeguard Policy Statement (2009) requirement, the Land Acquisition Act of Ceylon (subsequently Sri Lanka) 1960, as amended in 1986. The RP distilled the relevant policy principles from these sources and they reflect the safeguards policy requirements of the Government and ADB.

Entitlements, assistance and benefits

11. The entitlements for the project follow the government and ADB approved entitlement matrix that was part of the ongoing projects. The eligibility policy is to provide a comprehensive coverage for lost assets and restoration and/or enhancement of livelihoods for all categories of displaced people, whether affected directly, indirectly, permanently or temporarily, with or without titles, and tenants/lessees. The entitlements, assistance and benefits aim to enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre- project levels; and to improve the standards of living of the displaced poor and other vulnerable groups. As per the cut-off date stipulated in the previous RPs, eligibility for entitlement is the date of publication of the Section 2 notice under LAA for titleholders and for nontitle holders as well. The date of Section 2 notification (first statutory announcement) for this section of B084 road had been served on 20th June 2008.

Relocation of housing and settlements

12. PMU will work closely with respective Divisional Secretaries, Local Councils and other government and non-government agencies and the public to ensure that resettlement and relocation of DPs take place according to their own choice and in a way that they are "better off" than before. For the DPs needing to relocation, 3 options are given:

- a) On the same premises if sufficient land is available for reconstructing the lost building.
- b) On a land up to 20 perches provided by the PMU in consultation with the DPs and the host community, provided suitable land is available in close proximity to the DPs original habitats.
- c) On a land selected and purchased by the DP on his own for relocation (self-relocation).

13. Only two (2) DHHs need to be relocated at new locations and out of these DHHs, one (1) opted for land to land option and the other opted for cash compensation. Each of the two DHHs own only a single structure which is totally affected. Both these structures are shops, thus both DHHs are categorized as physically and economically displaced.

Income restoration and rehabilitation

14. The proposed development project will have adverse impacts on the livelihoods of 277 persons. Out of these persons 275 will have partial impacts on their livelihood activities, but two persons (two shop owners) will be permanently affected as they need to be relocated elsewhere. The Government of Sri Lanka views the resettlement program as a

development opportunity for the displaced. As a priority matter, project benefits should flow to the displaced through associated institutional interventions such as adequate and timely compensation, income restoration programs, rehabilitation of vulnerable groups, and employment opportunities in construction related activities etc. The expectation is that DP after resettlement will be at an enhanced status of well-being than they were prior to the project.

15. PMU will act as a facilitator and a coordinator for the DPs to obtain the services and inputs available from the respective state and private institutions in the area of enterprise development. NGOs and CBOs will play a key role in planning and implementing the income restoration program, as it is necessarily a community level program. PMU provides logistic support and initial funds required to implement the program. The Resettlement Officer attached to the PMU will be the focal person of the PMU with regard to income restoration.

Resettlement budget and financing plan

16. The revised resettlement cost of rehabilitating and improving Kesbewa – Pokunuwita section of B084 road is around rupees 720.5 million or around five (5) million US dollars (at 1 USD = Rs 143 as at January, 2016).

Institutional Arrangement

17. The overall implementing responsibility of the project lies with the GOSL. RDA being the project implementing agency has administrative responsibility for implementation of the project under the general supervision of the Ministry of University Education and Highways.

Implementation Schedule

18. This RP is bound to be implemented over a period of 24 months. Its operation schedule consists of three main items: (i) statutory compensation, (ii) rehabilitation/reconstruction of damage secondary structures, and (iii) disbursement of statutory supporting allowances to ease inconveniences caused to affected people.

Monitoring and Reporting

19. RDA will conduct its own internal monitoring of RP implementation and will submit quarterly reports to MOUEH and to ADB for review and information. External monitoring reports undertaken by the CSC will be submitted semi-annually during the project.

1. Project Description

Introduction to the project

1. Opening of Southern Expressway (SEW) for vehicle operation has increased the traffic load on some existing national roads that are connected to SEW. The Government of Sri Lanka (GoSL) has identified the need to improve the capacity of these roads. Thus GoSL has requested financing from the Asian Development Bank (ADB) to improve the capacity of 33 km of national highways linking the Southern Expressway (SEW). The project is officially termed as Southern Roads Connectivity project (SRCP) and five (5) roads will be upgraded. Impact of the project will be efficient road transport in south region of Sri Lanka and the outcome will be improved connectivity between the SEW and the local road network. The Ministry of University Education and Highways (MOUEH) holds the overall responsibility with regard to the implementation of the project as the Project Executing Agency (EA) while Road Development Authority (RDA) is the Implementing Agency.

Project profile

2. Horana – Anguruwathota – Aluthgama (B157) road starts in Horana town and is connected with Colombo – Horana (B084) road and terminates at Aluthgama connecting with Colombo - Galle - Hambantota – Wellawaya (A002) highway. This Resettlement Plan (RP) is prepared for Mathugama (ch. 32+000) to Welipenna Interchange (IC) of SEW (ch. 42+640) of B157 road.

3. Existing carriageway of this road section varies between 4.5m and 5.5m with a Right of Way (ROW) between 8.0m and 15.3m. Proposed project will increase the carriageway to accommodate a proper two (2) lane configuration. The improved road will also have hard and soft shoulders, line or earth drains at selected locations and utility reservations, where necessary. Thus the ROW will need to be increased between 16.0m and 18.0m to accommodate these improvements. Such an increase of the ROW requires strips of land to be acquired from both sides of the existing road. These lands will be owned by private and public institutes.

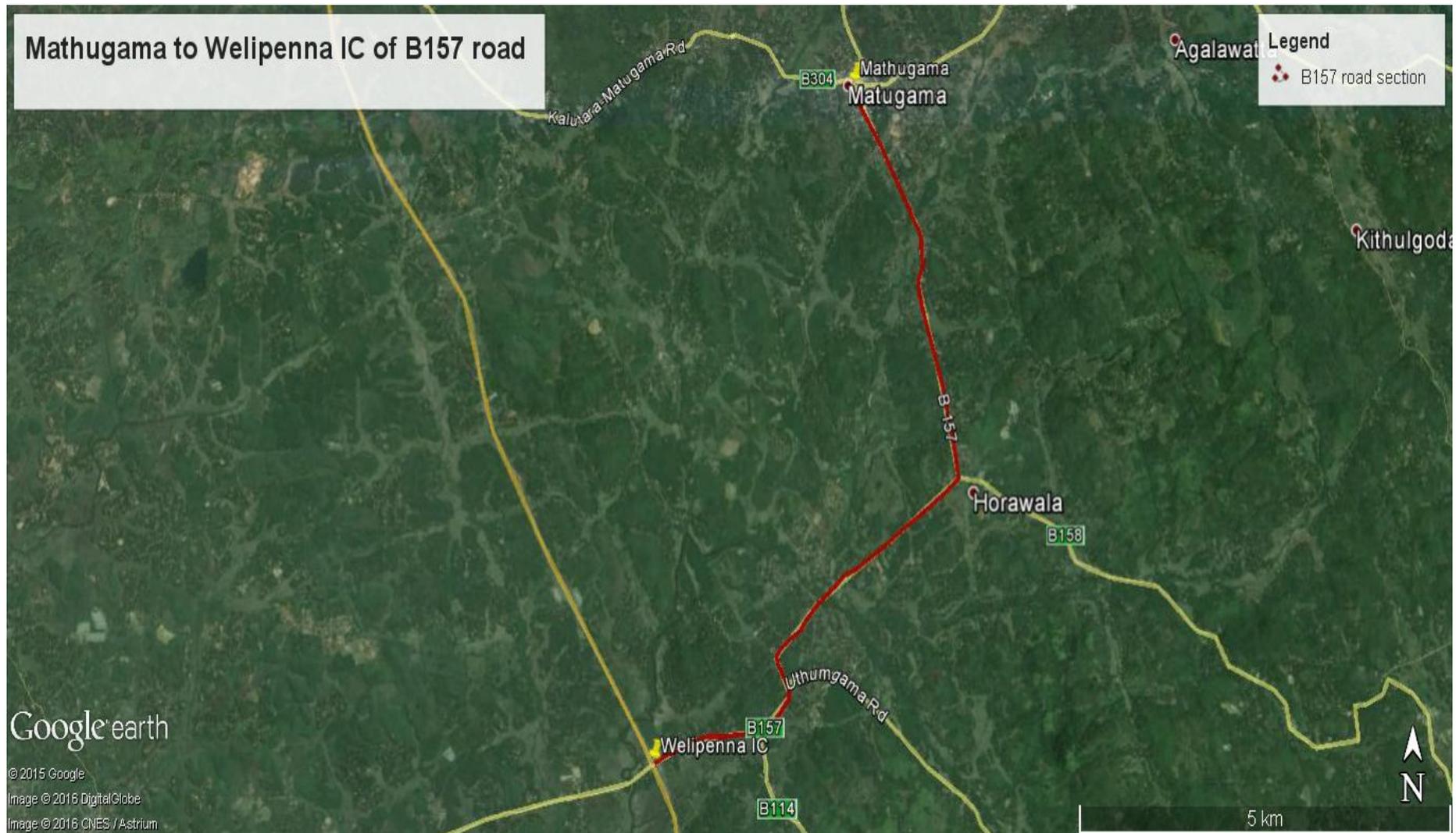
4. This road section is located entirely within Mathugama Divisional Secretary Division (DSDs) of Kalutara district in the Western Province. Ten (10) Grama Niladari Divisions (GNDs) are affected by the project as this road section passes through them. Mathugama Pradeshiya Saba is the only local authority that is affected by the project. Table 1.1 summarizes the project affected administrative divisions. Figure 1.1 presents the road section of B157 road to be improved under SRCP.

Table 1.1. Project affected administrative divisions

Divisional Secretariat	No. of GNDs	Names of GNDs
Mathugama	10	Lewwandoowa West, Lewwandoowa East, Lewandoowa North, Welipanna, Horawala, Parawala, Badugama, Ovitigala, Matugama East, Matugama West
Total	10	

Source: PPs prepared by the Dept. of Surveys for B 157 road and consultations with DS staff of Mathugama

Figure 1.1. Road section from Mathugama to Welipenna IC of SEW on B157 road



Need and justification for updating the resettlement plan

5. Under the National Highway Sector Project (NHSP), the section from ch. 42+640 to 53+480 was earmarked for improvements. Resettlement Plan for this section was prepared during project Feasibility Study (FS). In year 2012 a new section, from ch. 30+000 to ch. 42+640 was included into the scope of development. The resettlement plan prepared in the FS was updated for the entire 23.480 km using the Advance Tracings (ATs) available for this section.

6. The road section from ch. 42+640 to ch. 53+480 was improved under NHSP leaving section from ch. 30+000 to ch. 42+640 to be improved under SRCP. Within the section RDA has already initiated improvements within the section from ch. 30+000 (Maduruagoda) up to ch. 32+000 (Mathugama) under another project. Therefore, the RP prepared in year 2012 needs to be updated due to the following key reasons;

- Change in scope of ADB funded road section, i.e. starting point changed from ch. 30+000 to ch. 32+000.
- With Preliminary Plans (PPs) now available for this section (ch. 32+000 to 42+640), the exact number of Project Displaced Persons (DPs) and Displaced Household Heads (DHHs) should be identified in order to develop a more accurate resettlement and compensation budget which is to be funded through local funds. PPs are legally bound statutory plans demarcating exact boundaries of the land lots required to be acquired with the names of present occupants/claimants.

7. This RP updating exercise was conducted with above objective. Data collection and analysis was conducted by a set of field enumerators closely supervised by a Resettlement Specialist. Field data collection and analysis was carried out during the months of November and December, 2015. Table 1.2 below presents the details of advance tracings and relevant preliminary plans related to Mathugama to Welipenna IC/ SEW section of B157 road.

Table 1.2. Details of advance tracings and preliminary plans Mathugama to Welipenna IC/ SEW section of B157 road

Advance Tracing		Preliminary Plan	
No	Date	No	Date
KA/MTG/12/216P	29/11/2012	F.V.P. 70	31/05/2014
		F.V.P. 69	31/05/2014
		K. 4479	30/05/2014
		K. 4477	30/06/2014
		K. 4488	30/06/2014
		K. 4486	30/06/2014
		K. 4480	31/07/2014
		K. 4476	30/06/2014
		K. 4495	10/12/2014

Justification for the Investment

8. During the recent past, Sri Lanka has been recording a steady growth in its economy at over 6.0%. Of the total Gross Domestic Production (GDP) nearly 50% is contributed by

western province and the developments in Colombo are gradually spreading towards hinterlands close to Colombo including towns of Maduruagoda and Mathugama along B157 road. Welipenna IC of SEW is also located at the end point of this road section.

9. Prior to the opening of the SEW, it was observed that about 10,300 vehicles were using the road daily near Aluthgama (where the road intersects with A002 highway) and about 6,700 vehicles where B157 now intersects with SEW. With the operation of SEW, it is projected that in 20 years, the average daily number of vehicles along this section of B157 will increase up to about 15,150. Hence the importance of the Horana – Anguruwathota – Aluthgama road is expected to increase significantly, with special significance with respect to section from ch. 32+000 to 42+640.

Project components that result in land acquisition and involuntary resettlement

10. Widening and improving of this road section necessitates the acquisition of strip of land from almost all land lots on both sides. Land under private, corporate, government and common ownership are planned to be acquired.

11. Based on the PPs it is observed that the proposed development will require acquisition of land amounting to a total of 4,740.08 Perches or 11.994 Hectares distributed over 1,124 lots. Thus the project is still categorized as “category A” under ADB SPS for having significant impact. Summary details of the land and persons affected are furnished in table 1.3.

Table 1.3. Summary of land to be acquired and persons displaced

Quantum of land	
Total Quantum of land to be acquired	4740.08 perches (1124 lots)
Private land:	3979.54 perches (949 lots)
Government land:	698.21 perches (164 lots)
Common property ² :	62.33 perches (11 lots)
Categories of Displaced Persons	
Total number of persons displaced by the project:	3622 persons (DHHs + DPs) 877 DHHs 2,745 DPs

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

Measures to minimize land acquisition

12. Alternate measures to avoid land acquisition have been considered but none such had been found to be feasible. The alignment of the existing road cannot be improved or revised with mitigating land acquisition.

13. Compared to the total quantum of land identified for acquisition in the RP of June 2013 which was 4,658.8 perches (942 lots), the final figure based on PPs is 4,740.08 perches (1124 lots). The increment of land take is only 81.28 perches; however the increment of lots is 182. The increment of lots is due to the following facts;

- Inclusion of sections access roads which were not identified in AT, and

² Include access roads, public grounds, cemeteries and wells etc.

- Sub division of lots which were considered as single during preparation of AT.

2. Scope of land acquisition and resettlement

Impact on lands

15. Based on the Preliminary Plans which have been developed using final designs, the total number of lots to be acquired is 1124 which accounts to a land area of 4,740.08 perches. At present, this land is used for residential, commercial/ industrial, agricultural uses and as common properties. All these affected lots are located within Mathugama DSD of Kalutara district. Once these lands are acquired they will make up the required ROW for the planned road improvement works.

16. A summary of productive assets to be acquired and the Impact in Mathugama DSD is presented in table 2.1 below.

Table 2.1. A summary of productive assets to be acquired

Type of land use	No. of lots	%	No. of HHs	%	Affected area in perches	%
Mathugama DSD						
Residential	437	46.0	410	46.8	1598.14	40.2
Commercial	271	28.6	255	29.1	774.16	19.5
Agricultural	176	18.5	148	16.9	1372.6	34.5
Non Agricultural	27	2.8	24	2.7	192.34	4.8
Access Roads, Drains	38	4.0	40	4.6	42.3	1.1
Total	949	100.	877	100.	3979.54	100.0

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

17. Out of the total land intake, the intake of residential land is 46%, while commercial and agricultural lands accounts for 28.6% and 18.5% respectively. As impact falling on residential population has greater consequences affecting all aspects of life, resettlement planners have to make sufficient arrangements to support them to overcome their hardships throughout the land acquisition process and also in the subsequent resettlement approaches. A sizable number of commercial lots (28.6%) and similar number of HHs (28.1%) engaged with commercial activities are also negatively affected by the project, requiring well planned resettlement support from the PMU.

Impact on lands with percentage of impact area

18. The impact of lands should be analyzed with respect to the affected land area against the total land holding. As per ADB guidelines, “The involuntary resettlement impact of an ADB-supported projects are considered significant, if 200 or more persons will experience major impacts, which are defined as (i) being physically displaced from housing, or (ii) losing 10% or more of their productive assets (income generating)”. For NIRP (2001), Sri Lankan policy document, requires a comprehensive RP if likely displacement exceeds 20 families or more. This chapter is highly influenced by the inputs of these fundamental policy documents.

19. Table 2.2 below summarizes the impact on commercial, agricultural and non-agricultural lands based on the percentage of land acquired against the total land extent and loss of livelihood.

Table 2.2. Magnitude of impact on each land use type (productive asset)

Impact	Extent Affected	Unit	No of DHHs
Permanent loss of private Residential/Commercial land			
10% or less of land affected	209.7	Perch	213
11-50% of land affected	712.3		254
50%-99% of land affected	725.6		127
100% of land affected	724.7		71
Permanent loss of Agricultural/Non Agricultural land and Access Roads			
10% or less of land affected	347.4	Perch	65
11-50% of land affected	671.8		77
50%-99% of land affected	351.74		21
100% of land affected	236.3		49
Loss of Structures			
Shops	169	No. of Structures	161
Houses	140		138
Shop Houses	51		50
Other secondary structures (Parapet walls, toilets, wells, huts...etc.)	109		103
Relocation			
Shops	2	No. of Structures	2
Houses	0		0
Shop Houses	0		0
Loss of livelihood			
Owners of displaced shops	48	Persons	48
Workers from displaced shops	18		18
Loss of crops/trees	1,984	Trees/crop plants	845
Loss of rental accommodation	191	Persons	191

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

20. Considering the habitation along this 10.640 km of road, only two structures (2) need relocation elsewhere while 360 primary structures have affected partially. They include shops, houses and shop cum houses. Both fully affected structures referred to above that need relocation are shops, and the number of DHHs fully affected both physically and economically, and hence need relocation are also two in numbers. Due to the reduction of scope of the project road length, the number of affected secondary structures has reduced to 109 from the previous figure of 164 as indicated in the RP of June 2013.

Impacts on residential and commercial structures

21. Residential and commercial structures are located within most of the lands that will be acquired. Structures within the acquired land area will have to be demolished. Based on the orientation of the structure and quantum of land take the structures/s may be partially or fully demolished. Table 2.3 below presents the impact on residential and commercial structures within the acquired lands lots.

Table 2.3 Impacts on residential and commercial structures

Type of structure	Number			Total Number
	Partially ³ affected	Relocate on same plot	Relocate else where	
Residences (houses)	132	8	0	140
Shop houses	43	8	0	51
Commercial structures/shop	128	39	2	169
Huts and other temporary sheds	1	1	0	2
Other secondary	11	147	5	163
Total	315	203	7	525

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

22. There are only seven structures that need to be relocated elsewhere. Of these structures two (2) are shops while the remaining five (5) are secondary structures. Eight (8) residential structures will also be fully affected but they could be rebuilt in the remaining portion of the same lot of lands. The affected floor area in each of above categories of structures is presented in table 2.4.

Table 2.4. Affected floor area of each structure type

Type of structure	Affected area m ²	Percentage of total area
House	3,588.6	31.45
Shop	3,972.1	34.81
Combined house / shop	1,702.8	14.92
Secondary structure	2,148.5	18.83
Total	11,412.0	100.00

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

23. In total there are 949 land lots that will be acquired. With availability of PPs, the ownership of these lots could be identified. Table 2.5 discusses the ownership types of affected lots.

Table 2.5. Status of Ownership of Lots to be acquired

Type of Ownership	Number of Lots	Percentage to total
Single ownership	858	90.41
Shared ownership	41	4.32
Lessee / Renter	46	4.85
Squatter	4	0.42
Ownership not identified	0	0.00
Total	949	100

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

24. Out of the total 949 lots affected, 858 lots have clear single ownership, amounting for 90.4% of the total lots. This makes the acquisition and compensation process more straightforward. There were no lots identified as “ownership not identified”.

³ A structure which is affected less than 25% of it's full area.

Impact to common properties

25. Within the road section between Mathugama and Welipenna IC/ SEW section of B157 road, no common property was identified as fully affected. However two schools, two temples and two cemeteries are partially affected. Names of these common properties and the affected land area are presented below.

Table 2.6. Impact on common properties

Name of the common property	Magnitude of Impact	Affected Area (perches)	Magnitude of impact
Lewwanduwa Maha Vidyalaya	Partial	26.73	42.88
Nigrodarama Temple	Partial	11.1	17.81
Dhammananda primary school	Partial	11.1	17.81
Sri Sudarmarama Temple	Partial	5.3	8.50
Two cemeteries	Partial	8.1	13.00
Total		62.33	100

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

26. The partially affected primary structures of Sri Sudarmarama temple and Nigrodarama temple can be rebuilt in the same respective premises. There is minimum damage to primary structures of Lewwanduwa Maha Vidyalaya and Dhammananda primary school, which could be easily remediated.

Impact to Government Properties

27. In the case of government owned lands, the acquisition process will not have any effects on structures except their parapet walls and boundary fences. Therefore the services provided by them will not be undisturbed. The damaged fences and parapet walls could be rebuilt within the same premises (after a setback) with the provisions made by the project. However the most affected government properties are the streams, land belonging to post office, police, Pradeshiya Saba and RDA. Details of affected government properties are presented in table 2.7 below.

Table 2.7. Impact on government properties

Name of the government property	Affected Area (perches)	Percentage of total land
Post office	9.85	1.41
Police station	2.17	0.31
Pradeshiya Saba- Mathugama	6.3	0.90
Road Development Authority	15.4	2.21
Other(stream, roads, ela, bare lands)	664.49	95.17
Total	698.21	100

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

28. It is clear that the damages incurring to government properties are minimal as seen in percentages values shown above, except in the case of streams, roads and bare lands in the vicinity. Issues in this category of properties will have to be dealt under environmental

considerations.

3. Socio economic information

General sociological characteristics of the affected population

29. The revised scope of the project will now affect only 1,124 lots of private, government and common properties. The project affected population is 3,622 of which 877 are household heads. In practice household heads are considered as chief occupants of the concerned families or of business/ commercial ventures. Therefore, the socio-economic profile is discussed separately for the displaced household heads and displaced persons. Such distinction is important as there are items of land acquisition and compensation applicable only to the chief occupant of a family.

Demographic characteristics of the displaced household heads/ persons

30. Majority of displaced households are of Sinhala who are the major ethnic group of the country. Table 3.1 below presents the distribution of household size of families affected due to the project.

Table 3.1. Distribution of household size

Household Members	No. of Households	Percentage
1-2	127	14.48
3-4	432	49.26
5-7	214	24.40
7 and above	104	11.86
Total	877	100.00

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

31. Out of 877 families, almost a half (49.26%) of them has members between 3 and 4 and another 36.3% families have members more than five. Thus, families living in the area are considerably large in family size. The average family size in the project area is 4.12 compared to national average of 4.05.

32. Age distribution of DPs and DHHs disaggregated to sex is presented in tables 3.2 and 3.3 below.

Table 3.2. Displaced persons disaggregated by age and sex (excluding Displaced Household Heads)

Age Category	Male Number	Percentage	Female Number	Percentage	Total Number	Percentage
Below 5	106	6.15	113	5.95	219	6.05
6-14	279	16.18	340	17.91	619	17.09
15-30	521	30.22	564	29.72	1085	29.96
31-45	382	22.16	421	22.18	803	22.17
46-60	298	17.29	304	16.02	602	16.62
Over 60	138	8.00	156	8.22	294	8.12
Total	1,724	100.00	1,898	100.00	3,622	100.00

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

33. There is a unique similarity between the male and female age distributions in all age groups. The community records almost 1:1 male- female population ratio. Out of 3,622

family member populations, 68.7% is within the age between 15 and 60, enabling them to be in the active labour force. When 877 household heads are taken in to this analysis, the total family population becomes 4499, giving 74.8% participation in the labour force. Thus, while $\frac{3}{4}$ of the family population forms the labour force in the community, $\frac{1}{4}$ forms the economically dependent population. The validity of this statistical information is that it gives a favorable situation for resettlement planning as vulnerable population groups (early age children, primary school children and aged people) who need discrete and comprehensive approaches have become less in numbers. However, still the remaining vulnerable groups, though less in numbers, need special attention of resettlement staff of PMU to address their issues.

Table 3.3. Displaced household heads disaggregated by age and sex

Age Category	Male Number	Percentage	Female Number	Percentage	Total Number	Percentage
18-30	63	8.74	9	5.77	72	8.21
31-40	143	19.83	23	14.74	166	18.93
41-60	378	52.43	63	40.38	441	50.29
61-70	94	13.04	43	27.56	137	15.62
Over 70	43	5.96	18	11.54	61	6.96
Total	721	100	156	100	877	100

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

34. The age distributions of male and female HHs presents a similarity with regard to the ages up to the age group of 61-70.. As usual, percentage values of males become comparatively low after age of 60 compared to corresponding values of female counterparts. This is due to the fact that in old ages male mortality rate becomes higher than the female mortality rates due to occupational and health related behavioral practices applicable to male family members.

Table 3.4. Civil status of displaced persons (including DHHs)

Civil status	Male Number	Percentage	Female Number	Percentage	Total Number	Percentage
Married	892	51.74	892	47.00	1784	49.25
Unmarried	462	26.80	564	29.72	1026	28.33
Widower/ Widow	10	0.58	39	2.05	49	1.35
Minor	360	20.88	403	21.23	763	21.07
Total	1,724	100	1,898	100	3622	100

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

35. Out of 3622 household population almost a half (49.35%) is married. Numbers of married males and females are same as 892. This means the all married families live together in the same community. There are slightly more unmarried female members than male family members. There are almost four times widows than widowers (39 widowers against 10 widows) in the community. These households will need special attention during the resettlement program as they are considered as vulnerable.

Table 3.5. Civil status of displaced household heads

Civil status	Male Number	Percentage	Female Number	Percentage	Total Number	Percentage
Married	669	92.79	96	61.54	765	87.23
Unmarried	42	5.83	23	14.74	65	7.41
Widower/ Widow	10	1.39	37	23.72	47	5.36
Total	721	100	156	100	877	100

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

36. Among 721 males, 92.8% is married while only 61.5% of 156 females are married. The percentage value of widows has become 23.7% while widowers become as low as 1.4%. In total there are 7.4% unmarried household heads.

Educational attainments

37. Among the project affected population there are 17 DPs who have post graduate qualifications; of which five (5) are DHHs. Children below age of five years is 6.05% of total population. The ill-literate population is very low among the affected population which is only 1.71% and when consider the DHH it is only 2.05%. The education achievements of the community after primary level is around 47.8%, and including primary level it becomes 92.2%. This situation could be considered as a positive aspect when it comes to planning of resettlement as it would be easy to communicate with the affected persons. Table 3.6 and 3.7 presents the details of educational attainment among DPs and DHHs.

Table 3.6. Educational status of displaced persons

Education level	Male		Female		Total	
	Number	%	Number	%	Number	%
None	27	1.57	35	1.84	62	1.71
Waiting for Schooling	106	6.15	113	5.95	219	6.05
Primary	757	43.91	851	44.84	1,608	44.40
Secondary	711	41.24	768	40.46	1,479	40.83
Tertiary	115	6.67	122	6.43	237	6.54
Post	8	0.46	9	0.47	17	0.47
Other	0	0.00	0	0.00	0	0.00
Total	1,724	100	1,898	100	3,622	100

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

38. There is no gender difference between male and female populations in education achievements in all categories. It is possible to have a common forum for both genders in discussing resettlement planning in most instances. Moreover, this facilitates discussions and dialogues necessary to maintain with women groups for women and children focused resettlement planning.

Table 3.7. Educational attainment of DHHs disaggregated according to gender

Education level	Male		Female		Total	
	Number	%	Number	%	Number	%
None	13	1.80	5	3.21	18	2.05

Education level	Male		Female		Total	
	Number	%	Number	%	Number	%
Primary	357	49.51	86	55.13	443	50.51
Secondary	306	42.44	55	35.26	361	41.16
Tertiary	42	5.83	8	5.13	50	5.70
Post Graduate	3	0.42	2	1.28	5	0.57
Other	0	0.00	0	0.00	0	0.00
Total	721	100	156	100	877	100

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

39. Among DHHs too, a good number of them have reasonable education achievements recording 47.4% with level of education above primary level. There is no gender discrimination between males and females with regard to education. There is a great similarity between the distribution of education among males and females.

Social and economic impacts of land acquisition on displaced people

40. The road improvement works will need to acquire strips of lands from land lots on either side of existing ROW. Some of these land strips will contain economically productive assets or dwellings of the land owner. Therefore, such acquisition will result in physical and/ or economical displacement of such people. The impact of land acquisition will be significant on DHH or DP is within one or more of the vulnerable categories. Special attention in resettling is required for such DHHs and DPs to ensure that their socio-economic status does not deteriorate. Special assistance has been allocated for vulnerable DPs and the entitlements are outlined in the Entitlement Matrix.

41. During the RP updating exercise the survey team revisited all DPs who were identified as affected with livelihood during the RP preparation in 2013 and new DPs who were identified during this update. Table below presents the details on loss of livelihood of displaced persons.

Table 3.8. Details on loss of livelihood of displaced persons

Type of Livelihood	Temporary Affected		Permanently Affected		Total		
	Male	Female	Male	Female	Male	Female	Total
Farming	47	2	0	0	47	2	49
Horticulture	5	1	0	0	5	1	6
Retail shop (essential items)	38	5	0	0	38	5	43
Whole sale shop (essential items)	12	0	0	0	12	0	12
Small shop (services)	34	6	1	0	35	6	41
Large shop (services)	11	0	0	0	11	0	11
Variety store	7	0	0	0	7	0	7
Garage/tyre shop/service centre	16	0	0	0	16	0	16
Vehicle yard (selling)	2	0	0	0	2	0	2
Hardware shop	8	0	0	0	8	0	8
Hotel / Restaurant / Bar	14	2	0	0	14	2	16
Tea shop	31	8	1	0	32	8	40
Vegetable shop	4	7	0	0	4	7	11
Fish stall	2	0	0	0	2	0	2
Others (specify)	13	0	0	0	13	0	13

Type of Livelihood	Temporary Affected		Permanently Affected		Total		
	Male	Female	Male	Female	Male	Female	Total
Total	244	31	2	0	246	31	277

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

42. A total of 277 persons were identified as losing livelihood activities during the proposed road improvements. Only two persons will be permanently affected (two shop owners) who need to relocate their shops to another site (total physical and economic displacements). From the above table it is clear that the most of the displaced persons are involved in various types of businesses ventures such as retail shops, tea shops etc. accounting for 75.5%. There is also a sizable population involved in agriculture which is about 20% of the total affected persons.

43. There are no large scale commercial establishments that will be affected along this road section to be improved under SRCP.

Monthly income and expenditure of displaced persons

44. The monthly income derived by displaced persons from their displaced livelihoods is presented in table 3.9 below.

Table 3.9. Income derived by DPs from their displaced livelihoods

Monthly income derived by the DPs from their displaced livelihood in Rs.	Partially displaced		Fully displaced		Total		
	Male	Female	Male	Female	Male	Female	Total
<5000	2	1	0	0	2	1	2
5001-7500	14	3	0	0	14	3	14
7501-10000	23	6	0	0	23	6	23
10001-15000	43	8	0	0	43	8	43
15001-25000	58	11	2	0	60	11	58
25001-50000	67	2	0	0	67	2	67
50001-100000	22	0	0	0	22	0	22
100001-200000	13	0	0	0	13	0	13
>200001	2	0	0	0	2	0	2
Total	244	31	2	0	246	31	277

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

45. Out of 277 livelihood holders, 246 are males representing 88.08% of the total. Female livelihood owners are only 31, representing 11.1%. The average monthly income is between Rs. 10,000 to Rs 50,000 and 168 livelihood owners are within this monthly income range.

The displaced two (2) livelihood owners have monthly income e between Rs. 15,001 and Rs. 25,000, and both are males. It is important that these two persons are compensated accordingly so that they could develop new avenues of livelihood.

46. Primary and secondary sources of income of DPs are presented in table 3.10 below. As per the information it could be interpreted that majority of DPs are involved in private

sector (324 Nos.), government (268 Nos.) and commercial sector occupations and activities (224 Nos.) to earn their primary income. The prominent source of secondary income is through agriculture activities, secondly from commercial sector with 32 DPs, seriously lagging behind to agriculture.

Table 3.10. Primary and secondary sources of income of DPs

Income category	Primary Source (No. of persons)	Secondary Source (No. of persons)	Total	Percentage
Commercial	224	32	256	24.08
Agriculture	32	112	144	13.55
Government	268	0	268	25.21
Wages	52	3	55	5.17
Private Sector	324	2	326	30.67
Other	14	0	14	1.32
Total	914	149	1,063	100.00

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

47. Income and expenditure of affected households have been recorded during the socio-economic survey in June 2013. Present updating exercise did not collect this data as there is no significant change in the lifestyles of the DHHs. Details of income and expenditure recorded in June 2013 are presented in table 3.11.

Table 3.11. Monthly income and expenditure of the displaced households (N=160)

Level of income or expenditure	Income		Expenditure	
	No. of house holds	%	No. of house holds	%
<1000	0	0	0	0
1001-3000	0	0	0	0
3001-5000	2	1.3	0	0
5001-7000	8	5.0	3	1.9
7001-9000	3	1.9	10	6.3
9001-11000	8	5.0	13	8.1
11001-13000	10	6.3	13	8.1
13001-15000	23	14.4	15	9.4
15001-17000	28	17.5	30	18.8
17001-19000	19	11.9	23	14.4
19001-21000	16	10.0	19	11.9
21001-23000	14	8.8	9	5.6
>23000	29	18.1	25	15.6
Total	160	100	160	100.0

Source: ATs prepared for B 157 road and field Survey January, 2012 conducted for RP updating exercise

48. As per the above sample there are no DHHs whose monthly income is less than Rs. 3,000, while in the expenditure the level is above Rs. 5,000. A great majority of DPs have income and expenditure between Rs. 10,000 and Rs. 23,000.

Vulnerable households

49. Female-headed households, households with senior citizens as household head, households with persons suffering from disabilities and households with low income are considered as vulnerable households. Table 3.12 presents information on vulnerable

households among the DHHs.

Table 3.12. Vulnerable Households by category of vulnerability

Type of vulnerability	Number of vulnerable families	Percentage
Female-headed household	37	36.27
Elderly-headed household	61	59.80
Disabled	4	3.92
Very poor ⁴	0	0.00
Total	102	100.00

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

50. Major vulnerable group identified within this section are the households with elderly household heads which amounts to 59.8% of the total of vulnerable families. The second category is the women headed households which is 36.2%.

Attitude of DPs towards the development of the project and socio-economic expectations

51. Views of DPs on the project as a development opportunity and on any adverse impacts were obtained during this RP updating exercise. The views expressed by DPs are summarized below. No significant change in DPs views could be observed compared to the responses made by DPs during the RP preparation in year 2013.

Table 3.13. DP's Perceived social and economic advantages of the road project (Multiple responses, N=860)

Perceived social and economic advantages	Percentage
Social	
Improvement of road security	31.2%
Improve the quality of environmental conditions	9.1 %
High demand for lands	76.9 %
Increase the land value	72.4%
Improve tourism	19.3%
Other	0.0%
Economic	
Generate additional income	42.1%
Reduce cost of living	1.5%
Develop business premises & work place	39.7%
Develop social infrastructure	20.3%
Develop transport facilities	56.3%
Other	0.0%

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

52. The above responses indicate high aspirations on expected social and economic benefits with less consideration on environment and less hopes on reduction of cost of living. High demand for lands and increase of land values exceeds all other expectations. This is

⁴ Very poor is defined as persons whose monthly income is less than the official poverty line which is Rs 4009 for Kalutara district (January, 2016)

related to the recent experience of DPs with high cost of land went up after road development and other infrastructure development.

Table 3.14. DP's perceived adverse social and economic impacts of the project / road project (Multiple Responses, N=860)

Perceived social and economic impacts	Percentage
Social	
Loss of relatives and neighbors	7.2%
Loss of friends	3.7%
Loss of religious places	3.5%
Effects on children's education	11.4%
No sufficient remaining lands to resettle	17.6%
Increase in air and sound pollution	65.7%
Temporary disturbance on family life	19.2%
Other	0.0%
Economic	
Loss of Income	36.8%
Increasing cost of living	8.2%
Parting from business premises and work places	15.7%
Limitation of social infrastructure	2.6%
Temporary disruption on transportation	49.3%
Temporary disruption on tourism	8.1%
Loss of goodwill	3.8%
Other	0.0%

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

53. Regarding adverse impact, responders have placed high weight on air and sound pollution with 65.7% responses. This is a good indicator that people are now considering issues like air and sound pollutions which are difficult to observe physically by naked eyes and hears by ordinary people. Surprisingly, people don't pay much attention on loss of relatives and neighbors (7.2%), Loss of friends (3.7%), and on loss of religious places (3.5%) etc. This is the result of urbanization process of the country, specially the areas closed to Colombo.

54. In case of adverse economic impacts, people have greater concern on loss of income (36.8%), separation from business places and work places (15.7%), and temporary disturbance on transportation (49.3%) as they are the key occurrences related to economic and income of the people. Their expression has grater relevance to the reality.

Indigenous people

55. There are no indigenous people located in the vicinity of the road or even in the Mathugama DS division or within the district of Kalutara.

4. Information disclosure, consultation and participation

56. The National Involuntary Resettlement Policy (NIRP) and ADB Safeguards Policy Statement (SPS, 2009) clearly states the necessity of information disclosure, continuous consultations with project affected persons and other stakeholders and maintenance of transparency. Information disclosure and consultations with displaced persons are vital for successful resettlement of displaced persons.

57. Stakeholder consultations have been carried out by the Project management Unit (PMU)⁵ since preparation for the land acquisition process commenced in 2007. All the public consultations and information disclosures between year 2007 and 2015 were carried out under the project title NHSP. Any information disclosure, consultation or participatory programs with stakeholders after year 2015 are conducted under SRCP with the same resettlement staff. Table 4.1 below provides a summary of consultations that has taken place up to the date of preparation of this RP.

Table 4.1. Completed and planned public consultation and disclosure activities

Completed consultations and disclosure					
Activity and location	Objective	Timing	Responsible Unit	Feedback / Issues / Concerns / Raised	Action Taken
Workshop with concerned Departments (80 persons attended this workshop which was held at the Buildings Research Centre, Pelawatta, Battaramulla, Colombo)	To disseminate information regarding the project and seek DPs support to accelerate land acquisition & Resettlement process	Before meeting the public	LAR Unit of NHSP	Staff shortages, and assistance from RDA on logistics, sundry expenses	Recruiting acquisition officers by PMU to assist the DSs, Provide logistical support for land surveying by private surveyors under the supervision of ESDD
Public meeting with DPs NGOs, CBOs and national and local politicians/legislators 108 participants attended.	Explain Road Project with technical information, land acquisition process, involuntary resettlement policy of ADB and NIRP payment of compensation	1st week of July 2007	LAR Unit of NHSP	Income loss Possibility of relocation at the same lot when remaining extent is not adequate to minimum requirement of land for residential purpose by	UDA's agreement to relax current requirements regarding minimum space

⁵ The Project management Unit of National Highway Sector Project (NHSP) was redesigned as the PMU handling the Southern Road Connectivity Project (SRCP) in year 2015.

Completed consultations and disclosure					
Activity and location	Objective	Timing	Responsible Unit	Feedback / Issues / Concerns / Raised	Action Taken
	and entitlement matrix			UDA	
Distribution of information flyer/communication literature (information flyers were distributed among the participants at the public meeting held at DS office of Beruwala.	Public disclosure, maintenance of transparency, confidence building, maintain uniformity	20.04.2011	LAR unit of the NHSP & ESDD of RDA	Accelerate the land acquisition and resettlement process, request by DPs	Follow-up actions with relevant agencies to accelerate the land acquisition process with timely compensation
Instruction classes for DS and DS staff involved in land acquisition, held in the Training center, Wakwella, Galle (attended by 153 persons)	To explain the Processes relating to LAA and resettlement and expedite the work	Before the publication of Sec 2	LAR unit of NHSP/ SRCP	Queries regarding rates to be applied in calculating cost of buildings, staff shortages, logistics by DSS and Land Officers	Guide lines on Calculation of rates circulated, additional staff to be provided by the PMU.
Visiting DP Households	Verification of new DPs and updating the status of RP	November/ December 2015	SRCP Consultant	To identify pending issues	Accelerate the acquisition process

58. An information flyer was developed and distributed among the participants who are to be displaced by land acquisition. This information flyer contained details and description of the proposed improvement to the highway, entitlement matrix, and the addresses and telephone numbers of persons to be contacted for further clarifications and information. Annex 4.1 presents the information flyer distributed among the DPs and stakeholders. The PMU with assistance from the resettlement specialist of supervision consultant will continue to have a dialog with all DPs and other stakeholders. Table 4.2 presents planned consultations by the PMU.

Table 4.2. Planned consultations by PMU

Activity	Objective	Timing	Responsible
Visit to DPs Residences	Distribute section Notices	With the publication of the section notices	DS,GNN,PMU

Activity	Objective	Timing	Responsible
Distribution of the Sinhala version of the Entitlement Matrix to DPs.	Support DPs to understand their entitlements	Simultaneous to the distribution of final RP.	PMU and ESDD
Consultation with DPs	Explain the process leading to the taking over possession of the land	Before publication of the Sec 38 (a)	DS, ESDD, PMU
Meeting DPs in groups GN Division wise	Prepare them to face the title determination inquiries Sec.9 (1)and brief them on the inquiries.	Before Sec.9(1)	GNN, RAA & PMU
Meeting DPs, CBOs, NGOS on required resettlement support especially for vulnerable groups	Protect all APs, including vulnerable populations from negative impact and bring them up	Before the publication of the section 38 a) Notice	PMU, ESDD, DSs
Meeting with DPs & host community, on selection of relocation sites, if available to be developed by the PMU	Discuss options of Relocation	Before relocation	DS, GNN, RAA, PM U & ESDD
Meeting with DPs, state agencies providing utility services and service deliveries	To assure continuation of undisturbed public services, utilities common amenities and socio- cultural structures	Before publication of the Sec 38 (a) notice	PMU, DSs and state agencies responsible for services and public
Meeting with the DPs	Post resettlement Issues and formation of societies by the DPs	After resettlement	DS, GNN, RAA, PMU & ESDD

5. Grievance redress mechanisms

59. The affected people have several redress mechanisms available to them at different levels of administration, starting from the Grama Niladari up to the Parliament itself. Under the LAA, there is the Land Acquisition Review Board for grievances and failing which the Courts are available. Under the Land Acquisition Review Committee, DPs can have recourse at the ministerial level, parliament and finally to the law courts. Ideally, project-related grievances and complaints are reported and resolved by the project's grievance redress committee (GRC).

60. There are also non project-specific grievance redress mechanisms like the Mediation Boards at DS level, and the Human Rights Commission that can be accessed by DPs. There is also the Parliamentary Ombudsman and Parliament Petition Committee that can be accessed directly by an aggrieved party. Any DP can also have recourse to the Parliament Consultative Committee of the Ministry of Ports and Highways for redress. The GRM for the road section has already been formed. The details of these institutions are given below.

Institutions for grievance redress accessible to DPs

Land Acquisition Compensation Review Board (LARB)

61. There is a provision in the LAA itself for any aggrieved party to appeal to the LARB, in respect of the statutory valuation determined by the Valuation Department. Such appeals should be made within 21 days of the award of the compensation under section 17 of LAA.

Samatha Mandalaya – SM (Board of Mediation)

62. This is a body of distinguished citizens functioning as a conflict resolving committee appointed by the Ministry of Justice for each Judicial District, the decisions of the Samatha Mandalaya is not binding on the parties to the conflict. It has no mandate to enforce decisions, this is purely a consultative process and disputes between DPs could be referred to SM to persuade the parties to arrive at an amicable solution without resorting to protracted litigation.

Human Rights Commission (HRC)

63. By virtue of the constitution of Sri Lanka, the commission has been established to entertain and inquire into the violation of human rights by state officials and agencies. This is a built in mechanism provided by the state to safeguard the rights of the citizens against arbitrary and illegal actions of state officials. An aggrieved party could seek relief from HRC. Chairman and members of the HRC are appointed by the President.

Parliamentary Ombudsman

64. Ombudsman is an independent official appointed under the Constitution to inquire into the grievances by the members of the public and make recommendations.

Parliament Petition Committee (PPC)

65. An aggrieved member of the public could bring to the notice of the Hon. Speaker of Parliament through a member of parliament (peoples' representative) about his grievance.

Hon. Speaker will direct the PPC to inquire into the matter. The committee will direct the offending party to provide relief to the aggrieved, if the committee finds that relief sought is justifiable.

Parliament Consultative Committee of the Ministry of University Education and Highways

66. This is another forum where an aggrieved DP could direct his grievance. Secretary to the Ministry of University Education and Highways, Chairman and Director General and other relevant senior officers are members of this committee which will be chaired by the Minister in charge of the portfolio of highways.

Litigation

67. A displaced person aggrieved by a decision of any public official in the process of implementation of the land acquisition and implementation process could challenge such decisions in an appropriate court of law, if such person is unsuccessful in obtaining a reasonable redress through discussions.

Legal Aid Commission

68. Government of Sri Lanka has established an agency to help people who cannot afford legal expenses, when they seek redress from the judiciary. Based on an application made to the Secretary of the Legal Aid Commission with evidence of his income, the Legal Aid Commission will make arrangements to appear for the aggrieved party in a court of law without levying fees.

ADB's Accountability Mechanism

69. In May 2003, ADB adopted a new accountability mechanism whereby people adversely affected by ADB-financed projects can express their grievances; seek solutions; and report alleged violations of ADB's operational policies and procedures, including safeguard policies. The accountability mechanism replaced ADB's Inspection Function (1995). ADB's accountability mechanism comprises two separate, but related, functions: (i) consultation, led by ADB's special project facilitator, to assist people adversely affected by ADB-assisted projects in finding solutions to their problems; and (ii) providing a process through which those affected by projects can file requests for compliance review by ADB's Compliance Review Panel.

Grievance Redress Committee

70. Taking the above mechanisms into account, the RDA has established a Grievance Redress Committee (GRC) with well-defined functions, composition, and procedures for redressing grievances as a first step. The innovative intervention of this approach is the establishing of a GRC at a divisional level consisting of key official partners involved in land acquisition and a representative from the public as committee members to find solutions for DPs unsolved grievances. Any DP with disagreements can bring his case to this committee, free of charge (not even a stamp duty), for hearing of his/her case. GRC can deal with complaints relating to unaddressed losses or social and environment issues resulting from project implementation. GRC is the most convenient to DPs from distance point of view, ease of access and immediacy of intervention.

71. The GRC will be a five member committee and headed by the Assistant Divisional Secretary with the relevant division, Project Manager/Resettlement Officer, District Valuation Officer, and four civil society representatives (who may be chosen from among the recognized NGOs/ CBOs, clergy, persons representing DPs groups and women). In addition, the Resettlement Officer/ Social Impact Monitoring Officer (SIMO) of the RDA/ PMU will function as the Secretary of the GRC and will be responsible for keeping records of all grievances registered and action taken on them. When required, the GRC can seek the assistance of other persons/institutions. DPs dissatisfied with awards may also appeal to the GRC where GRC will refer it to the appropriate forum after examining the complaint. Only appellants or others specifically authorized may attend the GRC meetings.

72. The functions of the GRC are to resolve grievances, settle disputes of the displaced persons regarding land acquisition, compensation and resettlement. However, DPs still can have recourse to other channels listed above. All redress procedures are cost free to the DP and even for litigation, free legal aid is accessible. The GRC will deal promptly with any issue relating to land acquisition, compensation and resettlement that is brought before it. The GRC will make all efforts to see that these issues are also resolved within 2-4 weeks. The GRC will take decisions on the basis of a majority vote. A GRC has been formed for the B 084 Kesbewa -Pokunuwita section.

73. The GRC will meet at the project site keeping in view the convenience of the displaced persons. But it will be free to hold its meetings at any other location if that will be more convenient to DPs.

74. Appeal against GRC Decisions: Displaced persons not satisfied with the GRC decisions can appeal to higher authorities in the Project, the Ministry of Ports and Highways, or to even Courts of Law.

75. At the community level, the first action available to DPs for redress is with the DS/ field staff of PMU who will explain the regulations, eligibility for compensation etc., to the DPs.

76. The most effective grievance redress is to compensate the affected in a fair and realistic manner and that resettlement does not negatively impact on their socio-economic status and this is followed by the PMU.

Grievance Redress Process

Step One	The DP approaches the Project staff at site with a complaint regarding problems that DP believes have not been addressed properly or compensation is inadequate to restore loss properties and standard of living. The project staff explains to DP the steps taken to assist and solves the grievances. If unresolved, step two can be followed.
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Step Two	Not satisfied with the explanation by the Project staff, DP goes to the Grievance Redress Committee about which he had come to know from a consultation meeting that he had once attended. He first makes his complaint to the GRC verbally but he follows it up with a written petition. The GRC assures him that his complaint will be looked into and a reply sent to him within 2-4 weeks. If the complaint is within the mandate of the GRC, GRC will examine it and submit the findings to appropriate forum for necessary action. If required DP will be invited to GRC when his complaint is taken for scrutiny. The decisions of the GRC will be conveyed to DPs in writing within the given time period. Three copies of the decisions will be provided: one for the DP, second copy for the Project office and the third copy for the Divisional Secretary. If the complaint is not based on a proper understanding of compensation procedure or if any legal issue was involved or complaint is not within the mandate of GRC the DP will be accordingly informed within 15 days. If this again leaves the DP disappointed then step three follows.
Step Three	The DP persists and approaches the Compensation Review Board for grievance Redresses.
Step Four	The last resort left for the DP is the Court of Law if complainant still feels that none of the above organizations has delivered justice. The decision of the court would be final, as the problem has been adjudicated by a competent, knowledgeable legal body.

6. Legal framework

77. This chapter discusses the legislative and regulatory framework for land acquisition and resettlement and policies pertaining to resettlement.

Legislative framework

78. The Land Acquisition Act (LAA) of 1950 is the most important legal provision which 'Makes provisions for acquisition of the Lands and Servitudes for public purposes and provides for matters connected with or incidental to such provision'. It provides the payment of compensation at market rates for lands, structures and crops. The Land Acquisition Act of 1950 was mainly influenced by the English Land Clauses Acts, and has evolved through Acquisition of Land Act 1919 and the Acquisition of Land Authorization Procedure Act 1946 to reach present status in 1950. Subsequently too, it has several amendments and the latest being the version of 1986. It has latest revised regulations made in 2008 by gazette notification No. 1585/ 7 on Tuesday, 20 January 2009. This is the premiere and oldest Land Acquisition Act in force today.

79. The revision made by gazette notification No.1585/7 on 20 January 2009 was an attempt to resolve public agitation prevailed over many years against the assessment of properties at lower values compared to prevailing market values. Mostly, this happened when acquired portions of land plots were taken as separate entities for assessment, they become economically less worthy as tinny land plots. Often, lands acquired for roads are small block separated from a large block of land. Now, for valuation purposes of these plots, market value of the parent plot from which a portion is acquired is taken in to consideration, and due proportionate value is given to the acquired portion too. This will have an upward movement of assessment for small land portions identified for acquisition. In addition, this revision gives provisions to consider replacement cost of buildings and cover variety of expenses incur to claimant in the process of changing his residence and businesses. Further, an owner of a house or of an investment property is displaced; additional 10% payment based on market value is also paid under this revision. This revision is a progressive step of the revision process of LAA and obviously NIRP has influenced the revision. The operational procedures of the LAA (1950) are as follows:

- Preparation of acquisition proposal by the requesting agency and submission to the Ministry of Land and Land Development (MLD) through the Secretary of the Ministry under which the requesting agency is functioning.
- Approval of the proposal by MLD, posting of notices by the relevant divisional secretary/secretaries (as designated Acquiring Officer/s) and preparation of advanced tracing by the Dept. of Survey on the requisitions issued by relevant divisional secretaries (Section 2 of LAA).
- If sec 38 (a) is not invoked, divisional secretary to proceed with Section 4 of the LAA to call objections from the interested parties in the land. Even after inquiring of the objections called under section 4, if the relevant land is required to be acquired, the requirement will be conveyed by the line ministry to the Ministry of Land and Land Development.
- Minister of Land then issues and orders under Section 5 confirming the acquisition of the relevant land which will be followed up through a gazette notification in all three languages. In the same order Ministry of Land and Land Development directs the divisional secretary to take action to prepare the preliminary plans (PPs).

- Based on the Minister's order under Section 5, DS issues a requisition to the Superintendent of Surveys of the district to prepare and submit the plan.
- On receipt of primary plans (PP) from Dept. of Surveys, DS will published in Government gazette notification in all three national languages (Sinhala, Tamil and English) that he/she intends to conduct inquiries under section 9 of LAA and request people to submit their claims for ownership of land before the date mentioned by him in the gazette notification. In addition to the gazette notification a paper notice will be published by the DS in all three languages for information of the stake holders.
- Then inquiries will be conducted to determine the ownership and DS will issue an order declaring ownership under Section 10 (i) of LAA.
- Acquiring officer either makes the decision on the claims or refers the claims to the district courts or primary courts if he is unable to determine the ownership.
- Acquiring officer (Divisional Secretary of the area) holds an inquiry into the market value of the land, the claims for compensation and the legality of claimants (advised by valuation officers) and award of compensation under section 17 of LAA.
- Then the possession will be taken over under Section 38 or in an urgent situation in made section 38 (a) even though the LAA permits to takeover possession before paying compensation any land acquired by the state. At present, possession of land is taken over only by paying compensation in full. This is a very positive outcome of the NIRP and SPS, 2009 of ADB. After taking over the possession DS will take action to vest the properties acquired under the name of relevant beneficiary/ies (RDA for road development) under section 44 (j) of LAA and register the title with the registrar of the land of relevant district.
- Following the decision (either by the acquiring officer or the courts) the acquiring officer makes an award after determining the persons who are entitled to compensation, the total amount of compensation deemed to be allowed for the acquisition and the apportionment of the compensation among the persons with interest and;
- In the event of disputes over the determination of compensation, it may be appealed to either the Compensation Review Board or Court of appeal within 21 days of the receipt of the notification of the award. If there are no appeals, the compensation will be paid.

Land acquisition review board

80. Under LAA, claimants were paid only the depreciated values for structures. Therefore a wide spread general opinion was developed indicating that compensation paid for land through LAA process is very much less than the prevailing market values. Under LAA any aggrieved party on the valuation determined by the Department of Valuation is expected to appeal to the Land Acquisition Review Board within 21 days of receipt of the Section 17 order from the Divisional Secretary. If party is dissatisfied with the decision of the Review Board, the party can made a petition of appeal to the Supreme Court. No stamp duty is charged for this appeal. However, experience showed that the process involved here was time consuming; moreover, in most occasions, variation between the assessment of the Dept. of Valuation and the review board's decision was very marginal.

Land Acquisition Resettlement Committee (LARC, Divisional Level) and Super LARC (Ministerial Compensation Appeal Board) process

81. The revision made by gazette notification No.1585/7 on 20th January 2009 to Land Acquisition Act (LAA), has redundant the LARC review system as areas covered by LARC could be addressed by this revision. Further, Ministry of Land has issued clear instructions to cease the use of LARC and similar systems used by different institutions to decide compensation values for the land acquired under LAA as it wishes to see uniformity in

valuation of lands acquired under LAA for public purposes. This new regulation is effective for any land acquisition proposals for which the section 2 notice has been issued after 1st September 2008 and land acquisition proposals for which the land acquisition process has already been initiated, but still the section 7 has not yet been issued. However, for projects where such schemes already floated and Section 2 under the LAA has been published before 1 September, 2008 such schemes will continue.

Land Development Ordinance (1935)

82. By virtue of this ordinance and its subsequent amendments, households that are occupying crown land may request permission from the Divisional Secretary to be regularized on the Land in question. The Acquiring officer (Divisional Secretary) makes an investigation and may recommend giving a one-year permit initially, if the land is not reserved land or not required for any other government purpose. Subsequently, the person may be given a long lease which constitutes a legal title without right to disposal. The term for such titles is known as 'Swarna Boomi' (golden land) or 'Jaya Boomi' (victorious land).

83. There are two categories of encroachments into crown land. (1) Middle income category, the households that have other agricultural land and (2) Lower income category, the landless households will be given special consideration for allocation of crown land that is not reserved for any purpose.

Road Development Authority Act No. 73 of 1981

84. The Road Development Authority Act (1981) provides for the establishment of the RDA and specifies the powers, functions, duties and responsibilities of the RDA. Part II of the Act deals with declaring areas for 'road development', which under the meaning of the Act includes the construction of new roads or the maintenance or improvement of existing roads (Improvements are deemed to include any widening, leveling, provision of footpaths, treatment for mitigation of dust or any other works beyond ordinary repairs).

85. Under Section 8 of the Act, the Minister, after taking into consideration the requirements of local and national planning and what is expedient for the regulation and control of road development, may declare a 'road development area' following an order or notice (which sets out the requirement and physical boundaries) published in the gazette.

86. Section 22 deals with land acquisition for road development as a "public purpose" and provides for the acquisition by, and transfer to, the RDA of immovable or moveable property within any declared road development area, for which the RDA will pay any sum payable under the LAA [Section 22 (2)]. Therefore, after the Section 2 notice has been published, if land or other property is to be acquired, the procedures to do so are as set out in the LAA.

State Land Ordinance No 8 of 1947

87. This ordinance is known as the State Land Ordinance No 8 of 1947. Section (b) of the ordinance explains the land grants which can be made and the rents to be obtained for the grants. As it is mentioned in section 22, the period of the grant be up to 50 years only and the prescribed form given in the ordinance be filled and signed by the officer authenticated to sign for the grant. A person seeking a crown land has to appeal to the Government Agent of the area. Such person has to pay the rent decided by the Land Commissioner or the Government Agent of the area.

88. Provisions also have provided to officers such as General Manager Railways and chairman of the Colombo Port to rent out the lands under their purview, under special circumstances.

Prescriptive Ordinance No 22 (1871)

89. Under sections 3 and 13 of this ordinance, households who have encroached into private land and have been occupying the land for at least 10 years may apply through the courts for prescriptive rights to the land.

Other acts and laws related to acquisition and compensation

90. Following are the other subsequent statute laws, which enable the compulsory purchase of property for special purposes or have interfered with the compensation in the term of 'Market Value' and has imposed certain restrictions, conditions and circumstances in which value has to be determined, when properties are compulsorily acquired by the State or become vested in the state, by the force of legislations on payment of compensation.

- Urban Development Authority Law No 41 of 1978
- National Housing Development Authority Act No.17 of 1979
- Greater Colombo Economic commission Law No.4 of 1978
- Town and Country Planning Ordinance Of 1946
- Land Reform Law No.1 of 1972 - Land Reform Commission Act. No.26 of 1972
- Colombo District (Low Lying Areas) Reclamation and Development Board Act No.15 of 1968
- Rent Act No.7 of 1972 and amendments thereto, No.55 of 1980 and No.26 of 2002
- Co-operative Societies Law No.5 of 1972
- Ceiling on Housing Property Laws No1 of 1973
- Apartment Ownership Law No.11 of 1973
- Tourist Development Act No.14 of 1968
- Coast Conservation Act
- Agrarian Services Act no.58 of 1979
- Roads and Thoroughfares Act no.45 of 1956 and Law no.37 of 1973
- Mahaweli Authority of Sri Lanka Act No.23 of 1979
- Walawe Lands Act No.11 of 1958

National Environmental Act No 47 of 1980 (NEA)

91. These are some provisions in the NEA Act No.47 of 1980, with the amended Act No 56 of 1988 which refers to Involuntary Resettlement. The Hon. Minister in charge of the subject of environment has prescribed projects and undertakings which approval shall be necessary under the provisions of the NEA.

92. The Minister by gazette notification No 858/14 of 23rd February 1995 has determined the types of projects and undertakings which need the approval under the terms of the NEA. The schedule includes item 12 which refers to "involuntary resettlement exceeding 100 HHs, other than resettlement resulting from emergency situations".

Policy framework

93. Land Acquisition Act provides compensation only for land, structures, and crops and provisions are not available to address key resettlement issues to mitigate or avoid impacts on people resulting from land acquisition. In addition, non-titled people and other dependents on land cannot be assisted under the LAA.

94. To address the current gaps in the LAA in addressing the key resettlement issues such as exploring alternative project options that avoid or minimize impacts on people, the government of Sri Lanka (through the cabinet of Ministers) adopted the National Policy on Involuntary Resettlement (NIRP) on the 24th May 2001. The NIRP also highlights the need for consultation of DPs and their participation in the resettlement process actively. The Central Environment Authority (CEA) was tasked to review and approve Resettlement Plans (RPs) prepared by project executing agencies. The plans also required to be publicly available.

95. In addition to NIRP, ADBs Safeguard Policy Statement, 2009 have similar requirements and guidelines reinforcing each other.

National Involuntary Resettlement Policy (NIRP) 2001

96. NIRP was developed thorough a consensus reaching process with the participation of all concerned government agencies and authorities; NGOs and foreign development agencies and other stakeholders. The steering committee appointed by the government reviewed the existing laws and policies and approved the National Involuntary Resettlement Policy on 5th March 2001 and the government of Sri Lanka adopted it (by cabinet approval) as a National Policy on 24 May 2001. The objectives of the NIRP are to:

- Avoid, minimize and mitigate negative impacts of involuntary resettlement by facilitating the reestablishment of the DPs on a productive and self-sustaining basis. The policy also facilitates the development of the DPs and the project by
- Having in place a consultative, transparent and accountable involuntary resettlement process with a time frame agreed to by the project executing agency and DPs.
- NIRP applies “to all development induced land acquisition and Resettlement Action Plan must be prepared where 20 or more HHHs’ (NIRP Forward). NIRP requires that a comprehensive RP be prepared where 20 or more HHHs are displaced. In case where less than 20 HHHs are displaced, the NIRP still requires a RP with lesser level of detail. NIRP applies to all projects irrespective of source of funding.

97. A detailed NIRP which include rationale, objectives, scope, policy principles, institutional responsibilities, monitoring and evaluation etc. are given in the annexure 6.1 of this report.

ADB Safeguard Policy Statement, 2009

98. The ADB’s Safeguard Policy Statement, 2009 (SPS) , recognizes and addresses the resettlement and rehabilitation impacts of all the Displaced persons, irrespective of their titles, and requires the preparation of RP in every instance where involuntary resettlement occurs. The ADB policy requirements are:

- Screen the project early on to identify past, present, and future involuntary resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement impacts and risks.
- Carry out meaningful consultations with displaced persons, host communities, and concerned non-government organizations. Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and reporting of resettlement programs. Pay

particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land, and ensure their participation in consultations. Establish a grievance redress mechanism to receive and facilitate resolution of the displaced persons' concerns. Support the social and cultural institutions of displaced persons and their host population. Where involuntary resettlement impacts and risks are highly complex and sensitive, compensation and resettlement decisions should be preceded by a social preparation phase.

- Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when displaced livelihoods are land based where possible or cash compensation at replacement value for land when the loss of land does not undermine livelihoods, (ii) prompt replacement of assets with access to assets of equal or higher value, (iii) prompt compensation at full replacement cost for assets that cannot be restored, and (iv) additional revenues and services through benefit sharing schemes where possible.
- Provide physically and economically displaced persons with needed assistance, including the following: (i) if there is relocation, secured tenure to relocation land, better housing at resettlement sites with comparable access to employment and production opportunities, integration of resettled persons economically and socially into their host communities, and extension of project benefits to host communities; (ii) transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities; and (iii) civic infrastructure and community services, as required.
- Improve the standards of living of the displaced poor and other vulnerable groups, including women, to at least national minimum standards. In rural areas provide them with legal and affordable access to land and resources, and in urban areas provide them with appropriate income sources and legal and affordable access to adequate housing.
- Develop procedures in a transparent, consistent, and equitable manner if land acquisition is through negotiated settlement to ensure that those people who enter into negotiated settlements will maintain the same or better income and livelihood status.
- Ensure that displaced persons without titles to land or any recognizable legal rights to land are eligible for resettlement assistance and compensation for loss of non-land assets.
- Prepare a resettlement plan elaborating on displaced persons' entitlements, the income and livelihood restoration strategy, institutional arrangements, monitoring and reporting framework, budget, and time-bound implementation schedule.
- Disclose a draft resettlement plan, including documentation of the consultation process in a timely manner, before project appraisal, in an accessible place and a form and language(s) understandable to displaced persons and other stakeholders. Disclose the final resettlement plan and its updates to displaced persons and other stakeholders.
- Conceive and execute involuntary resettlement as part of a development project or program. Include the full costs of resettlement in the presentation of project's costs and benefits. For a project with significant involuntary resettlement impacts, consider implementing the involuntary resettlement component of the project as a stand-alone operation.
- Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation.
- Monitor and assess resettlement outcomes, their impacts on the standards of living of displaced persons, and whether the objectives of the resettlement plan have been achieved by taking into account the baseline conditions and the results of

resettlement monitoring. Disclose of monitoring reports.

Existing gaps in LAA and NIRP vis-à-vis SPS

99. There are differences between LAA and the NIRP and SPS in relation to approach to land acquisition and payment of compensation. Although the SPS and NIRP are more or less congruent, there are differences when compared with the LAA and SPS. Even though the LAA is not subordinate to then IRP, for the payment of compensation the NIRP and SPS are being followed. The gaps in the LAA vis-à-vis the NIRP and the SPS are analyzed in 6.1.

Table 6.1. A gap analysis between LAA (with NIRP) and SPS, 2009

Aspect	GOSL Laws /Policies	ADB's SPS	Measures to Bridge the GAP
Requirement of RP	Does not require under the LAA as amended, NIRP requires that a comprehensive RP for projects exceeding displacement of more than 20 HHs and a RP of lesser detail if the number of HHs displaced is less than 20. A project affecting 100 HHs are considered as a prescribed project under the NEA; such project requires the approval of the CEA before implementation but does not address the resettlement issues.	RP is required For category A and category B projects.	RDA follows the NIRP which spells out the type of RP to be prepared and implemented.
Compensation For non-title holders	Provided in the NIRP, Not in the Act(LAA)	The borrower will compensate them for the loss of assets other than land such as dwellings and also for any other improvements to the land at the full replacement cost. The entitlements will be provided to those who have occupied the land or structures in the project area prior to the cut-off date for eligibility or resettlement assistance.	Provision is available in the entitlement package approved by the Cabinet of Ministers for STDP and subsequent projects to make fair and just treatment. Entitlement matrix is a part of RP
Consultation with stake holders	Does not require under LAA as amended. It is a requirement under NIRP	Consultation is required with displaced persons(Same as NIRP)	RDA follows the NIRP and Safeguard Policy Statement, 2009 as indicated in the RP
Public disclosure	Provided in the NIRP, Not required under the LAA as amended. If the project is subject to an IEE or EIA, the report should be available for the information of the public or public comments respectively.	Public disclosure is required	RP will be disclosed to the public and will be available in the website of ADB. The entitlement matrix will be translated into local language and circulated to DPs.

Aspect	GOSL Laws /Policies	ADB's SPS	Measures to Bridge the GAP
Income Restoration	LAA does not have provisions. But NIRP stipulates the necessity of income restoration and improving the standard of living.	Income should be restored	RDA follows NIRP and SPS, 2009
Taking over possession before Payment of compensation	Act provide, NIRP does not allow	Does not allow	RDA will follow the NIRP and Safeguard Policy Statement, 2009 as indicated in the RP
Grievance Redress Mechanism	No provision in the LAA as amended a requirement under the NIRP	Requirement under the Safeguard Policy Statement, 2009	Provided in the RP
Acquisition within 48 hrs. on an urgency basis	Under 38(a) of LAA, after 48hrs, even without paying compensation. But according to NIRP, not without paying replacement cost and reasonable notice NIRP does not supersede the LAA since it is a statutory act. But in order to provide relief to the displaced people, NIRP is being implemented on a directive by the Cabinet of Ministers of the GOSL.	The borrower /client will ensure that no physical or economic displacement will occur until 1) compensation at full replacement cost has been paid to each displaced person, 2) other entitlements listed in the RP have been provided to the DPs, and 3) a comprehensive income and livelihood rehabilitation program supported by adequate budget is in place for the DPs	RDA follows the NIRP and SPS
Replacement Cost	Provided in the NIRP, replacement cost according to regulation gazetted on 20, January 2009.	At full Replacement Cost	Project will follow the NIRP and Cabinet approved entitlement matrix
Assistance for vulnerable people	LAA is silent on this Aspect. NIRP requires special treatment for the vulnerable groups.	Requires a special assistance for the vulnerable people.	Provision is Available in the RP
Compensation by installments	LAA provides statutory compensation to be paid in installments, but NIRP does not agree	Full compensation at the replacement cost has to be paid to the displaced person before any physical or economic displacement will occur.	RP provides statutory compensation to be paid in one lump sum.

Source: Consultations, NIRP, Safeguard Policy Statement 2009 and LAA.

7. Entitlements, assistance and benefits

100. The LAA, the NIRP and policy statements of international funding agencies such as ADB outline the necessity to ensure that a comprehensive compensation package is available to all affected parties. The package should adequately compensate for the loss of assets and restoration and/or enhancement of livelihoods for all categories of displaced people, whether displaced directly, indirectly, permanently or temporarily, with or without title, and includes tenants/lessees. For all lost lands and assets, compensation will be at replacement cost and paid promptly. The entitlement matrix has been used for existing ADB funded projects implemented by the RDA.

101. During the construction period contractors need to occupy private land to store material, equipment and vehicles. They also need land to erect temporary camps for laborers. Private property can often get damaged due to such uses. Such losses of temporary nature to private property are frequent during the construction period.

102. In accordance with NIRP policy expectations, all such losses will be fully compensated and the PMU has the responsibility for granting such compensation calculated on the rates that are current. The project ensures that no physical or economic displacement of DPs will take place without the payment of full quantum of compensation entitled to that person or household. Vulnerable Groups identified will be especially supported for livelihood revival for ensuring that they do not slide into poverty due to resettlement.

103. It should be noted that details of this chapter are same as in the RP of June 2013. This is due to the fact that definitions and entitlements cannot be changed from the original document, as they have been used in planning and implementing the RP.

Replacement cost

104. Replacement cost could be defined as the compensation required in replacing a similar land in a similar location and a building of similar floor area and construction.

Loss of buildings

105. Replacement cost will be paid for all buildings irrespective of the age of the building. DPs are entitled to retain the salvage materials. In order to ensure that displaced persons do not suffer any loss but is compensated even for a better standard, a DP who was in occupation of even a cadjan hut (temporary) is entitled to a cash grant of Rs.300, 000/- for the loss of the house in addition to other compensation available for them.

Loss of agricultural land

106. Land that is under perennial crops or cultivated seasonally or annually by the owner or lessee or tenant, households will be classified as fully displaced when the loss is:

Total area	Displaced area	Compensation applicable
Less than 01 acre	10%	Cash or land (if available + Livelihood Grant for loss of crops
More than 01 acre	25% same as above	

107. Title holders who lose less than 10% from a total holding of one acre or less and less than 25% from an extent of more than 01 acre are classified as marginally displaced persons and are only entitled to cash compensation and for loss of crops.

Temporary loss of private land

108. During construction, temporary occupation of privately owned land may be required to excavate materials for filling and formation of embankments. If such a necessity occurs the contractor with the concurrence of PMU will sign a temporary occupation contract with the owner of the land specifying; (1) Period of occupancy (2) Terms and compensation amounts mutually agreed (3) Compensation for material losses for the duration of the temporary occupation period (4) Compensation for other disturbances and damages caused to property (5) Frequency of compensation payment (6) Rehabilitation and restoration measures (7) Land will be returned to the owner at the end of the temporary occupation period restored to its original condition or improved, according to the agreement.

Determination of rates for properties acquired

109. The rates that will be used for the calculation of compensation for the acquired properties will be based on the prevailing market rates in order to reflect the cost of replacement of the properties acquired.

Special needs of vulnerable households

110. Vulnerable households have been identified are entitled to a special grant of Rs.15,000/- per household in addition to the compensation available for other losses. PMU will support them through community workers during the construction of their houses and support them for livelihoods. Vulnerable people depending on the category and degree of vulnerability may be linked to national institutions that provide assistance and interventions for such groups.

Entitlements for tenant cultivators (Under Paddy Lands Act)

111. The Paddy Lands Act of 1958 recognizes the tenant rights for cultivation paying a prescribed share of harvest to the land owner. The Paddy Lands Act ensures the perpetuity of tenancy. As per the provisions of the Paddy Lands Act, part of the compensation of the acquired property is allocated to the tenant.

Land Owned by state Corporations

112. People who are in possession of lease agreements with state corporations are entitled to loss of income for the balance period of the lease agreement.

Project entitlement matrix

113. The project entitlement matrix developed based on above principles and policies are presented below.

Type of loss	Entitled person/s	Entitlements	Intent/ requirement	Responsibility
A. AGRICULTURAL LAND				
Loss of agricultura	Owner with title deed or	All (cash) payments for land will be at replacement costs. Cash	Payment for lost	RDA, CV, DS,

Type of loss	Entitled person/s	Entitlements	Intent/ requirement	Responsibility
Land	registration certificate	payment for loss of standing crops and trees at market prices. In case the DP loses 10% or more of their productive income generating assets and / or remaining portion is economically not viable for continued use as determined by LARC, these options will be available: 1) If opted by DP, the remainder land will be acquired or injury will be paid at replacement cost if economically not viable. Reasonable time will be given to harvest perennial crops if not payment will be made at market value. 2) Preference will be given to DPs for land for land option (similar location and productive quality, subject to availability or cash payment for loss of land at full replacement costs. Cash Payment for loss of income for portion of land as per the land acquisition Act or as determined by the LARC.	assets and restoration of livelihood. Payment for loss of income based on entitlement under Land Acquisition Act [46 1 (iii)] or as determined by the LARC.	LARC.
Loss of access to agricultural land	Tenant, user with lease	No payment for land. Cash payment for loss of standing crops and trees at market prices, if cultivated by tenant or user with lease; AND Cash payment for loss of net income for portion of land affected for the remaining leased/assigned period.	Payment to cover lost crops and restoration of livelihood	RDA, CV, DS, LARC.
Loss of access to agricultural land	Non-titled user or squatter on private or state land	No payment for land. Cash payment for loss of standing crops and trees at market prices, if cultivated by him.	Payment to cover lost crops and restoration of livelihood.	RDA, CV, DS, LARC.
B. RESIDENTIAL LAND AND STRUCTURES				
Loss of Residential land and structure	Owner with title deed or registration certificate	All (cash) payments for land and structure will be made at replacement costs. All payments at replacement cost in cash, according to the actual loss to repair or rebuild the structure to original or better condition when remaining land is sufficient to rebuild; for structures not having sufficient land to rebuild, DPs will be entitled to the following: 1. All (cash) payments for land and structure at	Payment for lost assets, assistance to reorganize on existing land or relocate on alternate land and support for transition period.	RDA, CV, DS, LARC.

Type of loss	Entitled person/s	Entitlements	Intent/ requirement	Responsibility																	
		<p>full replacement cost (for materials and labor) in cash, WITHOUT deduction for depreciation or salvageable materials; 2. Assistance from LARC to locate alternative plot for relocation; OR 3. Rehabilitation package G2. Shifting allowance G1. 4. Displaced persons who lose their residence completely he/she is entitled to extra allowance between Rs.150,000 to Rs.500,000 depending on the Location 5. For non-title holder the allowance for alternative land varies from the Rs.100,000 to Rs.250,000 depending on the location.</p> <p>Rent allowance varying from Rs. 20,000 to Rs.100,000 will be paid according to the location (Local Authority Area). Minimum payment for a house (Hut) irrespective of the title will be Rs.300,000.</p>																			
Shops and Houses under the Rent Act	Owner/Renter/ Lessee	<p>Difference between replacement cost and statutory payment to be divided between the owner and the occupant on the following basis. Payment of compensation at replacement cost, according to the following criteria.</p> <table border="1"> <thead> <tr> <th rowspan="2">Period of occupation</th> <th colspan="2">% of payment</th> </tr> <tr> <th>occupant</th> <th>owner</th> </tr> </thead> <tbody> <tr> <td>Over 20 years</td> <td>75</td> <td>25</td> </tr> <tr> <td>10-20 years</td> <td>50</td> <td>50</td> </tr> <tr> <td>05-10 years</td> <td>25</td> <td>75</td> </tr> <tr> <td>Less than 05 years</td> <td>10</td> <td>90</td> </tr> </tbody> </table>	Period of occupation	% of payment		occupant	owner	Over 20 years	75	25	10-20 years	50	50	05-10 years	25	75	Less than 05 years	10	90	Equitable distribution of compensation depending on the period of occupation.	D.S, Valuation Department, RDA
Period of occupation	% of payment																				
	occupant	owner																			
Over 20 years	75	25																			
10-20 years	50	50																			
05-10 years	25	75																			
Less than 05 years	10	90																			
Loss of rental accommodation	Tenant, user with lease	If there is partial loss of rental accommodation, DP has the option to stay with the owners agreement OR if DP chooses to move out, cash assistance of Rs.15,000. AND Assistance in finding new affordable rental accommodation.	Cash payment for rental allowance or cash value of Remaining lease,	RDA, CV, DS, LARC.																	

Type of loss	Entitled person/s	Entitlements	Intent/ requirement	Responsibility
			assistance for Finding alternate Rental accommodation and support during transition period.	
Loss of residential structure	Non-titled user, non-permitted user or squatter	No payment for land. All payments for structure at replacement costs in materials, cash according to the actual loss for repairing or rebuilding the structure; AND If affected land is state land DP may rebuild on the remaining land with permission, and if affected land is private land the project will encourage DP to relinquish the land and relocate on alternate land or DPs can rebuild on existing land then shifting assistance G 1 i. If DP has to relocate then Rehabilitation package – G 1 ii and G 2. If part of the structure is acquired, the area to be considered for payment will be calculated up to the structural support point.	Payment for lost assets, assistance to reorganize on land or provision of alternate site if choosing to relocate and support for transition period.	RDA, CV, DS, LARC.
C. COMMERCIAL LAND AND STRUCTURES (INCLUDES CORPORATES)				
Loss of commercial land and structure	Owner / operator of registered business	All (cash) payments for land lost at full replacement cost; Payment at replacement cost in cash, according to the actual loss to repair or rebuild the structure to original or better condition when remaining land sufficient to rebuild upon; Payment for any associated loss of income while commercial structure is being rebuilt. For structures not having sufficient land to rebuild will be entitled to the following: 1. All (cash) payments for structures lost at full replacement cost (for materials and labor) cash, WITHOUT deduction for depreciation or salvageable materials; 2. Assistance from LARC to locate alternative plot for relocation; OR if opted by DP on recovery of the undeveloped value of the plot depending on availability of land. 3. For income losses cash	Project shall give reasonable time for DPs to continue their business operation while rebuilding their structures. DPs will rebuild their structure as soon as payment is released and clear the area in the agreed timeframe.	RDA, CV, DS, LARC.

Type of loss	Entitled person/s	Entitlements	Intent/ requirement	Responsibility
		<p>payment not exceeding three times the average annual net profits from business, as shown by the books of accounts, for three calendar years immediately preceding acquisition or livelihood restoration grant, whichever is higher. For businesses who do not maintain books of accounts cash payment equivalent to 6 months net income OR 4. Livelihood assistance grant, Rs.15,000 whichever is the higher; 5. Rehabilitation Package – G 2 and G2 ii if required.</p>	<p>Transition assistance and income restoration.</p>	
<p>Loss of commercial Structure</p>	<p>Tenant / operator of registered business</p>	<p>If there is partial loss of structure, DP has the option to stay with the owners agreement or if DP chooses to move out, cash assistance of Rs.15,000., AND Assistance in finding new affordable rented premises to reestablish business For income losses cash payment not exceeding three times the average annual net profits from business, as shown by the books of accounts, for three calendar years immediately preceding acquisition or livelihood restoration grant, whichever is higher. For businesses who do not maintain books of accounts cash payment equivalent to 6 months net income OR Rs.15,000. Livelihood assistance grant, whichever is the higher.</p> <p>If part of the structure is acquired the area to be considered for payment will be calculated up to the structural support point.</p>	<p>Cash payment for livelihood restoration, assistance for finding alternate rental accommodation and support for income losses and during transition period.</p>	<p>RDA, CV, DS, LARC.</p>
<p>Loss of commercial Structure</p>	<p>Owner or operator of nonregistered business / squatter</p>	<p>For structure – all payments for structure lost at replacement cost in cash, according to the actual loss; AND For income – cash payment equivalent to 6 months income OR Livelihood assistance grant, whichever is the higher; AND If affected land is state land or if land is private land the project will encourage DP to relinquish the land and relocate on alternate land or/ AND Rehabilitation package –</p>	<p>Payment for lost assets, transition assistance and income restoration.</p>	<p>RDA, CV, DS, LARC.</p>

Type of loss	Entitled person/s	Entitlements	Intent/ requirement	Responsibility
		Items G.2, and G.2 ii if required.		
D. OTHER PRIVATE PROPERTIES OR SECONDARY STRUCTURES				
Partial or complete loss of other property or secondary structure (i.e. shed, outdoor latrine, rice store, animal pen etc.).	Owners of structures (regardless of if the land is owned or not)	All (cash) payments for affected structure at replacement cost; OR Cost of repair of structure to original or better condition; OR Cash assistance for relocation of structure.	Payment for loss and relocation if Required.	RDA, CV, DS, LARC.
Loss of tombs or graves	All owners	All cash payments per tomb to cover the cost of exhumation (including any religious ceremony) if required relocation OR cash payments of Rs.15,000. per tomb to cover the cost of exhumation (including any religious ceremonies if required).	Payment for loss and relocation if Required.	RDA, CV, DS, LARC.
E. LOSS OF INCOME OF EMPLOYEES OR HIRED LABOUR				
<i>E.1 Temporarily Affected</i>				
While business re-establishes (i.e. reorganizing on remaining land or relocating in the same area)	All affected employees, wage or daily labourers in private or government businesses.	Cash payment of Rs.15,000/ or three months' salary whichever is more.	Businesses will be encouraged to retain existing employees. Payment for lost income during business reestablishment.	RDA, CV, LARC
<i>E.2 Permanently Affected</i>				
Job loss due to relocation of business to another area or business operator decides not to re-establish.	All affected employees, wage or daily labourers in private or government businesses.	Cash payment of Rs.15,000/ or three months' salary whichever is more.	Payment for lost income, rehabilitation package to provide support and income restoration.	RDA, CV, LARC

Type of loss	Entitled person/s	Entitlements	Intent/ requirement	Responsibility
F. TREES & STANDING CROPS⁶				
Loss of crops and trees	Person who cultivates crops and/or trees owns by private /state; if the trees in private the timber given to owner and if trees in state land the timber given to timber cooperation; (regardless if the land is owned or not)	For owner, payment for crops and trees at market prices; For tenant, payment for crops shall be paid to tenant; For sharecropper, payment for crops shall be shared between owner and sharecropper according to the sharecropping agreement; For all – advance notice to harvest crop; AND Payment for net value of crops where harvesting is not possible; AND Cash payment for loss of trees and standing crops at market prices; AND Rights to resources from privately owned trees (i.e. timber or firewood) All felled trees will be given back to the owners.	Payment for losses payment for trees calculated on market value on the basis of land productivity, type, age, and productive value of affected trees.	RDA, CV, DS, LARC
G. LIVELIHOOD RESTORATION & REHABILITATION ASSISTANCE				
<i>G.1 Materials Transport Allowance</i>				
i. Reorganization of residential structure	DPs reorganizing or rebuilding on same plot	Cash assistance (shifting allowance) of Rs.5,000/ to 15,000/ depending on the floor area of the house.	Payment for disturbance and to assist in rebuilding.	RDA, CV, LARC
ii. DP requiring relocation for housing	Relocating DPs	Cash assistance (relocation allowance) of Rs.5,000/ up to an amount of Rs.15,000. DP/household for transportation to new location or site based on floor area of the house in occupation before relocation.	Allowance to cover transport of household or commercial effects, salvaged and new building materials.	RDA, CV, LARC
<i>G.2 Livelihood Restoration (Grants& Training)</i>				
i. Permanent effects on livelihood.	DPs/household	Livelihood restoration grant – as cash assistance of Rs.15,000/ per household (plus professional assistance and advice, if required, to invest funds or to set up a business at a commercially viable location).	Cash sum to offset income losses not directly paid for, to provide support while business reestablishing or as start-up	RDA, CV, LARC

⁶ Already included under item A. However kept in the matrix for consistency with previous entitlement matrix

Type of loss	Entitled person/s	Entitlements	Intent/ requirement	Responsibility
			investment for new business if DP has to change livelihood.	
ii. Permanent effects on livelihood.	Severely affected farmers remaining on affected land.	Assistance to increase productivity on remaining land (i.e. increasing cropping intensity, use of high yielding seeds, diversification and introduction of new seeds or crops etc.) and assistance to access existing subsidies.	Access to existing agricultural extension services and development of new services as per the specific needs of DPs as identified through consultation with them, support for access to existing subsidies, development and training from Department of Agriculture, Tea Smallholding Authority, Agrarian Services Department, Coconut Development Board, and Rubber Control Department.	RDA, CV, LARC
<i>G.4 Special Assistance</i>				
Agricultural Lands other than paddy lands -	Owner	For the agricultural land compensation payable under A and B in item one is applicable, payment of 5% of the statutory value subject to a minimum value of Rs.10,000/ and a maximum of Rs.100,000. If vacant possession is		RDA, Valuation Department, D.S

Type of loss	Entitled person/s	Entitlements	Intent/ requirement	Responsibility
title holder		handed over on or before a date stipulated by the RDA/DS Sufficient time to be given to harvest crops or compensation for the loss of crops.		
Incentive payment	Owner or occupant at the time of handing over the property.	Ex-gratia payment of 25% of the statutory value of the building to be paid, if handed over in vacant position on date stipulated by the D.S/ RDA, subject to a minimum of Rs.25,000/ and maximum of Rs.500,000.	To encourage DPs to handover the acquired properties on time.	D.S, Valuation Department, RDA
Effects on vulnerable DPs	Vulnerable DPs including the poor, elderly DPs, ethnic minority households IPs, female headed households, and disabled.	A special grant of Rs.15,000/ per DP/household to improve living standards of vulnerable DPs and households Assistance to vulnerable households in finding suitable land for relocation and shifting.	Assistance, over and above payment for lost assets, to reduce impacts of resettlement which can disproportionately affect the already vulnerable and to ensure that the project does not simply reestablish levels of poverty, vulnerability or marginalization.	RDA, CV, LARC
H. COMMUNITY ASSETS				
Loss of buildings and other structures (schools, temples, clinics, walls etc.), infrastructure (local roads, footpaths,	Divisional Secretary of the division, urban ward, village, local community or local authority owning or benefiting from community property, infrastructure	Restoration in existing location of affected community buildings, structures, infrastructure and common property resources to original or better condition; OR Replacement in alternative location identified in consultation with affected communities and relevant authorities; OR (Cash) Payment at full replacement cost; AND restoration of buildings, structures, infrastructure, services or other community resources.	Full restoration of buildings, structures, infrastructure , services or other community resources by contractor (costs to be borne by project) or payment for	RDA, CV, LARC

Type of loss	Entitled person/s	Entitlements	Intent/ requirement	Responsibility
bridges, irrigation, water points or communal hand pumps etc.), common resources (such as water supply, community forests).	or resources.		such if agreement is reached for local authority or community to undertake the restoration works.	
Government owned premises	The affected premises of the government institution	As only secondary structure are affected, the project will compensate by reconstructing those structures.	Land is not compensated at government itself pays for all land acquisition costs.	RDA, PMU
I. UNANTICIPATED IMPACT				
Any unanticipated adverse impact due to project intervention.	Any unanticipated consequence of the project will be documented and mitigated in accordance with the spirit of the principles agreed upon in this policy framework.			

114. Government owned and used land is not compensated as government itself is paying for it. In this project only secondary structures (e.g. walls and fences) of government premises are affected and these will be compensated for replacement at current rates.

Cut-off date

115. As per the cut-off date stipulated in the previous RPs, eligibility for entitlement is the date of publication of the Section 2 notice under LAA for titleholders and for nontitle holders as well. The date of Section 2 notification for this section of B157 road had been served on 12 April 2008.

116. This cut-off date is normally the date of serving section 2 of the Land Acquisition Act (LAA). It is a public statutory announcement informing the claimants and public about the acquisition going to be affected.

117. The particular section (48, sub section (f)) of LAA reads as “any outlay or improvement made or commenced on the land after the notice under section 4 in respect of the land was given or exhibited unless such outlay or improvement was reasonably for the purpose of maintaining or preserving the land or plantation, building fixture, or machinery thereon;”

118. As such DPs can attend to needy improvements until properties are valued for compensation under above reasonable grounds.

119. The PMU of SRCP continues the GRM established under NHSP, any grievances of affected persons could be taken up at the GRC. The DPs can further appeal to Compensation review board as indicated in the chapter in GRM.

8. Relocation of housing and settlements

120. The main purpose of preparing a resettlement plan in consultation with all affected parties is to provide all project affected parties a compensation package which will assist them to overcome their losses (physical and economical) and to assist them to become “better off” than their present living standards. In order to achieve this objective it is apparent that the PMU will work closely with respective Divisional Secretariat of Mathugama, Mathugama Pradeshiya Saba and other government and non-government agencies and the public.

Options for relocation of housing and other structures

121. Options for relocation of housing and other structures, including replacement housing, replacement cash compensation, and self-selection are available to the DPs. The following are the options:

- a) On the same premises if sufficient land is available for reconstructing the lost building.
- b) On a land up to 20 perches provided by the PMU in consultation with the DPs and the host community, provided suitable land is available in close proximity to the DPs original habitats.
- c) On a land selected and purchased by the DP on his own for relocation (self-relocation).

Table 8.1. Preferred option of DHHs on compensation

Preferred compensation type for land	Frequency DHHs	Percentage
Land for land	1	0.1
Cash compensation	1	0.1
Resettle on the same affected lot	875	99.8
Total	877	100.0

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

122. The number of DHHs has changed from 838 (in RP of June, 2013) to 877 (in this RP), the number of physically displaced DHHs who needed to be relocated remained the same at two DHHs. Out of these two DHHs one preferred land for land option while the other preferred cash compensation. The remaining 875 DHHs are partially affected and could “set back” and does not come under the category of “relocation elsewhere”, thus they will be entitled for various other cash compensation payments as indicated in the entitlement matrix.

123. When a DP has taken the decision to relocate by himself/herself at a site purchased by him/ her or another site owned by him/ her, such DPs are entitled to following additional assistance depending on the local authority area of his original residence. However, to ensure that relocating households would not be impoverished or worse off as a result of their relocation, the following measures will be undertaken to assist the DPs based on the entitlement matrix developed for this project.

Local Authority Area	Amount of additional compensation
Municipality	Rs.500, 000
Urban Council	Rs.300, 000
Pradeshiya Sabah	Rs.150, 000

124. Replacement cost will be paid for all buildings irrespective of the age of the building. DPs are entitled to retain the salvage materials. All DPs subject to relocation are entitled to following payments to assist them in the relocation process. Additionally the following allowances are also available:

- a) Rent allowance of Rs.50, 000 to Rs.100,000/ (one time) depending on the area of his original residence and the floor area.
- b) Transport allowance of Rs.5,000/ to 15,000/ depending on the floor area of the original residence and for salvaged and new building materials is available. Salvage material is given free of charge to DPs.
- c) Livelihood grant of Rs.15, 000/ to vulnerable households.

Assistance for transfer and establish new site

a. Incentive payments

125. All DPs who hand over the possession of their properties on a date prescribed by the PMU will be entitled to an ex-gratia payment of 25% of the statutory valuation of the building subject to a minimum of Rs.25,000 and a maximum of Rs. 500,000.

b. Relocation assistance for encroachers

126. A housing block up to 10 perches free of charge is targeted at a fully serviced resettlement site developed by the PMU. In lieu of a building block, if encroacher's original habitat was in a Municipal or Urban Council area, he/she is eligible for 50% of the cash grant entitled for a title holder and Rs.100,000 if he/she comes from a Pradeshiya Sabah areas. Most land lots located either side of the B 084 road are within Urban Council areas. They are also entitled to all other payments applicable to title holders except for the compensation for the land.

c. Cultivated agricultural land

127. A 5% of the statutory payment is made (section 17) subject to a minimum of Rs. 10,000 and a maximum of Rs. 100,000.

d. Relocation of sub families

128. Those married adult children who had lived with parents in the same house at least 03 years prior to the publication of Sec 02 notice under LAA, are entitled to a plot of land if suitable land is available from a fully serviced resettlement site up to 10 perches, free of charge or cash grant applicable to an encroacher in lieu of a plot of land.

e. Loss of community facilities and resources

129. Affected community buildings and facilities will be repaired to their previous condition or replaced in consultation with displaced communities and relevant authorities. These include schools, temples, health centers, public wells, irrigation canals, foot bridges, cemeteries and accesses to community resources.

f. Loss of public utilities

130. PMU will meet the relocation cost of all public utilities destructed, while respective

state agencies that are specialized in such functions undertake construction/relocation responsibility of them under PMU's monitoring to ensure continuation of such utilities.

g. Damages caused during construction

131. All damages caused during construction will be compensated by the contractor. This activity is monitored by the Social and Environmental Impact Monitoring Officers attached to the PMU. PMU has a close supervision on contractors through formal agreements.

h. Construction related disturbances

132. If DPs living close to the ROW have to be temporarily evacuated during blasting and other operations that can make harmful incidents to DPs. Contractor has to compensate for the disturbances and inconvenience caused to DPs.

i. Transfer of ownership of housing lots allocated at resettlement sites

133. Titles to the housing lots given to the DPs will be transferred to them as soon as possible and all legal and stamp fees will be borne by the PMU.

Potential environmental risks and how these will be managed and monitored

134. There are a few marshy areas through which the existing road section passes. There is a risk of these marshy lands being affected due to constructions activities such as filling of embankment. A study will be conducted by the environmental specialist of consultant along with PIU and contractor to develop remedial measures so that the environment is duly protected.

9. Income restoration and rehabilitation

Status of Impact on Livelihood

135. As indicated in chapter three the survey team who undertook this RP updating exercise revisited all DPs who were identified as affected with livelihood during the RP preparation in 2013 and new DPs who were identified during this update. Table below presents the details on loss of livelihood of displaced persons.

Table 9.1. Details on loss of livelihood of displaced persons

Type of Livelihood	Temporary Affected		Permanently Affected		Total		
	Male	Female	Male	Female	Male	Female	Total
Farming	47	2	0	0	47	2	49
Horticulture	5	1	0	0	5	1	6
Retail shop (essential)	38	5	0	0	38	5	43
Whole sale shop (essential items)	12	0	0	0	12	0	12
Small shop (services)	34	6	1	0	35	6	41
Large shop (services)	11	0	0	0	11	0	11
Variety store	7	0	0	0	7	0	7
Garage/tyre shop/service centre	16	0	0	0	16	0	16
Vehicle yard (selling)	2	0	0	0	2	0	2
Hardware shop	8	0	0	0	8	0	8
Hotel / Restaurant / Bar	14	2	0	0	14	2	16
Tea shop	31	8	1	0	32	8	40
Vegetable shop	4	7	0	0	4	7	11
Fish stall	2	0	0	0	2	0	2
Others (specify)	13	0	0	0	13	0	13
Total	244	31	2	0	246	31	277

Source: Preliminary Plans prepared for Mathugama – Welipenna IC/ SEW section of B157 road and field survey November/ December, 2015

136. Out of the total 277 persons who were identified as losing livelihood activities during the proposed road improvements, only two persons will be permanently affected (two shop owners). These two persons will need to be relocated elsewhere and one of them opted land for land compensation while the other opted for cash compensation. Majority of the affected persons are involved in small scale business and will only be temporary affected. However it is important that these DPs are adequately compensated as per their entitlements. It should also be noted that the road section of B157 which is to be improved under SRCP does not affect any large scale commercial establishments.

Project as a development opportunity

137. PMU views the resettlement program as a development opportunity for the displaced. As a priority matter, project benefits should flow to the displaced through associated institutional interventions such as adequate and timely compensation, income restoration programs, rehabilitation of vulnerable groups, and employment opportunities in construction related activities etc. The expectation is that DP after resettlement will be at an enhanced

status of well-being than they were prior to the project.

138. Before designing a plan for income restoration, an appraisal will be done with the participation of the eligible, DPs to assess their needs, potentials and preferences for income restoration. Some of the strengths visible among the displaced persons and the environment include; reasonably high level of literacy, access to credit facilities, diversity of businesses, and the prevailing macro-economic climate. The prevailing physical and socioeconomic context is very conducive for business opportunities and avenues for employment. The business environment has been enhanced with the commissioning of SEW and with the interchange at Kahathuduwa.

139. The following categories of DPs are entitled to income restoration benefits:

- a) Farmers losing agricultural lands.
- b) Farmers with less than one acre of residual agricultural land
- c) DPs losing reasonable income from homestead gardens.
- d) DPs losing businesses.
- e) Very poor who need institutional support to improve their income.
- f) Vulnerable categories.

Strategies for Income Restoration Program (IRP)

140. Most of the displaced would suffer only temporary loss of business. The IRP strategy would be based on multiple approaches, reinforcing each other, targeted the DPs. IRP strategy includes the following approaches:

- Increase the awareness of the DPs
- Develop of vocational, managerial and entrepreneurial skills
- Improve and promote leadership qualities
- Form organizations of and by members to address common issues.
- Train in Human Resources Development
- Train in occupational skills development
- Members of target groups attend regular meetings conducted by RDA
- Members of target groups open savings accounts and promote banking practices
- Feedback information to the PMU to facilitate the implementation process and monitoring.

Organization to implement Income Restoration Plan

141. PMU will act as a facilitator and a coordinator for the DPs to obtain the services and inputs available from the respective state and private institutions in the area of enterprise development. NGOs and CBOs will play a key role in planning and implementing the income restoration program, as it is necessarily a community level program. PMU provides logistic support and initial funds required to implement the program. The Resettlement Officer attached to the PMU will be the focal person of the PMU with regard to income restoration. The restoration plan will have linkages with following institutions:

- Banks and other financial institutions
- Vocational Training Institutions
- National apprentice and Industrial Training Authority
- Assistance of the NGOs such as Chambers of Commerce

Potential income restoration programs

142. Provisions also have been included in the Entitlement Matrix to assist the farmers, agricultural holders, tenants, business units and others who lose their income as a result of this project. Sri Lankan experience is that they prefer to stay close to the roads and remain on lands with reduced space in order to remain on land enjoying direct road frontages. As such DPs will be given the option to remain on the existing plot if the ongoing road widening allows it. When identifying potential income generating opportunities for needy people, emphasis will be paid to raw materials, availability of required infrastructure and market potentials. All DPs whose livelihoods are displaced under the project will be provided with livelihood restoration measures. From the experience of the ongoing ADB funded National Highway Sector Project, a separate income restoration program will be implemented through a consultant. The program will be initiated with the payment of compensation. The program will include the following:

- A livelihood restoration allowance to assist as seed money to re-establish a business
- Allowance and interventions for poor and vulnerable families
- Vocational or skilled training as identified through assessment
- Project related employment

Training in skills development

143. One person from each fully displaced household will be selected for skills development. Youth of the households losing dwellings and commercial premises will be given priority in the selection of trainees.

Training in entrepreneur development

144. Entrepreneur development will be provided to selected individuals who are capable of benefiting from such training after an initial screening purpose. The basic requirements would be willingness to commence a business or an industry and ability to raise capital. PMU will act as a facilitator to raise the capital and develop business plans of the interested DPs.

Employment opportunities during the construction phase

145. It is envisaged that the following contractual work opportunities will be available to DPs during the construction phase of the project. The PMU will liaise with the contractor to find employment opportunities in the construction related activities.

- Light vehicle drivers
- Heavy vehicle drivers
- Masons
- Carpenters
- Welders
- Bar benders
- Computer operators
- Clerks
- Office Aides
- Laborers

146. The foregoing strategies are general programs for income generation targeting DPs

at project level. The livelihood restoration program will address the specific needs of each and every DP who requests the service. This involves micro level planning for income generation at individual DP level and for this purpose the project will employ its settlement staff for coordination and obtaining technical and financial assistance from best relevant sources. Project office will follow up on progress by each DP and ensure that all the facilities are provided to them.

Interim Measures

147. Compensation for the loss of income due to acquisition of properties or employment will be paid as listed in the entitlement matrix.

10. Resettlement budget and financing plan

148. Due to the change in scope of the project (i.e. change in road length to be improved) and availability of PPs, the RP budget developed in June 2013 was updated as part of update to provide a more realistic budget that would be required for land acquisition and resettlement compensation of all 877 DHHs. The total cost of land acquisition and resettlement as per the updated information is Rs. 720.5 million or about five (5) million USD (at 1 USD = Rs 143 as at January, 2016). The detailed budget for land acquisition and resettlement of Mathugama – Welipenna IC/ SEW section of B157 road is presented below.

Table 10.1. Revised budget for the resettlement plan of Mathugama – Welipenna IC/ SEW section of B157 road

Item No.	Item	No.	Unit	Rs/unit	Total Rs	Total US\$
Compensation for Lands	Agricultural Lands	1372.6	Perch	25,000	34,315,000.00	239,965.03
	Commercial Lands	774.16		125,000	96,770,000.00	676,713.29
	Residential Lands	1598.14		80,000	127,851,200.00	894,064.34
	Non Agricultural Lands	192.34		15,000	2,885,100.00	20,175.52
	Access Roads	42.3		10,000	423,000.00	2,958.04
Compensation for Structures	Houses - Class 1	2,362	m ²	32,784.64	77,430,762.75	541,473.87
	Shops/Houses - Class 2	9,050		24,588.48	222,530,661.70	1,556,158.4
	Secondary Structures	2,149		3,824.88	8,217,754.68	57,466.82
Loss of Income	Business Income	230	DHH	20,000	4,600,000.00	32,167.83
	Loss of Wage/Salary	18	DHH	15,000	270,000.00	1,888.11
Trees	Fruit Trees	974	Trees	2,000	1,948,000.00	13,622.38
	Timber	1,010		5,000	5,050,000.00	35,314.69
Allowances	5% of Statutory (Agriculture)	5% of sum	Lump sum		3,724,904.40	26,048.28
	25% of Statutory (Buildings)	25% of sum	Lump sum		44,994,213.67	314,644.85
	Shifting allowance	216	DHH	50,000	10,800,000.00	75,524.48
	Relocation allowance	2	DHH	150,000	300,000.00	2,097.90
	Vocational Training Grant	61	DP	15,000	915,000	6,398.60
	Temporary Accommodation	191	DHH	40,000	7,640,000.00	53,426.57
	Special grants for vulnerable	102	DHH	15,000	1,530,000.00	10,699.30
	Electricity supply	263	DHH	20,000	5,260,000.00	36,783.22

Item No.	Item	No.	Unit	Rs/unit	Total Rs	Total US\$
	Water supply	108	DHH	20,000	2,160,000.00	15,104.90
	Proof evidence	949	Lots	2,500	2,372,500.00	16,590.91
Subtotal 1					661,988,097.20	4,629,287.3
	Income restoration program	2% of subtotal 1	Lump sum		13,239,761.94	92,585.75
	External monitoring	18	Months	250,000	4,500,000.00	31,468.53
Subtotal 2					679,727,859.14	
	Administration Cost (including public consultation and GRM implementation)	0.5% of subtotal 2	Lump sum		3,398,639.30	23,766.71
	Contingency	5% of subtotal 2	Lump sum		33,986,392.96	237,667.08
	Administration Cost (including public consultation and GRM implementation)	0.5% of subtotal 2	Lump sum		3,398,639.30	23,766.71
Grand total					720,511,530.69	5,038,542.16

149. This budget estimate is prepared based on the revised numbers of DHHs and DPs which is the final count based on the PPs. Consultations with relevant parties such as notaries, housing estate dealers and knowledgeable residents of the area were done as part of this RP updating exercise. The land / property prices have not significantly changed and around 5 – 10% increase would be considered a reasonable variation. It should also be noted that the administration cost (of 0.5% of total cost) includes expenditure for subsequent public/ stakeholder consultation activities and for grievance redress mechanism.

150. It should also be noted that in previous RPs prepared for this section of road only included a “cost estimate” for the forecasted expenditure for the resettlement of displaced persons. One of the outcomes of this RP update was to present the actual figures that are to be paid to DPs based on the valuation done by the Valuation Department. Therefore there is no lowering of the payment. This is only recording the transactions taken place and not making provisions for past payments.

11. Institutional arrangements

151. Improving existing roads involve accomplishments of several legal and social requirements in addition to their construction related work. In this regard, several agencies have direct involvements with these activities, and early identification of them has several advantages for project implementation. Following are the key state agencies in addition to RDA that will have direct involvement with resettlement interventions;

- Ministry of Land and Land Development
- District Secretary
- Divisional Secretaries, their staff including Grama Niladharis
- Survey Department
- Valuation Department
- Government Printer
- Central Environmental Authority
- Municipal Councils and Pradeshiya Sabas of project areas
- Ceylon Electricity Board
- Water Supply and Drainage Board
- Sri Lanka Telecom Ltd.

152. Some of the above agencies have representative offices at provincial and district levels. Contractors and consultants employed by the PMU, Community Based Organizations of DPs, NGOs and other civic organizations also play a significant role in the implementation process of the road project.

Project Management Unit of RDA

153. The Project management Unit of National Highways Sector Project (HNSP) has been re-designated for the Southern Road Connectivity Project. Therefore the resettlement staff of NHSP who are well experienced in handling land acquisition and resettlement matters in implementing ADB funded projects continue to work on SRCP.

154. Currently under the PMU there are ten Resettlement Assistants supporting the PMU. All ten staff are graduates with experience implementing similar projects. Since the PMU will be maintained for Southern Roads Connectivity Project, the ten Resettlement Assistants will stay on and assist in implementing the project. The PMU together with the Environmental and Social Development Division (ESDD) of RDA will perform the following activities:

- Conduct awareness meetings with stakeholders to disseminate information in respect of the project and make continuous efforts to update information with necessary feedback and support two-way communication regarding information collection and dissemination.
- Distribute informative bulletins to ensure transparency.
- Conduct Land Acquisition and Resettlement (LARS) and Social and Economic (SES) surveys to collect necessary data for resettlement planning.
- Coordinate and assist the land acquisition process with the DS, Survey and Valuation departments and other relevant government agencies and DPs.
- Prepare Resettlement Plans and implement them with the aim of restoring/improving the lives of the Displaced Persons at least to the pre project level.

- Support execution of reasonable compensation package to realize the objectives of the NIRP.
- Assist/ and coordinate with relevant agencies to restore/improve the income of the DPs.
- Coordinate with community based organizations to assist DPs in resettlement activities.
- Identify resettlement sites in consultation with the DPs and host communities when necessary
- Assist DPs on resettlement in new sites selected jointly.
- Expedite the payment of compensation by assisting the DS and the DPs.
- Coordinate/monitor the activities of GRCs.
- Assist vulnerable; including women and poor.
- Monitor the resettlement plan with identifiable indicators.
- Develop a plan to address gender concerns.
- Implement the construction programme through contractors and supervision consultants.
- Monitor the construction programme.
- Prepare/submit required periodic reports to the relevant state agencies and ADB.
- Ensure flow of funds to maintain a healthy cash flow.
- Maintain MIS with networking to relevant agencies.

155. For acceleration of acquisition process and ensuring justice for DPs, PMU supports DPs with the following:

- Advise the DPs regarding the list of documents to be submitted at the title determination inquiries conducted under Section 9 of the LAA.
- Ensure timely cash flows to assist the DS to pay the statutory payments as they are due.
- Prepare individual cheques and hand them over to DS to effect payments
- Assist DS to inform the DPs in advance regarding the payment of compensation
- Prepare the list of DPs with categories of compensation they are entitled to
- Document grievances if any made by the DP
- Make arrangement to pay the interest due on the statutory payment through the DS
- Arrange to distribute a certificate with details of the compensation paid to each DP
- Allow a period of 4-6 weeks after the payment of statutory compensation and other assistance for the DP to hand over vacant possession of the property
- RDA/PMU should pay the incentive payment due to the DP immediately after the ADP handover the vacant possession within the prescribed period to the DS. RDA stores all data in respect of compensation in a pre-prepared data base.
- Maintain a file for each DP, this file should contain, data on each DP collected at land acquisition and LARS and SES and the details of payments made and other correspondence with the DPs.

Environment and Social Development Division (ESDD) of RDA

156. Environment and Social Development Division (ESDD) is the focal division of RDA for safeguard compliance. ESD assists RDAs/PMUs in conducting the Land Acquisition and Resettlement and Social and Economic Surveys including training of survey enumerators

and data analysts. Reviewing of RPs is a major function of ESD before they are submitted to the external authorities, including ADB in respect of RDA projects. If and when necessary, RDA can seek assistance of ESDD as a resource base in Resettlement Planning.

Divisional Secretariat

157. Divisional Secretary is responsible for civil administration of the division and hence land acquisition comes under his/her purview within the division. He/ She has coordinating responsibilities of all development work, in addition to planning and implementation of its own development projects/ programs in the division. DS is empowered with statutory provisions to acquire land and vest them with the agencies that require land under LAA. Similarly, before commencement of construction, RDA has to wait till DS vest land in RDA after going through LAA process. Although, formally all land acquisition work has to be done by the DS office, now for acceleration of the process, RDA/PMU assists DS for various activities of the acquisition, including arranging meetings with DPs and other stakeholders, preparation of paper work and gazette announcements for DS signature, and distribution of DS office notices to public. DSs are happy with this arrangement as it helps him to overcome DS office resource constraints with regard to land acquisition.

Field Office of the RDA/PMU

158. A field office will be established to facilitate the land acquisition and resettlement inclusive of income restoration activity. This office will be located within the project area. A Resettlement Assistant will be stationed at this office with supportive staff to attend to the problems of DPs, and take necessary actions to solve them under the guidance of Project Director. It will help DPs to have better solutions by way of coordinating DPs and relevant authorities that are functioning in the areas where DPs need attention. Especially, this field office will be an attractive resource centre for DPs who need income restoration support. It will be equipped with information required for various types of livelihood development opportunities and post product situations, including marketing. This office will help DPs to identify feasible income generating ventures and implement them successfully with the support of RDA/PMU.

Project Implementation Consultants (PIC)

159. Construction Supervision Consultant is responsible to supervise, monitor, and guide the construction and assist resettlement planning and implementation.

160. The table below summarizes the roles and responsibilities of project stakeholders.

Table 11.1. Roles and Responsibilities of project stakeholders

Agency / Unit	Roles and responsibilities
RDA /PMU	Preparation of land acquisition proposals, staffing, coordination with other relevant agencies, consultation with stake holders, dissemination of information, secure funds, identify lands for resettlement with DPs, procure land for resettlement sites when necessary, develop infrastructure at resettlement sites, arrange income restoration projects.
Ministry of University education and	Submit proposals forwarded by the RDA to MOL, arrange for funds including reimbursement responsibility.

Agency / Unit	Roles and responsibilities
Ministry of Land and Land Development	Approval for the publications of relevant orders under LAA.
Divisional Secretary	Acquisition of land, payment of statutory compensation, payment of interest, consultation, information dissemination, GRC, and vesting of acquired land with the RDA Support implementation of RP when necessary on PIA's/PMUs' request Support rehabilitation and improvement of public utilities disturbed by land acquisition and construction program
Grama Niladari	Delivery of notices under LAA to the DPs, consultation, facilitate acquisition of alternate lands, preparation of advance tracing and final plan by assisting the surveyors to identify the claimants
Dept. of Survey	Preparation of required survey maps on the request of DS.
Valuation Department	Preparation of condition reports of the properties to be acquired, preparation of valuation reports.
Government Printer	Publication of gazette notifications relevant to land acquisition.
Local Authority	Approval of resettlement sites and housing plans.
Displaced Persons/Affected Persons	Help in planning of resettlement site development, IRP.
Construction Supervision	Planning, monitoring construction and resettlements.

12. Implementation schedule

161. Resettlement activities have commenced from 2008 but with numerous breaks due to lack of funding and concrete government initiative. The PMU managing the National Highways Sector Loan has been re-designated for SRCP and will be responsible for implementing the RP. The resettlement plan will be implemented during a period of 2 years.

162. Before demolition of structures, DPs will be again consulted, paid compensation and time given and agreed upon for re-constructing on same site or transfer to relocation site. The intention is to minimize ill effects of displacement or relocation on the DPs.

Table 12.1. Implementation schedule resettlement plan

Activities	Time	Responsibility
Recruitment and confirmation of resettlement staff and initial training	2007	MoUEH, PMU/RDA
Conduct Census & SES and input of data & analysis Preparation of RP and submission to MoL& ADB for approval	2007 and update in 2011 and 2012	PMU, LARD/ESDD
Preparation of RP and submission to MoL& ADB for approval	2008 and update in 2011 and 2012	PMU, MOL, ESDD, ADB
Updating of RP	December 2015	PMU, CSC
Land Acquisition –Process including payment of compensation	50% of land acquisition including payment of compensation to be completed by end December, 2015. 100% of land acquisition including payment of compensation to be completed by end of June, 2016.	PMU, DS, SD, VD, GP, RDA, MoUEH, MoL, CSC
Relocate houses, shops, businesses	50% of affected properties to be relocated by March, 2016 (in line with payment of compensation). 100% of affected properties to be relocated by September, 2016 (in line with payment of compensation).	PMU, LARD/ESDD, CSC, NGO
Clear the ROW	Road section related to the first 50% of lots that have been acquired and compensated by end March, 2016. Remaining road section will be cleared by end September, 2016 (in line with payment of	PMU, CSC

	compensation).	
Issue notice for commencement of civil workers	Contract award is scheduled for April, 2016. Where civil works will commence in the first section of road with acquired land (i.e. with cleared ROW).	PMU, MoUEH, ADB
Income Restoration	Initiated in January, 2015 and continuing up to June, 2016	PMU, LARD/ESDD, CSC, NGO
Management Information System	Ongoing	PMU, LARD/ESDD, CSC, NGO
Grievance Redressing	Ongoing	GRC, Samatha Mandala, Other state institutions
Consultations with DPs	Ongoing	PMU, DSs, GNs, LARD/ESD
Internal Monitoring	Ongoing	PMU, LARD/ESDD, CSC
External Monitoring	To commence from April, 2016	External monitor, PMU/ESDD& ADB

13. Monitoring and reporting

163. Resettlement Monitoring means the collection, analysis, reporting and use of information on the progress of resettlement, based on the RP. Monitoring focuses on physical and financial targets and the delivery of entitlements to persons displaced. Monitoring is usually conducted internally by the executing agency, sometimes with the assistance from external monitoring specialists.

Internal monitoring

164. Internal monitoring will be done by the RDA/PMU. Monitoring will be done in relation to the activities detailed out in the RP against the time frame and each activity. In addition to recording the progress in compensation payment and other resettlement activity, the PMU will prepare monitoring report to ensure that implementation of RP has produced the desired outcome. Information gathered from the monitoring exercise will be subjected to review by the RDA/PMU and other relevant stake holders in view of taking remedial measures to mitigate or solve the problems that need institutional interventions.

165. Baseline data are needed to measure benefits accrued by the project for its target populations. Monitoring during project implementation is particularly important to inform the management about progress or any discrepancies in the implementation. Management is required to act upon the information and together with affected communities or target groups, design and implement solutions to reduce the discrepancies.

166. Field level monitoring will be done by the unit office of the PMU with the assistance of DPs, GNs CBOs. The mechanisms to be used in field level monitoring include (a) review of files, (b) informal sample survey of DPs, (c) key informant interviews, (d) in-depth case studies and (e) community public meetings.

167. Following set of key indicators will be used to conduct the monitoring (i) Comparison of pre-/post- socioeconomic status, (ii) restoration of income earning capacity, (iii) development of kinship ties, (iv) integration with the host villagers, (v) access to education, water supply, and sanitation, etc.

168. Unit Office of the PMU/RDA will submit monthly progress reports on the following activities to the PMU/RDA. PMU/RDA will submit a consolidated progress report of all road projects to RDA, Steering Committee and Project Coordinating Committee monthly. Indicators for the reporting include the following:

- Number of affected persons category wise
- Land acquisition with details of the stage of the process for e.g number of Sec2 notices issued.
- Number of DP prepared number of Sec 38 (a) issued etc.
- Number of DPs paid with statutory compensation
- Number of Buildings taken over by PMU
- Number of DPs resettled at RDA site
- Number of self-relocated people
- Number of vulnerable people Assisted by the PMU
- Number of gender issues reported by the DPs

- Number of gender issues solved
- Number of DPs need income and livelihood restoration assistance
- Number of DPs assisted under IRP
- Number of GRC meetings held
- Number of complaints received by the GRC
- Number of grievances solved by the GRC

External monitoring

169. External monitoring will be done by the CSC. The specific tasks and methodology for external monitoring shall include:

- Review of pre-project (before displacement) baseline data on DPs ,
- The external monitors will verify the EAs monitoring information,
- Advise on safe guard compliance issues if significant involuntary resettlement issues are identified, prepare a corrective action plan to address such issues,
- Identification and selection of an appropriate set of indicators for gathering and analyzing information on resettlement impacts,
- Use of various formal and informal surveys for impact analysis,
- Assessment of resettlement efficiency, effectiveness, impact and sustainability,
- Provide guidelines for future resettlement policy making and planning from the lessons learned.

170. External monitoring will commence after the commencement of the resettlement program. External monitors will prepare semi-annual monitoring reports that describe the progress of implementation of resettlement activities and any compliance issues and corrective actions. RDA will submit semi-annual monitoring reports to ADB.

Computerized Management Information System (MIS)

171. All information regarding loss of assets (inventory of losses) of individual DPs, and socio economic information will be stored in a data base maintained by the PMU/RDA. Soft copies of such data will be given to RDA/ESDD for them to maintain a centralized data base. A Database Manager will be recruited to store and maintain the database.

ANNEX1: LAND ACQUISITION AND RESETTLEMENT SURVEY (LARS) QUESTIONNAIRE

ROAD DEVELOPMENT AUTHORITY Land Acquisition and Resettlement Survey CENSUS QUESTIONNIRE

S. No:

A. General Information:

1. Road Code 2. Chainage at Location 3. Road Side Left Right

4. Type of Land

1. Residential	2. Trade/Business	3. Non Agricultural	4. Agricultural
5. Common Property	6. State Land	7. Other (Specify)	

5. Type of location Urban Semi Urban Rural

6. District..... 7. Divisional Secretariat Division

8. G.N. Division and Code Number 9. Village/Town.....

10. Name of household head.....

11. National Identity Card No. of HH

12. Address

13. Respondent.....

14. Relation to the household head..... (Use code in the table below)

15. Ethnicity Sinhalese Tamil Moor Other

B. Affected Households/Businesses Information:

16. Characteristics of household (if the land is state owned and/or common property this question is not relevant)

S. No.	Name of HH member	Relation to chief Occupant *	Age	Sex*	Marital Status*	Any disabilities*	Education*	Occupation*	
								Primary	Secondary
1		CO							
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									

* Use numerical code:

Relationship to household head (HH)	Disability	Occupation
1. Wife/Husband	1. Not disabled	1. Farming own land
2. Son	2. Major	2. Agricultural labour
3. Daughter	3. Minor	3. Non-agriculture labour (skilled)
4. Father		4. Non-agriculture labour (unskilled)
5. Mother		5. Fishing
6. Brother		6. Weaving
7. Sister		7. Animal Husbandry
8. Daughter in Law		8. Commercial Activities
9. Son in law		9. Vendor (Specify)
10. Other (specify)		10. Government Services/ Executive
		11. Government Services/ other grades
		12. Private Sector/ Executive
		13. Private Sector/ other grades
		14. Armed forces
		15. Police, Homeguard/Security Services
		16. Housewife
		17. Retired person
		18. Student
		19. Child (0-5 age)
		20. Unemployed
		21. Other (specify)

17. Potential impacts due to land acquisition for the road development project? (Multiple responses are allowed in priority order)

Description of Impact	Answer √
1. Loss of commercial land (owner with title deed or registration certificate) <i>Go to quest. 18</i>	
2. Loss of commercial structure (current owner of structure regardless if land is owned or not) <i>Go to quest. 18</i>	
3. Loss of commercial land and structure (owner with title deed or registration certificate) <i>Go to quest. 18</i>	
4. Loss of residential land (owner with title deed or registration certificate) <i>Go to quest. 20</i>	
5. Loss of Residential structure (current owner of structure regardless if land is owned or not) <i>Go to quest. 20</i>	
6. Loss of rental accommodation (tenant, user with lease) <i>Go to quest. 20 (Get details from the land owner)</i>	
7. Loss of income of employees <i>Go to quest. 18</i>	
8. Loss of agricultural land (owner with title deed or registration certificate) <i>Go to quest. 20</i>	
9. Loss of agricultural land (tenant, user with lease, <i>Ande</i> farmer/sharecropper, non-title user or squatter on private or state land) <i>Go to quest. 20</i>	
10. Relocation of AP and his/her household <i>Go to quest. 20</i>	
11. Partial or complete loss of other property or secondary structure (i.e. fence, driveway, outdoor latrine, gate, shed, animal pen, etc.) <i>Go to quest. 20</i>	
12. Loss of tomb or graves (owner) <i>Go to quest. 20</i>	
13. Loss of crops, plants or trees (person who cultivates crops and/or own trees regardless if the land is owned or not) <i>Go to quest. 20</i>	
14. Temporary land loss during the road construction	

18. Commercial Activities (Though you have collected family details in Q. 16 it is necessary to collect trade/business details of the AP including other members (workers/employees) who support for business)

No	Relation to Businessman*	Age	Sex*	Any Disability*	Education*	Occupation*		Monthly Income/Allowances*	Magnitude of Impact to Each AP*
						Primary	Secondary		
1.									
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.									
10.									

* Use numerical code:

Relation to the Businessman	Education	Occupation	Salary/Allowances (Rs.)
1. Businessman/Owner	1. Illiterate	1. Farming own land	1. < 5000
2. Manager	2. Can place signature	2. Agricultural labour	2. 5001-7500
3. Cashier	3. Waiting for schooling	3. Non-agriculture labour (skilled)	3. 7501 – 10000
4. Permanent Employee	4. Class I-V	4. Non-agriculture labour (unskilled)	4. 10001 – 15000
5. Casual Employee	5. Class VI-G.C.E. (O/L)	5. Fishing	5. 15001 – 25000
6. Security Guard	6. G.C.E. (O/L) Pass	6. Weaving	6. 25000 – 50000
7. Other (Specify)	7. G.C.E. (A/L) Pass	7. Animal Husbandry	7. 50001 – 100000
	8. Undergraduate/Graduate	8. Commercial Activities	8. 100001 - 200000
	9. Post Graduate	9. Vendor (Specify)	9. > 200001
	10. Other (specify)	10. Government Services/ Executive	
1. Male		11. Government Services/ other grades	
2. Female		12. Private Sector/ Executive	Impact to AP
		13. Private Sector/ other grades	1. No impact
		14. Armed forces	2. Permanent loss of income
		15. Police, Homeguard/Security Services	3. Temporary loss of income
		16. Housewife	
		17. Retired person	
		18. Student	
		19. Child (0-5 age)	
		20. Unemployed	

19. Specific details of commercial activities

Type of Business*	Year Commenced	Status of Registration	Place of Registration

* Use numerical code:

1. Retail shop (essential items)	2. Whole sale shop (essential items)	3. Small shop (services)	4. Large shop (services)
5. Store	6. Garage/tyre shop/service centre	7. Vehicle yard (selling)	8. Hardware shop
9. Hotel /restaurant/bar	10. Tea shop	11. Fuel centre	12. Vegetable shop
13. Fruit shop	14. Fish stall	15. Small scale factory	16. Large scale factory
17. Other (specify)			

C. Affected Land and Crops:

20. Please provide information about your household's land holding status.

Land holding status	Year owned	Area (Perch)		Value of a perch (Rs.)	Type of use *		
		Total	Affected				
1. Owned and operated 1							
2. Owned and operated 2							
3. Owned and operated 3							
4. Shared in							
5. Shared out							
6. Mortgaged in							
7. Mortgaged out							
8. Leased							
9. Other							
Total land holding (perch)							

* Use numerical code:

1. Residential	2. Trade	3. Agriculture	4. Horticulture	5. Bare land	6. Other
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21. Major crops cultivated and value.

Crop*	Quantity	Affected Quantity	Age of affected crops	Total area (perch)	Affected area (perch)	Value of a crop unit	Total value of the affected units

* Use numerical code:

Type of cultivation			
1. Home garden (flower plants)	5. Cinnamon (bushes)	9. Bread fruit #	13. Fire wood #
2. Paddy (acres)	6. Banana (bushes)	10. Jack #	14. Timber #
3. Tea (acres)	7. Coconut/king coconut #	11. Lemon/Lime #	15. Other 1 (specify)
4. Rubber (acres)	8. Mango #	12. Orange #	16. Other 2 (specify)

22. Properties affected within the land affected.

Properties	Total Affected Area		Area Not Affected*	Nature of Impact			
	Number	Area *		Partially Affected	Value Rs.	Fully Affected	Value Rs.
1. House							
2. Shop							
3. Combined House Shop							
4. Shed							
5. Barbed wire fence							
6. Parapet wall and gate							
7. Factory							
8. Store							
9. Other 1 (Specify)							
10. Other 2 (Specify)							

* Square Feet

23. Status of land ownership

Legal Title	No Title but Claims Ownership	Tenant	Squatter	Lessee in Rented Accommodation

24. If tenant, squatter or lessee, provide full name, address, and phone number (if available) of the owner.....

.....

25. Do you have land title deeds with you? 1. Yes 2. No

36. Is there any space for your family's accommodation in case this house is taken by the project?

1. Yes 2. No

37. In case this building/house is acquired by the project, what kind of loss would you face?

- 1. Loss of regular income
- 2. Loss of house/land
- 3. Access to kin/neighbour
- 4. Too difficult to acquire/build the property
- 5. Others (specify)

38. Have you made up your mind about location for resettlement?

1. Yes 2. No

39. If yes, where?

1. Near this site 2. Far away

40. Place: Distance (km.)
.....

41. Could you specify the reason for selecting the above-mentioned place for resettlement?

- 1. Because relatives are there 2. Own house/Land/Business there
- 3. Better facilities available are there 4. Others (Specify)

42. Movable assets available

Type	Total		If Affected *	
	No/Quantity	Value/Price	No/Quantity	Value/Price
Animal husbandry				
Poultry				
Agricultural equipment				
Household materials/utensils				
Tractor				
Three Wheeler				
Lorry				
Bus				
Car				
Boat				
Bicycle				
Motor Cycle				
Radio				
TV				
Trade and Business (equipments/material)				
Other 1 (Specify).....				
Other 2 (Specify)				

* Affected assets only

E. PREFERENCES FOR COMPENSATION, RESETTLEMENT AND REHABILITATION:

43. If your land or property is to be acquired by the project what type of compensation package do you prefer (select two in your priority and write 1 and 2)

- 1. Cash Payment
- 2. Land for land
- 3. House for house
- 4. Others (specify.....)

44. If you prefer cash compensation, please specify the reason.

- 1. To purchase land 2. To build house 3. To pay debt
- 4. To start business 5. Others (specify)

ANNEX2: TRANSLATION OF THE BROCHURE

Development and Improvement of Pamankada – Horana (B084) highway – under National Highway Sector Project (NHSP)

Road Development Authority (RDA) was established in 1986. The functions performed by RDA consist mainly of construction, development, improvement and maintenance of A and B class roads in Sri Lanka. Pamankada – Horana (B084) road is a congested road as it is providing access to Colombo Metropolitan and Horana Town located in the Kalutara district. In the future, this road will become more congested road due to accessing of the vehicles through Kahathuduwa interchange of Southern Expressway. Therefore RDA has proposed to develop and improve this road section to reduce the traffic congestion.

This road proposed to be developed in to 4 lane status from Pamankada Bridge to Kahathuduwa and 2 lane status from Kahathuduwa to Pokunuwita, including cycle lanes and road side drains.

As a result of the proposal of Government of Sri Lanka (GOSL) to Asian Development Bank (ADB), this project will be funded by ADB under the Loan no. 2217-SRI.

Expected benefits by road development projects

- Socio economic Development
- Reduction of Travel time
- Increasing the safety of road users
- Increasing development potential in the area

Project Details

Starting point	Near Pamankada bridge
End point	Pokunuwita junction (Horana – Panadura road)
Road length	26.5km
Proposed road width	18.8m to 26.0m
Affected Divisional Secretariat Divisions	Thimbrigasyaya. T.P0112501158 Piliyandala T.P0112855967 Homagama T.P0112613451 Horana T.P0342263551

The director of National Highways Sector Project (NHSP) with the support of other RDA officers and relevant Divisional Secretaries will inform the land acquisition matters, compensation payment and resettlements activities to the affected people. Then Land Acquisition and Resettlement Survey (LARS) and Socio –Economic Survey (SES) of the APs will be conducted to prepare the resettlement implementation plan. Then this plan will be implemented.

Compensation for the affected people

Compensation for the affected land and other properties will be provided based on the National Involuntary Resettlement Policy (NIRP) and ADB Social Safeguard policy. The compensation will include the statutory compensation and Ex-gratia payments also.

For more information, please contact.....

Address	T.P	Email
National Highway Sector Project 818A, Sinhapura, Pelawatta, Battaramulla	011-2787737 011-2786209 011-2786210	nhspdp@rda.gov.lk
Environmental and Social Development Division Road Development Authority Sethsiripaya Battaramulla	011-2862443 011-2862801	Esd-rda@yahoo.com

Ex-gratia Payment for the people affected by land acquisition for the Highway Projects

LAND

1.1. EX-GRATIA PACKAGE APPLICABLE TO LANDS

1.1.1. The payments for lands will be on the basis of replacement cost as determined by the Chief Valuer. The difference between the statutory compensation and the replacement cost is payable as an ex-gratia payment.

1.1.2 If a remaining portion of a land after acquisition (other than agricultural land) is capable of being utilized as separate entity, LARC can consider acquisition/purchasing the remainder, making full payment of the total corpus. LARC may consider giving an allowance to the owner if he wishes to keep the extra portion with adequate consideration.

1.1.3 In case of agriculture lands, if the remainder is not physically possible for cultivation, a decision will be taken by LARC to acquire or make payment for the balance extent. Reasonable time to be given to harvest perennial crops, if not, payment will be at market value.

1.1.4 All ex-gratia payments will be as determined by the Chief Valuer.

1.2 ENCROACHMENT ON STATE LANDS

1.2.1 Encroachers on state land will be relocated if the RDA considers it necessary. However, no payment for land will be made, but payment for improvement of the land will be paid to them. This provision will be applicable only for the encroachers who are in occupation prior to 01.01.2005.

1.3 ENCROACHERS ON PRIVATE LANDS

Encroachers on private land which have not been contested in a Court of law by the land owner will be paid for the improvement carried on the land, upon adequate proof of that improvement have been made by such person.

1.4 ACQUISITION OF PADDY LANDS

1.4.1 Ex-gratiapaymentforPaddyLands-Wherepaddylandsareacquiredfordevelopment,anex-gratiapaymentwillbepaidforpaddylandsbasedonthedifferencebetween,

- a. The statutory compensation and
- b. 10% of the Market Value of the land as computed by the Chief Valuer on the assumption that permission to develop the land has been obtained from the Relevant Authorities

1.4.2 Paddy Land means:- The Lands that are being cultivated with paddy or lands that have been prepared for cultivation of paddy or lands that have been used for cultivation of paddy at least five years before the date of acquisition.

1.5 LAND FALLING WITHIN STREET LINES OR BUILDING LINES

1.5.1 Where lands falling within street lines or building lines are acquired, no compensation or ex-gratia payment shall be made for buildings or structures constructed after the date of imposition of street lines or building lines.

1.6 UN AUTHORISED OCCUPATION OF LANDS OWNED BY THE ROAD DEVELOPMENT AUTHORITY

1.6.1 Where there is unauthorized occupation of lands owned by the Road Development Authority or vested with them, no compensation or ex-gratia payments shall be made for any constructions made on such land

2. BUILDINGS AND STRUCTURES

For buildings and structures, replacement cost (without depreciation) will be paid by using the

definition given by the Chief Valuer.

- 2.1 Small cottages, huts, etc.: minimum payment will be Rs.300,000.00
- 2.2 For parts of structures: if part of the structure is acquired, the floor area to be considered for payment will be calculated up to the structural support points.
- 2.3 Remaining portion of structures: after acquisition of part of the structure if the remaining portion is unsuitable for further usage LARC to take an appropriate decision.
- 2.4 Tombs and similar structures: Rs.15,000.00 payment for the removal and relocation of such structures.
- 2.5 Religious structures, Public buildings and Utilities: RDA to reconstruct or pay replacement cost for such structures and facilities

3. RENT CONTROLLED PREMISES UNDER THE RENT ACT–SHOPS AND HOUSES

Payment for the above premises will be paid at replacement cost, according to the following criteria

Period of occupancy by the occupant	Percentage	
	Occupant	Owner
>20years	75	25
10-20years	50	50
05–10years	25	75
<05Years	10	90

4. LOSS OF BUSINESS

Businesses are categorized according to the following definitions:

- 4.1 Business Category Entitlement
 - 4.1.1 Informal (non-income tax payer) Rs.15,000.00 or up to 6 months net income whichever is high, if the income could be ascertained by supporting documents.
 - 4.1.2 Formal (income tax payer) If business is completely lost, a minimum of Rs.15,000.00 or up to 3 years net average adjusted profit of the years immediately preceding acquisition supported by tax declaration documents.

If temporarily disrupted, Chief Valuer to decide the amount of payment.

5. LOSS OF LIVELIHOOD

Those who are self employed and are temporarily affected due to loss of income from acquisition will be entitled for a livelihood grant of Rs.15,000.00.

6. VULNERABLE GROUP ALLOWANCE

Vulnerable families will be paid an extra allowance of Rs.15,000.00. Vulnerable family means, women headed families, families with disabled people and families with very old persons.

7. LOSS OF WAGE EMPLOYMENT

Persons who have lost their wage employment due to acquisition of properties where they are employed will be entitled to an allowance of Rs.15,000.00 per person or 3 months basic salary which ever is high. (subject to proof of 06 months employment before the publication of the notice under Section 02 of LAA)

8. EX-GRATIA PAYMENTS FOR HANDING OVER POSSESSION OF PROPERTIES BEFORE THE DEADLINE

8.1 If the affected persons hand over the possession of the properties before a date declared by the RDA, they are entitled to the following extra monetary benefits.

Buildings / Houses

25% of the statutory payment for bidding (section17) subject to a minimum of Rs.25,000.00 and a maximum of Rs.500,000.00

Cultivated Agricultural

5% of the statutory payment (section17) subject to a minimum of Rs.10,000.00 and a maximum of Rs.100,000.00

8.2 TEMPORARY ACCOMMODATION

If the physical possession of the property is required to be taken on a prescribed date by the RDA, rent allowance payable will be based on the floor area of the house in occupation before relocation.

House Category	Municipal Council(MC) Area Rs.	Urban Council(UC) Area Rs.	Pradeshiya Sabha(PS) Area Rs.
<500Sq.ft	50,000.00	40,000.00	20,000.00
500–750Sq.ft	60,000.00	50,000.00	30,000.00
750–1000Sq.ft	75,000.00	60,000.00	40,000.00
>1000Sq.ft	100,000.00	75,000.00	50,000.00

8.3 SHIFTING ALLOWANCE

If the physical possession of the property is required to be taken on a prescribed date by the RDA, shifting allowance will be paid based on the floor area of the house in occupation before relocation.

House Category	Allowance Rs.
<500Sq.ft	5,000.00
500–750Sq.ft	7,500.00
750–1000Sq.ft	10,000.00
>1000Sq.ft	15,000.00

9. ALTERNATIVE LANDS FOR RELOCATION

9.1 Every re-settler with titles to their holdings is entitled to a building block upto 20 perches from a fully serviced resettlement site at the unimproved value of the land or a cash grant as applicable to self re-location.

9.2 Encroachers upto 10 perches of land from a resettlement site free of charge or a cash grant as applicable to self re-location.

9.3 A sub family living in the same house under the same or separate electoral list at least 03 years prior to the publication of the notice under Section 02 of LAA is entitled to a block of land upto 10 perches free of charge from a resettlement site or a 50% cash grant as applicable to self re-locates, subject to a minimum of Rs.100,000.00.

(Extent of lands for above will vary with the availability of land in a particular area).

10. SELF RELOCATION

Those who wish to self-relocate will be entitled to the following maximum amounts in line of a plot of land, depending on the area in which the present property is situated. Sub families who are eligible for plot of land under 9.3 above can be paid 50% of this cash grant in lieu of a plot of land subject to a minimum of Rs.100,000.00

Municipality areas Rs.500,000.00

Urban/ Council areas and Rs.300,000.00

Pradeshiya Sabha areas in metropolitan & Greater Colombo areas
Pradeshiya Sabha areas Rs.150,000.00

1. All ex-gratia payments will be as determined by the Chief Valuer. No interest is payable for any ex-gratia payment. The LARC will decide on administrative matters and disputes in relation to other facts arising out of the acquisition, and not on matters pertaining to the quantum of payment.

2. OTHER BENEFITS

LARC has the authority to decide the ex-gratia payments. Trees and crops of the affected lands can be removed by the owners free of charge. The materials of affected buildings can be removed by the owners free of charge.

ANNEX3: National Involuntary Resettlement Policy (NIRP)

(Approved by Cabinet Members of GOSL on 24.05.2001)

Rational

1. Public and private sector development projects increasingly involve acquisition of land. People whose homes and lands are acquired then have to move elsewhere and resettle in locations that may be unfamiliar. In general resettlement has not been very successful and there are several recent examples in Sri Lanka where people have shown resistance to project that cause displacement. Among the significant consequences of resettlement has been impoverishment of Displaced persons due to landlessness, homelessness, joblessness, relatively higher morbidity, food insecurity, lack of access to common property and public services, and disruption of the existing social organization. International, regional and national experience with resettlement has generated considerable knowledge on the planning and implementation of involuntary resettlement and this experience if used effectively can ensure that adverse impacts of Displaced persons are fully addressed in terms to established policy objectives.

2. In Sri Lanka the Land Acquisition Act of 1950 as amended from time to time only provides for compensation for land, structures trees and crops. It does not require project executing (PEAs) to address key resettlement issues such as (a) exploring alternative project options that avoid or minimize impacts on people; (b) compensating those who do not have title to land; (c) consulting Displaced persons and hosts on resettlement option; (d) providing for successful social and economic integration of the Displaced persons and their hosts; and (e) full social and economic rehabilitation of the effected persons.

3. The National Environmental Act (NEA), No.47 of 1980, amended by Act No.56 of 1988, has some provisions relevant to involuntary settlement. The Minister has by gazette notification No.859/14 of 23 February 1995 determined the projects and undertaking for which Central Environmental Authority (CEA) approval is needed in terms of part IV C of the NEA. The schedule includes item 12, which refer to Involuntary Resettlement Exceeding 100 families, other than resettlement resulting from emergency situations. However, these provisions do not adequately address key resettlement issues mentioned in paragraph 2 above.

4. To ensure that persons Displaced by development projects are treated in a fair and equitable manner, and that they are not impoverished in the process, it is necessary that Sri Lanka adopts a National Involuntary Resettlement Policy (NIRP). Such a policy would establish the framework for project planning and implementation. Subsequently, it will be necessary to prepare guidelines on resettlement planning and implementation to be used by PEAs.

5. People have moved voluntarily, mainly to the dry zone, starting from colonial days. These were state sponsored settlement programs aimed at developing and exploiting land resources in that region, while relieving on land in the wet zone. There are many

commonalties in the objectives and implementation of voluntary and involuntary settlement and resettlement programs.

6. Nonetheless, the policy proposed here refers only to development-induced involuntary resettlement, where the option to stay behind does not exist. It does, however, also apply to cases where people do not have to be physically relocated.

Objectives of the Policy

- Avoid, minimize and mitigate negative impacts of involuntary resettlement by facilitating the reestablishment of the Displaced persons on a productive and self-sustaining basis. The policy should also facilitate the development of the project-Displaced persons and the project.
- Ensure that persons adversely Displaced by development projects are fully and promptly compensated and successfully resettled. The livelihoods of the displaced persons should be re-established and the standard of living proved.
- Ensure that no impoverishment of people shall result as a consequence of compulsory land acquisition for development purpose by the state.
- Assets adversely Displaced persons in dealing with psychological, cultural, social and other stresses caused by compulsory land acquisition.
- Make all Displaced persons aware of processes available for the redress of grievances that are easily accessible and immediately responsive.
- Have in a place consultative, transparent and accountable involuntary resettlement process with a time frame agreed to by the PEA and the Displaced persons.

Scope

- The policy will apply to all development-induced land acquisition or recovery of possession by the state.
- A comprehensive resettlement plan will be required where 20 or more families are displaced.
- If less than 20 families are displaced the policy still applies but a plan can be prepared to a lesser level of detail.
- The policy will apply to all projects regardless of source of funding.
- The policy will apply to all projects in the planning phase on the date this policy comes in to effect, and all future projects

Policy Principles

- Involuntary resettlement should be avoided or reduced as much as possible by reviewing to the projects as well as alternatives within the project.
- Where involuntary resettlement is unavoidable, Displaced persons should be assisted to re-established them and improve their quality of life.
- Gender equality and equity should be ensure and adhered to throughout the policy.
- Displaced persons should be fully involved in the selections of relocation sites, livelihood compensation and development options at the earliest opportunity.
- Replacement land should be an option for compensation in the case of loss of land; in

the absence of replacement land cash compensation should be an option for all Displaced persons

- Compensation for loss of land, structures, other assets and income should be based on full replacement cost and should be paid promptly. This should include transaction costs.
- Resettlement should be planned and implemented with full participation of the provincial and local authorities.
- To assist those displaced to be economically and socially integrated in to the host communities; participatory measures should be designed and implemented.
- Common property resources and community and public services should be provided to Displaced persons.
- Resettlement should be planned as a development activity for the Displaced persons.
- Displaced persons who do not have documented title to land should receive fair and just treatment
- Vulnerable groups should be identified and given appropriate assistance to substantially improve their living standards
- PEAs should bear the full costs of compensation and resettlement.

Institutional Responsibilities

- The Ministry of Land and Land Development (MLD) will be responsible for the implementation of the NIRP
- PEAs will be responsible for complying with all the requirements for planning and implementing resettlement according to the NIRP.
- PEAs (like the Road Development Authority) that have significant resettlement in their projects will establish resettlement units with adequately trained staff
- CEA will be responsible for the review of impacts and mitigating measures of projects involving involuntary resettlement.
- CEAs capacity will be strengthened so that it could provide necessary guidance to public and private sector agencies undertaking projects that have involuntary resettlement impacts.
- MLD will prepare regulation and guidelines on involuntary resettlement planning, implementation and monitoring.
- MLD and CEA will conduct training courses in resettlement planning , implementation monitoring.
- CEA will review and approve the resettlement plans prepared by PEAs, and make plans publicly available.
- MLD will draft amendment to the Land Acquisition Act in order to bring the law in line with the NIRP
- Following consultation with stakeholders, MLD will submit a final draft of the amended Land Acquisition Act for government approval.
- MLD will prepare the necessary implementation guidelines based on the amended LAA.
- A steering committee will be formed comprising MLD, CEA, PEAs and other relevant agencies to exchange experience on resettlement, and coordinate and oversee the implementation of the policy.

Monitoring and Evaluation

- A system of internal monitoring should be established by PEAs to monitor implementation of resettlement plans, including budget, schedule, and delivery of entitlements, consultation, grievances and benefits.
- PEAs should make adequate resources available for monitoring and evaluation.
- A further system of external monitoring and evaluation by an independent party should be established to assess the overall outcome of resettlement activities.
- Monitoring and evaluation reports should be review by the PEA, CEA, and MLD and action taken to make improvements where indicated.
- Displaced persons and other stakeholders should be consulted in monitoring and evaluation.
- Lessons thus learned from resettlement experiences should be used to improve resettlement experiences should be used to improve resettlement policy and practice.

Summary of Institutional Responsibilities for Involuntary Resettlement

Function	Responsibilities
Overall Policy Implementation	Ministry of Land and Land Development (MLD)
Preparation (Planning)	Project proponent (Can be contracted to consultants, universities, non-government organizations)
Review of Resettlement Plans (RPs)	Project approving agency (PAA) and Central Environmental Authority (CEA)
approval of RPs	PAA and CEA
Implementation	Project executing agency (PEA), divisional administration, provincial
Monitoring	PEA, with review by CEA and MLD
Evaluation	Independent organization on behalf of MLD, PEA, and CEA

7. Definitions of Terms Used

Displaced Person - Person Displaced by changes to use of land, water or other resources caused by development projects

Compensation - cash or payment in kind made to Displaced persons to replace assets, resources or income

Emergency Situation - natural disasters, civil and political conflict situations

Expropriation - government taking possession of property or changing property rights in order to execute or facilitate development projects

Entitlements	- a variety of measures including compensation, income restoration and interim support, transfer assistance, relocation and other benefits that are due to Displaced persons, depending on the nature of their losses, to improve their economic and social base
Gender Equity	- Recognition of both genders in the provision of entitlements, treatment and other measurement under the resettlement plan
Host population	- households and communities residing in or near the area to which Displaced persons are to be relocated
Income restoration	- re-establishing income sources and livelihoods of persons Displaced
Involuntary resettlement	- unavoidable displacement of people arising from development projects that creates the need for rebuilding their livelihoods, incomes and asset bases in another location
Rehabilitation	- re-establishing and improving incomes, livelihood, living, and social systems
Relocation	- moving Displaced persons and their moveable assets and rebuilding housing, structures, improvements, to land, and public infrastructure in another location
Replacement cost	- the level of valuation for expropriated property sufficient to actually replace lost assets, or to acquire substitutes of equal value or comparable productivity or use; transaction costs are to be included
Resettlement plan	- a time-bound action plan with budget setting out resettlement strategy, objectives, options, entitlement, actions, approvals, responsibilities, monitoring and evaluation.
Resettlement budget	- a detailed breakdown of all the costs of a resettlement plan phased over the implementation period
Resettlement effects	- loss of physical and non-physical assets including homes, communities, productive land, income earning assets and sources, subsistence, cultural sites, social structures, networks and ties, cultural identity and mutual help mechanisms.
Settlement	- voluntary movement of people to a new site where they re-establish their livelihoods as in the case of the Mahaweli Scheme

Social
preparation

- process of consultation with Displaced persons undertaken before key
resettlement decisions are made; measures to build their capacity to deal with
resettlement, taking into account existing and cultural institutions

Vulnerable
groups

- distinct groups of people who might suffer disproportionately from
resettlement effects such as the old, the young, the handicapped, the
poor, isolated group and single parent households

ANNEX4: TOR FOR THE EXTERNAL MONITOR

Introduction

Land acquisition and resettlement process will be monitored both internally by RDA through PMU, ESD, CSC and with the assistance of NGOs and externally by an independent agency with the objective of obtaining feedback to the management. This will facilitate the management to identify problems in the implementation and successes as early as possible and to take timely adjustments to the implementation arrangements.

RDA / PMU with the approval of the ADB will appoint an experienced monitoring agency for the entire road project to carry out external monitoring.

Scope of work – General

This aspect will include the following activities (for example, in a road project):

- i. To review and verify the progress in resettlement plan implementation as outlined in the resettlement plan through the monitoring information internally generated.
- ii. To monitor the effectiveness and efficiency of the EA's monitoring reports.
- iii. To assess whether the involuntary resettlement objectives, particularly the livelihoods of the displaced persons and the living standards of the displaced poor and vulnerable affected persons have been restored or enhanced.
- iv. To assess the significant involuntary resettlement issues and drawing on the policy and practices to advise on a corrective action plan if required.

SCOPE OF WORK- SPECIFIC

The major tasks expected from the external monitor

- For the purpose of preparing a monitoring report the consultant will visit each road section when payment of compensation and resettlement and social program are being implemented and completed and review the results of the internal monitoring.
- To identify the strengths and weaknesses of the land acquisition and the involuntary resettlement objectives and approaches as well as the implementation strategies.
- To review and verify progress in resettlement plan implementation of each of the sub project road and prepare semiannual report which will be submitted to ADB.
- To assess the effectiveness and results achieved for livelihood restoration program and the relocation sites.

The key tasks of the External Monitoring Agency

1. Review and verification of internal monitoring reports prepared by the project.
2. Review and examine the socio – economic baseline census and detailed measurement survey information of DPs to be relocated.
3. Identify and select impact indicators.
4. Assessment of impacts through formal and informal surveys with the Displaced persons.
5. Consultation with DPs, Officials, Community Leaders for preparing review reports.
6. Assess the resettlement efficiency, effectiveness impact and sustainability, drawing lessons for future resettlement policy formulation and planning.
7. Prepare any corrective action plans if required.
8. Guide and advise the EA suitable on the resettlement implementation efficiency.
9. Review the functioning and efficiency of the Management Information System
10. Assessment of DPs satisfaction on the valuation of assets and entitlements, timing of payments, fund availability and disbursements.

The agency will carry out a baseline survey of the road project, prior to implementation of the

resettlement plan enabling to collect adequate pre project data for monitoring. The outcome of the external monitoring reports will be communicated to PMU and ESD through a meeting and necessary remedial actions need to be taken will be documented. These external monitoring reports will be submitted directly to the ADB and PMU / RDA for necessary action.

Qualification

The external experts or NGO will have significant experience in monitoring and reporting. Work experience and familiarity with all aspects of involuntary resettlement operations would be desirable. Persons with background in social sciences will be preferred.