



Ministry of Transport & Civil Aviation
Colombo Suburban Railway Project

KELANI VALLEY RAILWAY IMPROVEMENT PROGRAMME PHASE – I
(MARADANA – PADUKKA)

Resettlement Action Plan - Section 2
(Loco Junction – Seevali Lane)

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Acronyms and Abbreviations

| | |
|--------|---|
| ADB | Asian Development Bank |
| AHHs | Affected Household Head |
| CEA | Central Environmental Authority |
| CMR | Colombo Metropolitan Region |
| CSRP | Colombo Suburban Railway Project |
| CV | Chief Valuer |
| DS | Divisional Secretary |
| DGP | Department of Government Printing |
| DPD | Deputy Project Director |
| DSD | Divisional Secretariat Division |
| EA | External Agency |
| EM | Entitlement matrix |
| EAC | Entitlement Assessment Committee |
| EIA | Environmental Impact Assessment |
| FGD | Focus Group Discussions |
| GN | Grama Niladhari |
| GND | Grama Niladhari Division |
| GOSL | Government of Sri Lanka |
| GRC | Grievance Redress Committee |
| GRM | Grievance Redress Mechanism |
| HH | Household Head |
| IR | Involuntary Resettlement |
| HRC | Human Rights Commission |
| IA | Implementation Agency |
| IRP | Income Restoration Program |
| KV | Kelani Valley |
| KII | Key Informant Interviews |
| LAA | Land Acquisition Act |
| LAR | Land Acquisition Regulation |
| LARB | Land Acquisition Compensation Review Board |
| LARC | Land Acquisition and the Resettlement Committee |
| LARS | Land Acquisition and Resettlement Survey |
| LHS | Left Hand Side |
| MLPR | Ministry of Land and Parliamentary Reforms |
| M&E | Monitoring and Evaluation |
| MTCA | Ministry of Transport and Civil Aviation |
| NEA | National Environment Act |
| NWS&DB | National Water Supply and Drainage Board |
| NPPC | National Policy on Payment of Compensation |
| NGOs | Non-Governmental Organizations |
| NIRP | National Involuntary Resettlement Policy |

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|------|---|
| NHDA | National Housing Development Authority |
| NGO | Non-Governmental Organization |
| PAP | Project Affected Persons |
| PMU | Project Management Unit |
| PAH | Project Affected Household |
| PIC | Project Implementation Consultant |
| PPC | Parliament Petition Committee |
| RDA | Road Development Authority |
| RF | Resettlement Framework |
| RAP | Resettlement Action Plan |
| ROW | Right of Way |
| SPS | Safeguard Policy Statement of ADB, 2009 |
| SLR | Sri Lanka Railway |
| SD | Survey Department |
| SLT | Sri Lanka Telecom |
| SM | Samatha Mandalaya |
| TA | Technical Assistant |
| TOR | Terms of Reference |
| UDA | Urban Development Authority |
| UN | United Nations |
| VD | Valuation Department |

Glossary of Terms

Business Owner: A person who owns or conducts a business within the project-affected area, the operation of which may be disrupted by the construction work under the project. S/he can be a legal owner, non-titled structure owners, or tenant and will receive different compensation and Rehabilitation and Resettlement (R&R) packages as per the Entitlement Matrix (EM).

Compensation: Payment in cash or in kind to replace an asset, resource or income source which has been acquired or affected by a project for which the affected person is entitled to. This refers to the amount of money required to keep a person in the same socio-economic position that s/he held before acquisition.

Cut-off date: The cut-off date for eligibility for entitlement for the titleholders is the date of notification of section 2 notice under the LAA and for non-titleholders is the date of resettlement impact survey. Persons who encroach on the area after the cut-off-date are not entitled to compensation or any other form of resettlement assistance. Similarly, fixed assets (such as built structures, crops, fruit trees, and wood lots) established after the date of completion of the assets inventory, or an alternative mutually agreed upon date, will not be compensated.

Displaced persons: In the context of involuntary resettlement, displaced persons are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources, or means of livelihood) as a result of involuntary acquisition of land, or involuntary restrictions on land use or on access.

Entitlement Assessment Committee: Project specific committee (similar to the LARC 2013) formed with cabinet approval and participation of representatives from relevant government agencies to determine adequate compensations for affected PAPs and other related activities in the resettlement process through agreed provisions which are not available in the existing laws and regulations.

Economic Displacement: (i) Loss of land, assets, access to assets, income sources, or means of livelihood as a result of involuntary acquisition of land, or obstructed access to resources (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas.

Eligibility: The qualification criteria for receiving benefits under a resettlement program. These criteria serve as the basis for defining resettlement entitlements accrued to each eligibility category – affected residential or commercial property owners, renters, vendors, encroachers, squatters, hawkers, and so on.

Encroacher: Someone who has illegally expanded, or extended the outer limit of his/her private premises beyond the approved building line or agricultural land and/or has occupied public space beyond his/her plot or agricultural land.

Entitlement: Resettlement entitlements with respect to a particular eligibility category are the total sum of compensation and other forms of assistance provided to displaced persons in the respective eligibility category. It includes a range of measures comprising compensation, income restoration, transfer assistance, income substitution and relocation which are due to affected people, depending on the nature of their losses, to restore their economic and social base.

Host Population/Community: People living in or around areas to which those physically displaced by a project will be resettled, who in turn may be affected by the resettlement. Special attention must be paid to the needs and concerns of the host population/community/hosts in a resettlement program in order to minimize social risks and avoid potential social conflicts.

Involuntary Resettlement: Resettlement is involuntary when it occurs without the consent of the DPs or if they give their consent without having the power to refuse resettlement.

Implementation Schedule: Timeframe of activities of the project

Income Restoration: Re-establishing productive livelihoods of the displaced persons to enable income generation equal to or, if possible, better than that earned before the resettlement.

Land Owners: Owners of land with or without trees, crops or structures affixed to the land with clear title in government records. In some exceptional cases, a person who owns land/s within the project-affected areas regardless of proof of such ownership will also be entitled, provided that such ownership is recognized under law. In such cases, special decisions will be taken by the PMU in consultation with the local authority, and the community.

Non-Resident Land and Structure Owners: Legal land owners who are not in possession of their land either because they have rented or leased out their said land and property affixed to it, or such land has been taken possession of by any other person.

Physical Displacement: Relocation, loss of residential land, or loss of shelter as a result of involuntary acquisition of land, or involuntary restrictions on land use or on access.

Physical and Cultural Resources: Movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance. Their cultural interest may be at the local, provincial, national, or international level. This can include cemeteries, public sanitary places, playgrounds, etc.

Project Affected Person: Any person who, as a result of the implementation of a project, loses the right to own, use or otherwise benefit from a built structure, land (residential, agricultural, commercial) annual or perennial crops and trees, or any other fixed or movable assets, either in full or in part, permanently or temporarily.

Protected Tenants: Tenants occupying a legal property, commercial, or residential and are protected under the Rent Act of 1972 or its later amendments which prevents the land owners from evicting them or increase the rent at their own will.

Relocation: Moving of monuments, shrines, educational institutions, playgrounds, community assets and rebuilding commensurate housing, and assets including productive land and public infrastructure in another location.

Rehabilitation: Re-establishing incomes, livelihoods, living and social system.

Replacement Cost: Replacement cost involves replacing an asset at a cost prevailing at the time of its acquisition. This includes fair market value, transaction costs, interest accrued, transitional and restoration costs, and any other applicable payments, if any. Depreciation of assets and structures should

not be taken into account for replacement cost. Where there are no active market conditions, replacement cost is equivalent to delivered cost of all building materials, labor cost for construction, and any transaction or relocation costs.

Resettlement Plan: The document in which a project sponsor or other responsible entity specifies the procedures that it will follow and the actions that it will take to mitigate adverse effects, compensate losses, and provide development benefits to persons and communities affected by an investment project.

Resettlement Assistance: Support provided to people who are physically displaced by a project. Assistance may include transportation, food, shelters, and social services that are provided to affected people during their relocation. Assistance may also include cash allowances that compensate affected people for the inconvenience associated with resettlement and defray the expenses of a transition to a new locale, such as moving expenses and lost work days.

Resident Land and Structure Owners: Owners of land and structures with clear title which they are currently occupying for their own use, residential or commercial purpose.

Socio-economic Survey: A complete and accurate survey of the PAPs or population. Surveys focus on income-earning activities and other socio-economic indicators. Usually, the survey is taking place at the initial stage of resettlement planning.

Stakeholders: Any and all individuals, groups, organizations and institutions interested in and potentially affected or benefitted by a project having the ability to influence a project.

Squatter: Someone who has occupied public or private land has developed structures on it and has put such land to residential, agriculture or commercial use without obtaining development permission and formal title under law.

Tenants and Lessees: Occupants that have legally taken any land or properties or both on rent or lease for a specific period with registered papers recording agreed terms and conditions as permitted under law.

Vulnerable Groups: People who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status may be more adversely affected by resettlement than others and who may be limited in their ability to claim or take advantage of resettlement assistance and related development benefits. This category specifically refers to families supported by women and not having able bodied male members who can earn; families of physically or mentally challenged, very old and infirm persons, who are not able to earn sufficiently to support the family; and families that are very poor and recognized by the government as living below the poverty line.

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Summary

The Project

Transportation can be emphasized as the lifeline of a country. The Colombo Metropolitan Region (CMR) is experiencing an excessive traffic congestion as a result of over 300,000 vehicles entering the city daily. Metropolitan areas in many countries expand passenger rail, as an alternative to road traffic. At present the share of railway in the overall passenger and freight traffic is only 13% in CMR. Hence, the Government of Sri Lanka (GoSL) intends to improve the railway system and increase the share of railway in the overall passenger and freight traffic substantially by improving and modernizing the Railway Network in the CMR which covers four heavily congested major passenger corridors, namely, the Kelani Valley Line, the Main Line, the Coastal Line and the Puttlam Line.

The Colombo Suburban Railway Project (CSRP) was initiated in 2016. The main objective of CSRP is to provide high quality transport services by modernizing the railway infrastructure with matching state-of-the-art modern technology and best practices within CMR. This objective is planned to be achieved through improved safety intelligence and signalling system; travel time reduction; increased revenue from modal shift from bus to rail, private vans/cars to rail; ticket fare increase; and reduction of revenue leakages. The project has the potentiality to cater to the expected demands of the railway services for the next 20 years. The Kelani Valley Railway Line Improvement Programme hopes to improve and modernize the existing railway line which is one of the major lines in the railway network in the Colombo Metropolitan Region (CMR) where 5.8 million (28%) reside. It is a prioritized programme under the Colombo Suburban Railways Project (CSRP).

Ministry of Transport and Civil Aviation (MoTCA) and Sri Lanka Railways (SLR) are in the verge of preparing the Kelani Valley Railway Line Improvement Programme to be considered for financing by the Asian Development Bank (ADB) under the CSRP.

The Kelani Valley Line consist of a single-track which is 60 km in length, and extends from Maradana to Avissawella. The daily train commuters are about 14,600. Therefore, considering the present and future demands, the intention is to upgrade the single-track railway line to a double track up to Padukka by focusing on electrification, and rehabilitation of the existing single track in the remaining section up to Avissawella. A decision has been taken by GoSL and ADB to prioritize financing the double line section from Maradana to Padukka, as Kelani Valley Railway Line Improvement Programme Phase 1 (KV Rail - Phase 1) under an ADB loan modality of Multi-tranche Financing Facility (MFF). KV Rail - Phase1 envisages the construction of an elevated double line section from Loco Junction (0+900m) to Kottawa railway station (0+19,700m); and at grade double line section from Kottawa to Padukka with electrification, installing a signalling and telecommunication system, improving auxiliary structures and facilities, and new infrastructures such as modernized railway stations. However, a key requirement of ADB financing for starting the construction is to free at least 50% of the land in the entire RoW of the project affected area. Hence, to fulfil the above requirement the PMU has decided to prepare five (5) RAPs for the different sections of KV Rail Phase 1 based on the Resettlement Framework (RF) prepared by the consultant mobilized under ADB TA. Implementation of RAPs shall depend on the time taken for acquiring the housing units for relocation of Project Affected Persons (PAP). This RAP is prepared focussing to resettle PAPs in Section ii (Loco Junction to Seevali Lane) in the first batch of 262 housing

units acquired at the beginning of 2019 from the UDA housing schemes. The Kelani Valley Railway Improvement Programme is planned to be implemented in 2020.

Objectives of the RAP

The resettlement action plan relates to the section from Loco Junction to Seevali Lane (0+900m - 0+2200m), within a 12m Right of Way (ROW) and the Base Line railway station premises of the KV line. The resettlement action plan and the safeguard documents have been guided by and prepared according to the Land Acquisition Act and the amendments together with related regulations, the National Involuntary Resettlement Policy (NIRP), the National Environmental Act (NEA) and the involuntary resettlement policy enunciated in the ADB's Safeguard Policy Statement (SPS) 2009. The primary objectives of the RAP are to identify the impacts and mitigate adverse impacts that may arise due to the implementation of the project; and to ensure that the compensation and entitlements provided to the PAPs are adequate to maintain their standard of living in line with the above stated policies.

The RAP is based on the following principles:

- All PAPs are fully paid their due compensation, other benefits and allowances prior to relocation
- Relocation of households and businesses shall be coordinated according to a schedule that would not jeopardize the commencement and progress of the construction program.

This RAP specifies the procedures that will be followed and the actions that will be taken to mitigate land acquisition related adverse impacts, compensate losses, and provide development benefits to the affected persons and communities. It aims to plan resettlement as a development activity and help supporting PAPs in re-establishing and improving their quality of life. To accomplish the objectives, initially, the Socio- Economic and census surveys were conducted by the UN Habitat from 7th May 2017 to 14th August 2017 from Loco-Junction to Homagama section in KV line within the 10 m corridor on either side from the centre line of the existing railway track, to identify the project affected households and properties. A review survey was conducted by the Project Management Unit (PMU) of CSRP from 15th December 2018 to 8th January 2019, on the finalized alignment within the construction boundary, and within the area required for the proposed Baseline railway station of the KV Rail - Phase 1, Section 02. This RAP has been documented according to the Resettlement Framework and based on findings of the Socio-Economic Surveys and Census, the consultations conducted with the project affected communities and other relevant stakeholders, and also considering the land survey drawings and engineering designs.

Stakeholder Consultation, Participation and Disclosure

All efforts were made to minimize project impacts on assets and avoid disruption to their livelihoods and social bases as far as possible. The stakeholder consultation process was initiated at the pre-feasibility phase in 2017 and continued through 2018. UN-Habitat and the PMU both were involved in this process. The process was intensified during the detailed design and resettlement planning period through awareness programs, formal and informal meetings and discussions at local and divisional levels to disclose project impacts on households and obtain the views and suggestions of PAPs. Basic information about the project design, mitigation policies and measures were disclosed to the public. Flyer containing the details of the project (in all three national languages) was distributed among PAPs as the primary tool

for information disclosure. Copies of the RAP, in all three languages will be made available to the PAPs and the public through the relevant public offices while a summary of the entitlements will be disclosed to the affected individual households.

An achievement of the consultations conducted by the project provided the endorsement of the affected community for the proposed project and the willingness to resettle in the government provided alternative housing schemes near their neighbourhood. Many see the project as a great opportunity to improve their living conditions.

Resettlement Impacts

Land acquisition and repossession of SLR land from this section may result in physical and economic displacement of people who live in these lands which would create involuntary resettlement and have impacts on the owners and users. Under the KV Rail Phase 1 "section ii" few additional private lands also shall be needed in some places from Loco Junction to Seevali Lane for the new ROW.

The total land requirement for KV Rail Phase 1, within section ii is estimated to be 1070 perches which include 952 perches of railway land mostly occupied by squatters, 22 perches of CMC land, 10 perches of UDA land and 86 perches of private land. Among these private land 30 perches belong to title holders, and 56 perches belong to the National Housing Development Authority (NHDA) deed holders. According to the surveys and census a total of 271 structures will be affected; which includes 239 housing units and 15 commercial structures. Out of the estimated numbers of structures to be demolished 41 titled structures and 230 non-titled structures will be impacted by the project. In addition, 8 common property resources will be impacted, and 6 households will lose part of their structures and/or lands. 37 persons shall have a direct impact arising from loss of wage employment. Among the affected households are 39 vulnerable persons inclusive of 9 persons whose income is below the poverty line and 10 female headed households. There are also 13 differently able persons.

Relocation and Livelihood Restoration

The NIRP and the SPS of ADB-2009 require to re-establish the livelihoods of displaced persons, improve their standard of living, and avoid impoverishment of persons affected by land acquisition and involuntary resettlement for development purposes. The RAP provides adequate provision for relocation/resettlement of PAPs. MoTCA has decided to purchase housing units with optimum facilities from Medium Rise Housing Schemes from the Urban Regeneration Project (URP) executed by the Urban Development Authority (UDA) for relocation purpose of PAPs. The projects also empower the PAPs through enabling strategies for continuation of previous occupations or initiating alternative livelihoods to restore their economic status to the pre-project level by adopting approaches comprising of short-term activities and long-term interventions.

The Entitlement Matrix (EM)

The implementation of the project shall result in significant physical and economic displacement of some group of persons, such as legal title holders, lease holders, tenants, non-title holders including squatters and encroachers, workforces, wage earners and vulnerable groups. The Entitlement Matrix is prepared to prepossess a combination of compensation measures and resettlement assistance provided to all PAPs

to offset their losses, and enable to improve their living conditions by making it better or equal to the pre-project situation. The Entitlement matrix is prepared in accordance with the RF prepared under KV Rail Phase 01 and as per the provisions in the legal and regulatory framework of Sri Lanka which are reflected in the LAA of 1950 and the LAR 2008. The additional allowances specified in the EM will require special approval of the Cabinet of Ministers. Any person who encroach or settle in the area after the cut-off date is not entitled for compensation or any other form of resettlement assistance.

Grievance Redress Mechanism

The problems arising from land acquisition and resettlement process and construction stage may lead to social, economic, cultural, and environmental issues. These complex problems are likely to change livelihoods of PAPs. Such issues cause grievances among the public who are adversely affected by the project. To address such grievances of PAPs, preventive measures are needed to be taken promptly through a formally instituted, and time-bound grievance redress mechanism (GRM) to receive and resolve the grievances and complaints, to which the PAPs are particularly entitled. A project specific Grievance Redress Mechanism (GRM) is proposed to provide opportunities for any person with a grievance to have it addressed with the least inconvenience to the PAP. The proposed mechanism with three tiers consists of committees functioning at the field level, regional level and the national level.

Budget

The resettlement budget has been prepared based on the parameters set in the entitlement matrix for KV Rail Phase 1 "Section ii" of RAP. The total estimated cost of RAP is around 1,942,630,800 LKR, which will be financed by the Government of Sri Lanka (GOSL). This excludes the costs of alternative housing (purchased from the Urban Development Authority (UDA) and includes statutory payments, replacement cost, community development cost, livelihood restoration and improvement, trainings, administrative cost and contingencies.

Generally, all households who lose their residence will be provided with alternative accommodation with ownership rights; or compensation will be paid directly to the PAPs at replacement cost. The Department of Valuation will be involved in the determination of valuation of assets in terms of replacement of the payment of compensation. Budget calculations are also supported by data collected through the census of PAPs and a rapid market survey of land, and building rents. The Project Management Unit (PMU) will submit the finalized RAP to ADB and the Cabinet of Ministers before construction starts. No construction will take place until compensation and resettlement assistance is complete.

Monitoring

Several Ministries and agencies are involved to successfully carryout the various components of involuntary resettlement planning, implementation and monitoring. Overall, MOTCA will take the responsibility for approving and implementing the RAP; and the PMU of the Colombo Suburban Railway Project serves as the focal institution responsible for the implementation of RAP at operational level. Internal and External monitoring are an integral part of the overall management of the project. Internal monitoring shall be carried out by a team comprising of representatives of PMU, consultant and contractor. External monitoring and supervision and monitoring shall be conducted by an external agency

(EA) experienced in monitoring resettlement programmes. The PMU shall select a suitable agency for this purpose. External monitoring shall commence after the commencement of the resettlement programme. He/she shall prepare and submit monthly monitoring reports and quarterly reports that describe the progress of implementation of resettlement activities and any compliance issues and corrective actions to the PMU and ADB. They will identify gaps in the implementation of RAP and find solutions in consultation with PAPs to mitigate, avoid or minimize impacts and submit their recommendations to the PMU to facilitate corrective actions.

Chapter 1- Project Description

1.1 Project Background

The Government of Sri Lanka (GoSL) intends to improve the railway system in the Western Province, and in the Colombo Metropolitan Region (CMR) where 5.8 million (28%) reside. The annual population growth rate in CMR is 1.05%. Majority of the Government Offices and Commercial Establishments exist within the Colombo City situated in the CMR. Over 300,000 vehicles enter CMR daily. Hence, CMR is experiencing an excessive traffic congestion. At present, the railway system covers about 13% of passenger transport within CMR through long distance trains and commuter trains to ease traffic congestion. The government aims to increase the share of railway in the overall passenger and freight traffic substantially by improving and modernizing the Railway Network in the CMR which covers four heavily congested major passenger corridors, namely, the Kelani Valley Line, the Main Line, the Coastal Line and the Puttlam Line.

To develop the above stated four major corridors, the Ministry of Transport and Civil Aviation (MoTCA) and Sri Lanka Railways (SLR) are in the verge of preparing the necessary projects to be considered for financing by the Asian Development Bank (ADB) under the Colombo Suburban Railway Project (CSR). This project has the capability to cater to the expected demand for railway services, and provide the facilities for the next 20 years.

The main objective of the Project is to provide high quality transport services by modernizing the railway infrastructure with matching state-of-the-art modern technology and best practices. This objective is planned to be achieved through improved safety intelligence and signaling system; travel time reduction; increased revenue from modal shift from bus to rail, private vans/cars to rail; ticket fare increase; and reduction of revenue leakages. Therefore, the Project will construct new parallel lines and rehabilitate existing lines by focusing on railway electrification. Further, it will improve environmental benefits such as better air quality by minimizing sound and vibration impacts.

The Kelani Valley Line consist of a single-track which is 60 km in length, and extends from Maradana to Avissawella. The daily train commuters are about 14,600. This line was originally a narrow gauge which has been converted to a broad gauge along the same track in 1992. Padukka (35 km from Maradana) one of the best locations to attract passengers from the Horana Corridor is located within the KV Line. Therefore, considering the present and future demands, the intention is to upgrade the single-track railway line to a double track up to Padukka by focusing on electrification, and rehabilitation of the existing single track in the remaining section up to Avissawella. Initially ADB indicated its willingness to finance the Kelani Valley Railway Improvement Programme which is planned to be implemented in 2020.

However, a key requirement of ADB to finance for construction is to free at least 50% of the land in the entire track length in the project affected area through land acquisition and repossession by MoTCA/SLR. Hence, to fulfil the above requirement for ADB financing, MoTCA/SLR carried out a socio economic and census survey by engaging the United Nations Human Settlements Programme (UN-Habitat) and prepared a draft Resettlement Plan (RP) for the existing ROW by demarcating 10m corridor to either sides from center line. In the meantime, MOTCA/SLR has taken necessary actions to purchase 1244 housing

units in close proximity to relocate the PAPs who live in Thimbrigasyaya, and Kotte Divisional Secretariat Division (DSD)s.

1.2 Kelani Valley Railway Improvement Programme - Phase 1 (KV Rail - Phase 1)

The decision taken by GOSL and ADB to prioritize financing the double line section from Maradana to Padukka in KV railway line as Kelani Valley Railway Improvement Program Phase 1 (KV Rail - Phase 1) under a loan modality of Multi-Tranche Financing Facility (MFF). KV Rail - Phase1 envisages the construction of an elevated double line section from Loco Junction (0+900m) to Kottawa railway station (0+19,700m); and at grade double line section from Kottawa to Padukka with electrification, installing a signalling and telecommunication system, improving auxiliary structures and facilities, and new infrastructures such as modernized railway stations. To customize the MFF a consultant was mobilized under ADB TA to prepare the Resettlement Framework (RF) for KV Rail – Phase 1. This led to the easy implementation of the resettlement program through the preparation of several Resettlement Implementation Plans (RAPs). Hence, the PMU decided to prepare five (5) RAPs for the sections shown in the map (Fig. 1). Implementation of the RAPs shall depend on the time taken for the completion of the construction of housing schemes and acquiring of housing units from UDA. The first batch comprising of 262 UDA housing units shall be released for resettlement at the beginning of 2019.

Table 1.1 Sections for Preparation of Resettlement Action Plans of KV Rail Phase 01

| Construction Package | RAP Sections | Length | DS Division | Affected GNDs |
|----------------------|--|-----------------------------|-------------------------|--|
| Package 1 | Section i: Maradana – Loco Junction | 0+900m | Colombo | Maligakandha Maligawaththa West |
| | Section ii: Loco Junction – Seevalipura Road | 0+900m – 0+2200m | Thimbrigasyaya | Wanathamulla |
| | Section iii: Seevalipura Road – Nugegoda Station (Kattiya Junction) | 0+2200m – 0+10,000m | Thimbrigasyaya Kotte | Borella North Borella South Narahenpita Kirula Kirulapone Gothamipura Nugegoda Nugegoda West Pagoda East |
| Package 2 | Section iv: Nugegoda Station (Kattiya Junction) - Galawilawatta North | 0+10,000m – 0+23,000m | Kotte Maharagama | Gangodawila South Gangodawila East Maharagama West Navinna Pannipitiya North Kottawa Town |

| | | | | |
|-----------|--|--------------------------|---------------------|---|
| | | | | Malapalla East Malapalla West Makumbura North Maharagama Town Pathiragoda Dambahena Kottawa South Kottawa North Kottawa West |
| Package 3 | Section v: Galawilawatta North – Padukka | 0+23,000m - 0+34,980m | Homagama Padukka | Galawila North Homagama South Homagama West Homagama East Homagama Town Pitipana Town Godagama South Kurunduwaththa Gehenuwala Watareka South Ovitigama Panagoda East Padukka |



Figure 1: Map of Proposed Sections for Resettlement of the KV Rail Phase - 1

1.3 KV Rail Phase - 1, Section 2

From Loco Junction to Seevali Lane) (0+900m – 0+2200m) has been selected as section ii of the KV Rail - Phase 1 to be resettled nearly 260 households who are willing to move into UDA housing schemes. The boundaries of “Section ii” are determined by the distance from the UDA housing scheme to the current residential location of each household who are intended to be relocated.

1.4 Objective of the Resettlement Implementation Plan (RAP) - KV Rail-Phase 1 Section ii

The main objective of Resettlement Implementation Plan (RAP) is to specify the procedures that will be followed and the actions that will be taken to mitigate land acquisition related adverse impacts, compensate losses, and provide development benefits to the affected persons and communities. It aims to plan resettlement as a development activity and help supporting PAPs in their efforts at re-establishing and improving their quality of life. It reflects the commitment of the government towards the PAPs particularly in paying due entitlements promptly, and fairly and assist them in finding options and opportunities for improving livelihoods. The above procedure shall be conducted according to the Resettlement Framework (RF) which was prepared in accordance with the laws, regulations, and policies of the Government of Sri Lanka (GoSL) and the Safeguard Policy Statement (SPS) of ADB 2009.

1.5 Methodology Adopted for RAP Preparation

Initially, Socio- Economic and census surveys were conducted by the UN Habitat from 7th May 2017 to 14th August 2017 from Loco-Junction to Homagama section in KV line, within the 10 m corridor, on either side from the center line of the existing railway track, to identify the Project Affected Households (PAHs) and properties, and to confirm the location and status of these affected households and properties. In areas where railway stations are located, data collections were conducted up to railway land boundaries. Data collection included both quantitative and qualitative methods. Thus, secondary data were gathered from profiles of DSDs and Government census reports.

For quantitative data collection, survey questionnaires were specifically designed to collect information on all PAPs. The questionnaires focused-on household information, commercial and livelihood activities affected land and crops, ownership of land, properties and structures affected and the socio-economic profile of the PAPs. Qualitative data were collected through Focus Group Discussions (FGDs), Key Informant Interviews (KII) , stakeholder consultative meetings and field observations.

Geographical Information System technology was used to ascertain impacted land and assets, preparation of GIS-link database, and preparation of maps.

Graduates were employed for data collection. An orientation and training program were conducted and necessary information were provided for the trainees to have a positive and productive experience on the use of questionnaires, selection of respondents, and gather required information.

A review survey was conducted by the Project Management Unit (PMU) of CSRP from 15th December 2018 to 8th January 2019, on the finalized alignment within the construction boundary, and within the area required for the proposed Baseline railway station of the KV Rail - Phase 1, Section ii, and the database prepared by the UN Habitat was updated accordingly. A separate questionnaire survey was conducted to collect information on income restoration. MS Access and MS SQL were used for data entry and processing.

Chapter 2 – Scope of Land Acquisition and Resettlement

2.1 Introduction

To carry out the development activities of KV Rail - Phase 1, limited acquisition of land will be required, because most of the land covering the development area belong to the Sri Lanka Railways. However, at present, in most places people are living on either side of the railway track leaving only a 6 m wide corridor for existing railway operation which is not adequate for the proposed development. Therefore, the project requires widening of the existing corridor for at least 12 m wide Right of Way (ROW) which includes some private lands. Additionally, some lands shall be acquired for station development from the adjoining lands of the current railway stations. Apart from the above, there is also a need of a 4 m wide land strip along the new ROW to be used during the construction period as a temporary access road.

Under the KV Rail Phase 1 “section ii” few additional private lands shall be needed in some places from Loco Junction to Seevali Lane for the new ROW, which includes residential, commercial structures, institutions and common properties located on either side. Land acquisition and land repossession from this section may result in physical and economic displacement of owners and users which would create Involuntary resettlement and have impacts on the owners and users.

Table 2.1 depicts the summary of involuntary resettlement impacts in KV Rail Phase 1 “section ii”. Land acquisition, resettlement, and other affected categories are identified in the EM and the values are estimated for payment of compensation. It shows that 271 households are significantly affected. There are 40 affected titled households, 15 affected shop owners and 15 residential cum commercial owners. Houses of 06 titled holders shall be partially affected, who shall be compensated for affected land and structures. Trees planted and used by affected households will receive compensation according to amounts specified in the EM. 06 tenants living in affected houses shall receive compensation to find alternative houses.

Table 2.1. Summary of Involuntary Resettlement Impacts

| Impact | Extent/Numbers |
|--|---|
| | Section 2 – Loco Junction to Seevali Lane |
| Private Land Acquisition (perches) | 107 |
| Government Land Required (perches) | 952 |
| Temporary Land Acquisition (perches) | 0 |
| Affected Titled/Certificate Households | 40 |
| Physically Displaced Households (Loss of Residence) | 239 |
| Economically Displaced Households (Loss of Shop) | 15 |
| Economically Displaced Titleholders losing land ¹ | 01 |
| Physically and Economically Displaced Households (Loss of Residence cum Shop) | 15 |
| Non-Significant Impact ² | 0 |
| Titleholders Losing strip of land | 06 |
| Tenants | 06 |
| Total Affected Persons | 271 |
| Titled affected persons | 40 |
| Non-titled affected persons ³ | 230 |
| Affected employees | 37 |
| Affected Structures | 271 |
| Affected Private Trees | 107 |
| Affected Common Property Resources | 08 |

2.2 Impact on Lands

The required total land area for KV Rail Phase 1 “section ii” is around 1091 perches. Among the required land area around 952 perches belong to SLR, around 10 perches of land vested to the UDA belongs to the Government and around 107 perches of private lands. Among private land 50 perches belong to title holders, and 57 perches belong to NHDA certificate holders. However, most of the above identified government lands are not free due to unauthorized utilization of land by squatters and encroachers residing on either side of the railway reservation by using 340 perches. In addition, there is also a housing scheme built by the NHDA on part of this land. Thus, the proposed project requires repossession of government land, divesting of UDA and NHDA lands, as well as acquisition of private lands.

¹ Landowners losing 10% or more of their land

² Where the impact to structure is less than 10 percent of the total area or impact is only to the boundary wall, then such impacts are categorized as non-significant impacts as the DP is neither physically nor economically displaced.

³ Households with structures on the railway right-of-way

Table 2.2: Overall Impact on Land

| Land area required for proposed ROW (Perches) | State Land | | | Private Land | | | |
|---|---|---|---|---|---|---|--|
| | SLR land area within the proposed ROW (Perches) | CMC land area within the proposed ROW (Perches) | UDA land area within the proposed ROW (Perches) | Title holders land area within the proposed ROW (Perches) | NHDA regularized card holders land area within the proposed ROW (Perches) | No. of land lots belonging to the title holders | No. of land lots belonging to the NHDA certificate holders |
| 1091 | 952 | 22 | 10 | 50 | 57 | 12 | 28 |

According to the survey, table 2.2 shows a total of 107 perches has been estimated to be acquired from 40 land lots belonging to 40 land owners who can be considered as private land owners.

2.2.1. *Impact on Private Lands*

Ownership of land is a prestigious status in Sri Lanka which indicates the social rank within the society; this RAP gives emphasis to private property affected by acquisition by taking appropriate measures to mitigate negative impacts on private land. There are 06 titleholders whose lands will be partially affected.

In 2012, Railway land vested by NHDA was regularized and given 2 perches each to underserved community member by issuing household identity cards. Later, some of these householders have made a minimal payment to NHDA and acquired deeds and have legal entitlement of the land; but most of them have not obtained deeds for the lands given by NHDA but can be considered as certificate holders because they are entitled to obtain government loans through NHDA to build houses. (see annex 01 and 02 for list of title holders and NHDA card holders) To resettle the householders from these lands the project shall negotiate to follow a process to legalize their occupancy as deed holder's/certificate holders. Thereby the householders who have not obtained deeds also considered as certificate holders in this RAP.

Table 2.3 shows the numbers of impacted land lots by size. 33 PAHs will lose 1-2 perches of land portions from their land lots, 1 PAHs will lose 2-3 perches, 1 PAHH will lose 3-4 perches of land and 1 will lose more than 5 perches of commercial land portion.

Table 2.3: Impacted Land by Size

| Affected land area (Perches) | Type of use | | | Total |
|------------------------------|---------------------------|--------------------------|--|-----------|
| | Residential (No. of lots) | Commercial (No. of lots) | Residential cum Commercial (No. of lots) | |
| Less than 1 | 1 | 0 | 0 | 1 |
| 1-2 | 33 | 0 | 3 | 36 |
| 2-3 | 1 | 0 | 0 | 1 |
| 3-4 | 0 | 0 | 1 | 1 |
| 4-5 | 0 | 0 | 0 | 0 |
| More than 5 | 0 | 1 | 0 | 1 |
| Total | 35 | 1 | 4 | 40 |

According to the data, three types of land use namely residential, commercial, and residential cum commercial will be affected. 81% of land exclusively used for residential purposes comprise of 70 perches of private lands which are occupied by 35 households; 11% of residential cum commercial land comprising of 9 perches of land are occupied by 4 households, and 3% of commercial land comprising of 7 perches of land are occupied by 1 household. These are being captured as land lots that shall be affected by the project. The impacted land lots by type of use is shown by table 2.4.

Table 2.4: Impacted Land Lots by Type of Use

| Type of use | No. of land lots | Percentage of total land lots (%) | Affected area (Perches) | Affected percentage (%) |
|----------------------------|------------------|-----------------------------------|-------------------------|-------------------------|
| Residential | 35 | 87 | 70 | 81 |
| Commercial | 1 | 3 | 7 | 8 |
| Residential cum Commercial | 4 | 10 | 9 | 11 |
| Total | 40 | 100 | 86 | 100 |

Table 2.5 shows the severity of impacts on affected land lots relative to the total size of the land (%). This indicates, 35 of these are used for residential purpose, 4 as residential cum business purpose, and 1 is being used for commercial purpose. The remaining 5 land lots which shall be partially affected after acquisition can be further utilized. Out of 40 land lots, 34 shall be severely affected out of which most are NHDA regularized lands.

Table 2.5: Severity of Impacts

| Percentage of impacted land relative to total size (%) | Type of usage | | | Total |
|--|---------------------------|--------------------------|--|-----------|
| | Residential (No. of lots) | Commercial (No. of lots) | Residential cum commercial (No. of lots) | |
| Less than 5 | 0 | 0 | 0 | 0 |
| 5-10 | 1 | 0 | 0 | 1 |
| 11-15 | 0 | 0 | 0 | 0 |
| 16-20 | 1 | 1 | 1 | 3 |
| 21-30 | 0 | 0 | 0 | 0 |
| 31-50 | 2 | 0 | 0 | 2 |
| More than 50 | 31 | 0 | 3 | 34 |
| Total | 35 | 1 | 4 | 40 |

2.3 Impact on Structures

The overall impact on structures in “Section ii” that belong to title holders, non-title holders Government and public and cultural resource (PCR) are shown by the table 2.6 and 2.7.

Table 2.6: Details of Affected Households and Commercial Structures

| Land Use | Title/certificate Holders | | | Non-Title -Holders | | | Total |
|----------------------------|---------------------------|---|---|--------------------|---|---|-------|
| | Fully affected | Partially affected: possible to upgrade in-situ | Partially affected: unable to upgrade in-situ | Fully affected | Partially affected: possible to upgrade in-situ | Partially affected: unable to upgrade in-situ | |
| Residential | 32 | 03 | 01 | 205 | 0 | 0 | 241 |
| Commercial | 0 | 01 | 0 | 14 | 0 | 0 | 15 |
| Residential cum commercial | 3 | 01 | 0 | 11 | 0 | 0 | 15 |
| Total | 35 | 05 | 01 | 230 | 0 | 0 | 271 |

Out of 271 PAHs, 230 are identified as non-title holders and 41 PAHs as title holders. Out of the 41 title holders, 35 PAHs hold NHDA certificates. The above 230 non-title holders are considered as fully affected, and 6 title holders are considered as partially affected. The 35 PAHs who hold NHDA certificates will also get affected completely; therefore, these shall be considered as fully affected households. Five title holders who have affected structures partially, can be upgraded in –situ by paying compensation for their affected land and structures. The title-holder who shall get affected significantly cannot be upgraded in-situ.

Table 2.7: Impacts on Structures of Government and Public Cultural Resources (PCR)

| Section | Structures on Government Land | | | | PCR | |
|------------|-------------------------------|----------------------|-----------------------|----------------|-------------------|--------------|
| | SLR Quarters | SLR Other Structures | CEB Transformer house | Police Station | Religious Statues | Play Grounds |
| Section 02 | 33 | 15 | 1 | 1 | 4 | 2 |

The overall impact on structures in Section 2 that belong to Government, and Public Cultural Resources (PCR) are shown by table 2.8. This includes 33 SLR quarters and 15 other structures belonging to SLR – details of these are attached as Annex 03 and 04 respectively. This also includes 1 CEB Transformer house, 1 Police Station (partially affected) and 4 Religious Statues (2 Buddhist Shrines and 2 Catholic Shrines). Among the Government lands 2 play grounds (Seevali School playground and SLR Cricket ground) adjoining the project area shall have minor impacts.

2.3.1 Type of Structures and Materials used for Construction

Table 2.9: Type of Construction Materials used to Build Structures

| Type of Materials used for Floor/Wall/Roof | Type of Structures (No) | | | | |
|--|-------------------------|------------|----------------|----------|------------|
| | Residential | Commercial | Res. Cum Comm. | Others | Total |
| Thatched simple hut | 34 | 6 | 6 | 1 | 47 |
| Mud/Brick/tiled roof | 5 | 0 | 0 | 0 | 5 |
| Cement/bricks or cement block/tiled roof or asbestos roof | 149 | 8 | 7 | 3 | 167 |
| Cement/bricks or cement block/concrete roof | 7 | 2 | 1 | 2 | 12 |
| Cement/bricks or cement block/Tin sheet roof or Tar sheet roof | 44 | 0 | 1 | 0 | 45 |
| Total | 239 | 16 | 15 | 6 | 276 |

The materials used in construction of the structures in Section 2 are shown by the above table. Out of the 276 structures 167 are built using Cement bricks/blocks with tiled or asbestos roof. Among the rest 45 are made with cement bricks/blocks with tin or tar sheet roof; 12 Cement/bricks or cement block/concrete roof; 47 thatched huts; 5 houses made of mud/brick/tiled roof.

2.3.2 Floor Area of Each Type of Materials Used for Structures in Sq. Ft.

Table 2.10: Floor Area of Each Material Category of Structures

| Type of Materials used for Floor/Wall/Roof | Floor Area of Structure (sq. Ft) | | | | |
|--|----------------------------------|-------------|----------------|-------------|--------------|
| | Residential | Commercial | Res. Cum Comm. | Others | Total |
| Thatched simple hut | 1674 | 0 | 387 | 0 | 2061 |
| Mud/Brick/tiled roof | 37653 | 1372 | 3988 | 1362 | 44375 |
| Cement/bricks or cement block/tiled roof or asbestos roof | 2967 | 1050 | 579 | 546 | 5202 |
| Cement/bricks or cement block/concrete roof | 23050 | 200 | 6303 | 0 | 29553 |
| Cement/bricks or cement block/Tin sheet roof or Tar sheet roof | 5372 | 2020 | 1580 | 0 | 8972 |
| Total | 70776 | 4642 | 12837 | 1908 | 90163 |

The floor area of each type of the structure is shown by the above table. The total of floor/wall/roof area is 90,163 sq. ft. This could be categorized as 5202 sq. ft of cement/bricks or cement block/tiled roof or asbestos roof; 8972 sq. ft of cement/bricks or cement block/tin sheet roof or tar sheet roof; 29553 sq. ft of tiled/brick or cement block/concrete roof; 44375 sq. ft of mud/Brick/tiled roof; 2061 sq. ft of thatched simple hut.

2.3.3 Boundary Walls

The total length of the boundary walls that shall be affected are 157,150 sq. ft; among which 153,950 sq. ft that belongs to the Government comprising of the school ground wall and the railway ground wall; and 3200 sq. ft. of private boundary walls.

2.3.4 Extent of Affected Floor Area of Structures in Sq. Ft.

Table 2.11 Type of Structures and Floor Area

| Floor area of structure | Type of structure | | | | |
|-------------------------|-------------------|------------|----------------|----------|------------|
| | Residential | Commercial | Res. Cum Comm. | Others | Total |
| Less than 100 | 33 | 5 | 0 | 1 | 39 |
| 101 – 200 | 72 | 5 | 2 | 2 | 81 |
| 201 – 300 | 41 | 2 | 4 | 0 | 47 |
| 301 – 450 | 45 | 2 | 3 | 1 | 51 |
| 451 – 650 | 27 | 1 | 2 | 1 | 31 |
| 651 – 850 | 8 | 0 | 1 | 1 | 10 |
| 851 – 1000 | 3 | 0 | 1 | 0 | 4 |
| 1001 – 1250 | 3 | 0 | 0 | 0 | 3 |
| 1251 – 1500 | 1 | 0 | 0 | 0 | 1 |
| More than 1500 | 3 | 1 | 2 | 0 | 6 |
| Not available | 3 | 0 | 0 | 0 | 3 |
| Total | 239 | 16 | 15 | 6 | 276 |

The above table shows the structures classified according to limit of floor area. The floor area of 33 residential, 5 commercial and 1 other comprise less than 100 sq. ft. 72 residential, 5 commercial, 2 residential plus commercial and 2 others have an area between 101 – 200 sq. ft. The area of the structures among 201 - 1500 sq. ft range between 51 and 1. There are only 6 structures comprising of an area more than 1500 sq. ft. which includes 3 residential, 1 commercial, and 2 residential plus commercial.

2.3.5 Available Facilities in the Affected Structures

Table 2.12: Available Utilities in Affected Structures

| Facilities in affected structures | Type of structure | | | | |
|-----------------------------------|-------------------|------------|----------------|--------|-------|
| | Residential | Commercial | Res. Cum Comm. | Others | Total |
| Telephone | 23 | 4 | - | 2 | 29 |
| Electricity | 192 | 9 | 11 | 2 | 214 |
| Pipe borne water | 193 | 3 | 8 | 1 | 205 |

It has been observed that electricity, pipe-borne water, and telephone facilities are available in some of the structures that are to be acquired and demolished for the implementation of the project. The above table shows the number of structures with electricity, pipe-borne water, and telephone facilities. Accordingly, Electricity is available in 214 structures, pipe-borne water is available in 205 structures, and telephone facilities (land line) are available in 29 structures.

2.3.6 *Impact on Crops and Trees*

Table 2.13 indicates the number of trees in the project area. Out of the 106 trees, 66 fruit bearing trees; 8 timber trees; 30 coconut trees; and 3 ornamental plants are observed. Most of these trees are cultivated by occupants of the houses situated in the ROW of railway reservation. Compensation for the trees in section 02, as identified in the following table will be paid for the dwellers who claim them. According to the railway ordinance trees with timber value in the railway reservation belong to the Railway Department, and GMR has the authority to decide the disposal of trees felled for construction purposes.

Table 2.13: List of Impacted Trees

| Tree category | Tree Name | Amount | Total |
|----------------------|------------------|---------------|--------------|
| Fruits bearing | Mango | 28 | 66 |
| | Banana | 17 | |
| | Papaya | 3 | |
| | Orange | 2 | |
| | Avocado | 3 | |
| | Rata Nelli | 4 | |
| | Donga | 1 | |
| | Guava | 3 | |
| | Ambarella | 4 | |
| | Grapes | 1 | |
| Timber | Jack tree | 6 | 7 |
| | Pihimbiya | 1 | |
| | | | |
| Coconut | Coconut | 16 | 30 |
| | King Coconut | 14 | |
| Ornamental plants | Red palm | 3 | 3 |

Chapter 3 – Socio Economic Profile

3.1 Introduction

The first batch from the affected households along the KV Rail - Phase1, Section ii, from Loco Junction to Seevali Lane (0+900m to 0+2200m) in the Colombo District in the Western Province and falls within Wanathamulla GN Division in the Thimbirigasyaya Divisional Secretariat has been already selected for relocation.

The identified project area is located in the Eastern part of City of Colombo and well connected through access roads and railway lines to other parts of the Colombo city. This area and its surrounding are socially characterized as a residential location that mostly comprises of under-serve communities among some middle income and high-income urban communities. During the last two decades these under-serve community households have been upgraded as onsite settlements by NHDA and UDA under various urban development programs implemented by the government.

According to the survey conducted in 2017 by the Department of Census and Statistics, the total population in the Colombo district has been recorded as 2,419,000. Of this population, the affected GND includes 17,313. (Table 3.1).

Table 3.1: Relative Population Distribution in Wanathamulla GND

| Location | Population | | Total Population |
|---------------------|------------|-----------|------------------|
| | Male | Female | |
| Colombo District | 1,187,000 | 1,232,000 | 2,419,000* |
| Thimbirigasyaya DSD | 124,503 | 125,276 | 249,779** |
| Wanathamulla GND | 8536 | 8777 | 17,313*** |

Source: * Mid-year population -Department of census and statistics in 2017

** Estimated population for 2018 by Statistical Officer – Thimbirigasyaya DSD

*** Divisional secretariat data- updated October 2018 (thimbirigasyaya.ds.gov.lk)

3.2 Socio-economic situation of the project affected households

The initial Socio-economic survey was conducted by the UN-Habitat in 2017 to investigate the social and economic condition of affected communities living along the KV railway line. This data was updated with the “socio-economic data review survey” conducted by the PMU staff of CSRP on the households living within the project affected area according to findings of detail designs in section ii within the Wanathamulla GN area.

3.2.1. Household Size

The proposed finalized ROW in the selected section of the KV Rail Phase 1 covers part of the Wanathamulla GND which comprises a resident population of 1095 persons which include 557 females and 538 males. According to the “Household Income and Expenditure Survey” conducted by the

Department of Census and Statistics in 2016, the national average family size is 4.0 persons. The size of households in the project area is shown in the following table (Table 3.2).

Table 3.2: Distribution of Family Size

| Household Size | Total | |
|----------------|------------|------------|
| | Number | Percentage |
| 1 - 2 | 65 | 25.49 |
| 3 - 4 | 80 | 31.37 |
| 5 - 6 | 64 | 25.10 |
| 7 - 8 | 30 | 11.76 |
| 9 and above | 16 | 6.27 |
| Total | 255 | 100 |

Source: Field Survey (2017-2018)

3.2.1.1. Sub Families

Within this project area some household units are occupied by more than one family. Some sub-families live with the extended families in the same house. However, it is difficult to identify sub-families living within the extended families by using general criteria in this area due to complexity of living pattern. The number of sub-family units living with their parents are shown in Table 3.3 below.

Table 3.3: Number of Extended Family Units Living with Parents

| Number of sub-family units living with parents | Number HHs |
|--|------------|
| 1 | 16 |
| 2 | 02 |
| 3 or more units | 02 |
| Total | 20 |

Source: Field Survey (2017-2018)

3.2.2. Household Income and Expenditure

The income of PAHs shows that, nearly 35% earn between 50,000/= to 100,000/= about 12% receive a monthly income of above 100,000/=, and 0.78% below 5,000/=. The data reveals that the income of more than 50% of the households is below 50,000/=. In terms of expenditure pattern, about 66% of the affected households, spend monthly between Rs. 25,000 to 100,000. Nearly 13% spend less than Rs.15,000 which seems not sufficient to cover even the basic family requirements. The pattern of income and expenditure shows that the monthly income is totally spent on fulfilling family requirements which is a characteristic of this community. Thus, it is clear that a substantial number of households in this section earn a sufficient income while a few earn a lower income.

Table 3.4: Distribution of the Average Monthly Income of PAHs

| Income Range (Rs) | Income | | Expenditure | |
|-------------------|--------------|---------------|--------------|---------------|
| | No. of PAHHS | Percent | No. of PAHHS | Percent |
| <5000 | 02 | 0.78 | 02 | 0.78 |
| 5,001 - 7,500 | 00 | 0.00 | 03 | 1.18 |
| 7,501- 10,000 | 04 | 1.57 | 02 | 0.78 |
| 10,001 – 15,000 | 11 | 4.31 | 22 | 8.63 |
| 15,001 - 25,000 | 27 | 10.59 | 40 | 15.69 |
| 25,001 – 50,000 | 88 | 34.51 | 99 | 38.82 |
| 50,001 - 100,000 | 88 | 34.51 | 70 | 27.45 |
| >100,000 | 31 | 12.16 | 09 | 3.53 |
| Not available | 04 | 1.57 | 08 | 3.14 |
| Total | 255 | 100.00 | 255 | 100.00 |

Source: Field Survey (2017-2018)

3.3 Socio-economic condition of the Project Affected Household Heads (PAHs)

The project impacts can be analysed in two ways by focusing on PAHs and household members. Where land acquisition and compensation are concerned it is necessary to contemplate on the PAHs rather than considering the households. The essential characteristics considered are as follows.

3.3.1. Ethnicity

Based on ethnicity, among the 255 PAHs in Section 02 area, 60% are Sinhalese, 32.5% are Tamils, 5.5% are Sri Lankan Moors, and 2% are others. This representation is shown in table 3.5.

Table 3.5: Ethnic Representation of PAHs Disaggregated According to Sex

| Ethnicity | Male | Female | Total | Percentage of the Total |
|--------------|------------|-----------|------------|-------------------------|
| Sinhalese | 94 | 58 | 152 | 60% |
| Tamil | 59 | 24 | 83 | 32.5% |
| Moor | 13 | 01 | 14 | 5.5% |
| Others | 04 | 02 | 06 | 2% |
| Total | 170 | 85 | 255 | 100.00 |

Source: Field Survey (2017-2018)

3.3.2. Age and Sex

As per the data from the surveys, 170 males and 85 females were found. A significant number of PAHs are in the age group of 41 – 60. This adds up to a total of 143 which is 56.7% of the total PAHs. About 19% falls under the category over 60; and 0.78% represents less than 18. Information of PAHs related to age structure disaggregated according to sex is presented in table 3.6.

Table 3.6: Age Structure of PAHHs Disaggregated According to Sex

| Age Category (yrs) | Male | | Female | | Total | |
|--------------------|----------------|------------|----------------|------------|----------------|------------|
| | No. of Persons | % | No. of Persons | % | No. of Persons | % |
| Less than 18 | 02 | 1.18 | 0 | - | 2 | 0.78 |
| 18-30 | 17 | 10.00 | 4 | 6.25 | 21 | 8.247 |
| 31-40 | 35 | 20.59 | 6 | 7.29 | 41 | 16.08 |
| 41-60 | 94 | 55.29 | 49 | 57.29 | 143 | 56.07 |
| 61-70 | 18 | 10.59 | 22 | 23.36 | 40 | 15.70 |
| Over 71 | 4 | 2.35 | 4 | 5.21 | 08 | 3.14 |
| Total | 170 | 100 | 85 | 100 | 255 | 100 |

Source: Field Survey (2017-2018)

3.3.3. Civil Status

Within the PAHHs, 76.46% are married and 20.78% are widowed females, which is 4 times higher than the widowed males. Table 3.7 summarizes the civil status of affected household heads in this section.

Table 3.7: Civil Status of PAHHs Disaggregated According to Sex

| 9.5 | No. of Males | % | No. of Females | % | Tot. No. of Persons | % |
|---------------|--------------|------------|----------------|------------|---------------------|------------|
| Married | 159 | 93.53 | 36 | 42.35 | 195 | 76.46 |
| Divorced | 0 | 0 | 3 | 3.53 | 3 | 1.18 |
| Separated | 1 | 0.50 | 3 | 3.53 | 4 | 1.57 |
| Widow/widower | 10 | 5.88 | 43 | 50.59 | 53 | 20.78 |
| Total | 170 | 100 | 85 | 100 | 255 | 100 |

Source: Field Survey (2017-2018)

3.3.4. Educational Level

Many PAHHs have studied up to GCE (O/L). 14.12% have had no formal education. Only 06% have received education up to GCE (A/L). The table below indicates the level of educational attainments among the PAHHs in this section. Comparatively more males have received higher education than the females.

Table 3.8: Educational Background of PAHHs Disaggregated According to Sex

| Education | Male No. of Persons | % | Female No. of Persons ⁴ | % | Total No. of Persons | % |
|--------------------------------|---------------------|------------|------------------------------------|------------|----------------------|------------|
| Illiterate no formal education | 11 | 6.47 | 12 | 14.12 | 23 | 9.02 |
| Can place signature | 5 | 2.94 | 8 | 9.41 | 13 | 5.10 |
| Preschool / nursery | 7 | 4.12 | 3 | 3.53 | 10 | 3.92 |
| Up to Grade V | 24 | 14.12 | 18 | 21.18 | 42 | 16.47 |
| Grade VI – GCE (O/L) | 108 | 63.53 | 43 | 50.59 | 151 | 59.22 |
| G.C.E. (A/L) | 13 | 7.65 | 1 | 1.18 | 14 | 5.49 |
| Diploma | 1 | 0.59 | 0 | - | 1 | 0.39 |
| Not available | 1 | 0.59 | 0 | - | 1 | 0.39 |
| Total | 170 | 100 | 85 | 100 | 255 | 100 |

Source: Field Survey (2017-2018)

⁴ Number of vulnerable female-headed households is in Table 3.14

3.3.5. Occupational Pattern

Table 3.9 shows the sources of earning of PAHHs who are engaged in primary and secondary occupations. Basically, the characteristic of primary occupation is its formal nature with full time engagements. The most prominent primary source of income is working in the private sector. Employment in the private sector comprises about 91 persons (35.68%) of the total employed population. Self-employment activities involved by persons accounts to about 30.58% as the second largest employment in this section. Unskilled labour employment activities constitute 19.21% as the third source of income in which males are involved four times higher than the females. A substantial amount of PAHHs are involved in salaried employments in government institutions and foreign employments which amounts to 8.23% and 3.13% respectively. Following table depicts that a significant number of people (12.94 %) are unemployed mostly females which is three times higher than the males. In addition to the primary source of income some people are involved in self – employment as the secondary source of income.

Table 3.9: Occupational Pattern of the PAHHs

| Source of Income | Male | % | Female | % | Total | % |
|--------------------------------------|------------|--------------|-----------|--------------|------------|--------------|
| Primary source | | | | | | |
| Salaried employment (Govt) | 19 | 11.17 | 2 | 2.35 | 21 | 8.23 |
| Salaried employment (Private) | 34 | 20.00 | 8 | 9.41 | 42 | 16.47 |
| Unskilled/Daily paid/Contract labour | 40 | 23.52 | 9 | 10.58 | 49 | 19.21 |
| Self-employed | 50 | 29.41 | 28 | 32.94 | 78 | 30.58 |
| Retired with pension | 6 | 3.52 | 5 | 5.88 | 11 | 4.31 |
| Foreign employment | 5 | 2.94 | 3 | 3.52 | 8 | 3.13 |
| Unemployed | 8 | 4.70 | 25 | 29.41 | 33 | 12.94 |
| Business | 3 | 1.76 | 2 | 2.35 | 5 | 1.96 |
| Not Available | 5 | 2.94 | 3 | 3.52 | 8 | 3.13 |
| Total | 170 | 99.96 | 85 | 99.96 | 255 | 99.69 |
| Secondary source | | | | | | |
| Labour work | 1 | 12.5 | 1 | 16.66 | 2 | 14.28 |
| Rent house/rooms | 1 | 12.5 | 0 | 0 | 1 | 7.14 |
| Self-employed | 6 | 75.00 | 5 | 83.33 | 11 | 78.57 |
| Total | 8 | 100 | 6 | 99.99 | 14 | 99.99 |

Source: Field Survey (2017-2018)

3.4 Socio Economic status of Project Affected Household Members (PAHMs)

Socio-economic status of PAHMs living within Section 02 in the project affected area in Wanathamulla GN division is separately analysed and presented below. This section does not include the PAHs.

3.4.1. Age and Sex

Within this group of population, the male female ratio is almost 1 to 1:3. The survey indicates that excluding the 6-17 age group, in all other age categories the female population outnumber the male population proportionately. About 33% of the population represents children under the age of 17 years, while 4.2% are above 60 years of age. This indicates that the dependent population of the community is almost 37.20% of the total population. The percentage of active labour force is about 63.0%, distributed between males and females within the age group 18 to 60 years. Table 3.10 below shows the age distribution of affected household members disaggregated according to sex.

Table 3.10: Age structure of PAHMs Disaggregated According to Sex

| Age Category (yrs) | Male | | Female | | Total | |
|--------------------|----------------|------------|----------------|------------|----------------|------------|
| | No. of Persons | % | No. of Persons | % | No. of Persons | % |
| 5 and below | 34 | 23 | 48 | 10.17 | 82 | 9.76 |
| 6 – 17 | 102 | 27.7 | 92 | 19.50 | 194 | 23.10 |
| 18-30 | 112 | 30.43 | 129 | 27.33 | 241 | 28.69 |
| 31-40 | 57 | 15.5 | 79 | 16.74 | 136 | 16.19 |
| 41-60 | 49 | 13.32 | 102 | 21.61 | 151 | 17.98 |
| 61-70 | 06 | 1.63 | 14 | 3.00 | 20 | 2.38 |
| 71 and above | 08 | 2.17 | 08 | 2.00 | 16 | 1.90 |
| Total | 368 | 100 | 472 | 100 | 840 | 100 |

Source: Field Survey (2017-2018)

3.4.2. Civil Status

Among the PAHMs, 62.98% are married, 2.86% are widowed, and 0.6% are separated. Total number of widows/widowers are 2.86% of the population, among them female widows are two times higher than the male widowers. Table 3.11 shows the civil status of PAHMs living in this section of the KV line.

Table 3.11: Civil Status of PAHMs Disaggregated According to Sex

| Civil Status | Male | | Female | | Total | |
|---|----------------|--------------|----------------|--------------|----------------|--------------|
| | No. of Persons | % | No. of Persons | % | No. of Persons | % |
| Married | 219 | 59.51 | 310 | 65.68 | 529 | 62.98 |
| Divorced | 01 | 0.27 | 03 | 0.64 | 04 | 0.48 |
| Separated | 04 | 1.09 | 1 | 0.21 | 5 | 0.60 |
| Widow/widower | 07 | 1.90 | 17 | 3.60 | 24 | 2.86 |
| Not applicable (school children & others) | 137 | 37.23 | 141 | 29.87 | 278 | 33.10 |
| Total | 368 | 100.0 | 472 | 100.0 | 840 | 100.0 |

Source: Field Survey (2017-2018)

3.4.3. Education Level

57.50% of PAHMs have had an education up to GCE (O/L). Nearly 05% of PAHMs are illiterate and do not know to place their signature. 8% have had an education up to GCE (A/L)/University level. Table 3.12 shows an analysis of the educational level of the male and female PAHMs in section 02 of this project area. Comparatively more females have received higher education than the males.

Table 3.12: Educational Background of PAHMs Disaggregated According to Sex

| Education | Male No. of Persons | % | Female No. of Persons | % | Total No. of Persons | % |
|--|------------------------|------------|--------------------------|------------|-------------------------|------------|
| Illiterate no formal education | 10 | 2.72 | 18 | 3.81 | 28 | 3.33 |
| Can place signature | 5 | 1.36 | 7 | 1.48 | 12 | 1.43 |
| Preschool / nursery | 13 | 3.53 | 18 | 3.81 | 31 | 3.69 |
| Up to Grade V | 72 | 19.57 | 84 | 17.80 | 156 | 18.57 |
| Grade VI – GCE (O/L) | 213 | 57.88 | 270 | 57.20 | 483 | 57.50 |
| G.C.E. (A/L) | 31 | 8.42 | 34 | 7.20 | 65 | 7.74 |
| Vocational training/ Certificate course | 1 | 0.27 | 1 | 0.21 | 2 | 0.24 |
| Undergraduate/Graduate | 3 | 0.82 | 7 | 1.48 | 10 | 1.19 |
| Not available | 20 | 5.43 | 33 | 6.99 | 53 | 6.31 |
| Total | 368 | 100 | 472 | 100 | 840 | 100 |

Source: Field Survey (2017-2018)

3.4.4. Occupational Pattern

Table 3.13 shows the sources of earning of household members who are engaged in primary and secondary occupations. Basically, the characteristic of primary occupation is its formal nature with full time engagements.

The most prominent primary source of income is working in the private sector. Employment in the private sector comprises about 107 persons (12.74%) of the total employed population. Self-employment activities involved by person's accounts to about 11.07% as the second largest employment in this section. Skilled and unskilled labour employment activities constitute 9.05% as the third source of income in which males are involved two times higher than females with in the nearby towns and surrounding areas. Substantial number of household-members have involved in salaried employments in government institutions and foreign employments which amounts to 2.50% and 3.3% respectively. Following table depicts that a significant number of people (23.45 %) are unemployed mostly females which is four times higher than the males. In addition to the primary source of income some people are involved in self – employments as the secondary source of income.

Table 3.13: Occupational Pattern of PAHMs Disaggregated According to Sex

| Sources of Income | Male | % | Female | % | Total | % |
|---------------------------------|------------|---------------|------------|---------------|------------|---------------|
| Primary sources | | | | | | |
| Government salaried employments | 16 | 4.35 | 05 | 1.06 | 21 | 2.50 |
| Private Sector employments | 58 | 15.76 | 49 | 10.38 | 107 | 12.74 |
| Labour activities | 51 | 13.86 | 25 | 5.30 | 76 | 9.05 |
| Self –employment | 48 | 13.04 | 45 | 9.53 | 93 | 11.07 |
| Retired with pension | 01 | 0.27 | 00 | - | 01 | 0.12 |
| Foreign employment | 11 | 2.99 | 17 | 3.60 | 28 | 3.33 |
| Unemployed | 37 | 10.05 | 160 | 33.9 | 197 | 23.45 |
| Business | 06 | 1.63 | 00 | - | 06 | 0.71 |
| Not applicable | 140 | 38.04 | 171 | 36.23 | 311 | 37.02 |
| Total | 368 | 100.00 | 472 | 100.00 | 840 | 100.00 |
| Secondary sources | | | | | | |
| Labour work | 0 | - | 03 | 42.86 | 03 | |
| Rent house/rooms | 0 | - | 00 | - | 0 | 9.09 |
| Self-employed | 03 | 100 | 04 | 57.14 | 7 | 81.81 |
| Total | 03 | 100.00 | 07 | 100.00 | 10 | 100.0 |

Source: Field Survey (2017-2018) (not applicable to students, infants and elderly people who cannot do jobs)

In addition to the sources of income, the levels of income generated from the sources were also looked into. Table 3.13 gives the distribution of the average monthly income level and the average monthly expenditure levels of the affected households. Accordingly, 34.51% of households earn a monthly income of about Rs 100,000, and 12.16% earn more than Rs. 100,000.00 per month. Majority of HHs (45.1%) receive a middle level income between Rs 15,000 to 50,000, while about 6.66% earn a low income up to Rs 15,000 which can be considered as the poor segment of households in this section.

3.5 Poverty and Vulnerability Status

In total, 11 households receive welfare benefit from the government under the “Samurdhi” programme. 4 households receive benefits from other government welfare programmes. The data also indicate that there are 52 female headed households among which only 10 women headed households actually are family bread-winners. 39 elderly headed households fall in to above 60 years of age which is considered as the officially defined limit of age. This number also includes only 10 bread winners of their families. Surveys revealed that 09 PAHs whose monthly income is below Rs. 4038.00 also is below the official poverty line (as defined May 2016).

Table 3.14: Vulnerability Status of PAHs

| Poverty Status | No of PAHs |
|--------------------------|------------|
| Below poverty level | 09 |
| Samurdhi assistance | 11 |
| Other welfare | 04 |
| Female headed Household | 10 |
| Elderly headed Household | 09 |
| Total | 43 |

Source: Field Survey (2017-2018)

Table 3.15 shows the situation of total project affected vulnerable persons. The surveys revealed that majority 84 persons (68.29%) are elders, secondly 19 persons (15.44%) are chronically ill and 13 (10.56) are physically disabled and a few (5.69%) is mentally deceased. Comparatively more males are disabled and chronically ill than females. In terms of elderly category, female elders outnumber than male elders.

Table 3.15: Vulnerability Status of PAHs

| Vulnerable category | Male | Female | Total | % |
|----------------------------------|-----------|-----------|------------|---------------|
| Elderly persons | 36 | 48 | 84 | 68.29 |
| Households with disabled persons | 08 | 5 | 13 | 10.56 |
| Chronically ill persons | 11 | 08 | 19 | 15.44 |
| Mental issues | 04 | 03 | 07 | 5.69 |
| Total | 59 | 64 | 123 | 100.00 |

Source: Field Survey (2017-2018)

Chapter 4 - Public Consultation

4.1 Consultation Process with affected people and other stakeholders

Safeguard policies give high priority to consultation and participation because they have the potential to enhance citizen voice and assure incorporation of community's views in the project design and implementation. It is a process where the agencies, implementers, policy makers, beneficiaries and affected persons discuss and share their concerns. With the objective of selecting and relocating around 260 PAHs in available housing units in UDA apartments; the UN habitat survey team and PMU safeguard team conducted public consultations with stakeholders such as political authorities, public officials and target community who are living in the section 02 along the railway line from Loco Junction to the Seevali Lane within the Wanathamulla GND.

Project flyers in Sinhala, Tamil and English which included a brief description of the project, its benefits, project plans, compensation and resettlement procedure, project activities and contact details of PMU, were distributed at awareness programs and meetings. Copies of the flyers are attached as Annex 05.

Public consultations were held in the form of community consultative meetings, Focus Group Discussions (FGD) and Key Informant Interviews (KII) –with men and women of the affected communities and public officials for the purpose of disclosing information about the proposed project, resettlement program and obtaining their views and concerns. After the presentation on the project and its activities, question and answer session were conducted. Information dissemination, consultation and participation of PAPs and other stakeholders ensure transparency of the RAP process; it also reduces conflicts and minimize risk of project delays.

Feedback received from meaningful public consultations is useful for revision of project designs to minimize resettlement impacts and maximize benefits on one hand and devising appropriate safeguard measures in the preparation of RF and RAP. The RF & RAP shall be translated into national languages (Sinhala and Tamil), and the PMU will ensure that the RF & RAP are made public. Summaries of the 04 community consultations, 04 FGDs and 04 KIIs are given below. The photographs of these are attached as Annex 06

Community Consultation Meeting (01) at 297 Waththa

The first community consultation meeting was held for the members of the affected households residing in 297 waththa, in Wanathamulla GN division of Thinbirigasyaya DSD. The meeting was held at the Buddhist shrine hall from 2.00 PM to 4.30 PM on 27th June 2017. A majority of squatter households from 297 waththa and Elumaduwa situated along the KV railway line, attended this meeting. Participants were included 63 women and 48 men who arrived from above two communities.

Officers of CSRP were introduced to the host-community at the inaugural address by the Grama Niladari of Wanathamulla. She requested the participation and support of households for the resettlement process to facilitate future KV railway line improvement activities. Deputy Project Director (Social and Environmental safeguards) welcomed the participants and briefly introduced the CSRP project and the

proposed KV rail improvement activities to the participants. Subsequently, a brief explanation was given about the UN Habitat socio economic survey and the resettlement process which will be undertaken by the CSR under the MoT&CA. After presenting on the project, people were given the opportunity to raise questions if they have any that are related to their community with regard to the proposed resettlement process. The summary of the discussion is shown in Table 4.1.

Table 4.1. Summary of the Questions and Answers

| S/N | Comments and Questions | Replies by CSR Officers/GN officer | Points reflected to the RAP |
|-----|---|---|---|
| 01 | Participants were highly concerned about the alternative resettlement site. When the Henamulla UDA housing scheme was proposed as the alternative resettlement location, majority objected saying there is a personal conflict between this community and a group of people living in the vicinity of that site; and further mentioned there are life threats against some families residing in 297 waththa | Assured to find an alternative resettlement site close to their current residential location instead of proposed Henamulla UDA housing scheme. The officers emphasized that the objective of resettlement is to improve their living standards to a better position than their present living condition. | Selecting alternative resettlement sites. |
| 02 | Currently the community use common toilets at 297 Waththa which are Insufficient for the residents of 297 Waththa | Lack of Toilets will be solved when people are resettled in new housing schemes which consist of separate toilet for every individual housing unit. | Resettlement will provide better living condition for affected people |
| 03 | Currently there is no Community organizations or any other platform to discuss issues related to women and children of 297 Waththa | New community organizations will be formed after resettlement; until then temporary representative committees which consisted selected people from communities will be formed, and leaders will be nominated to facilitate the resettlement process by the safeguard officers of the project. | Project affected people will be encouraged to participate in the process of resettlement including decision making. |
| 04 | Our people will have questions and issues with regard to the moving of our residence from here to proposed UDA housing schemes. How can we complain, whom we should meet to get solved our problems. | Our safeguard officers ready to answer your questions and attend your issues. In addition to that Grievance Redress Mechanism will be established within our project to solve your issues. You will be informed details later. | Grievance Redress Mechanism will be established to facilitate affected people to get their issues solved in the resettlement process. |

Community Consultation Meeting (02) at 297 Waththa

The second community consultation meeting was held for the members of the affected communities residing in 297 waththa, in Wanathamulla GN division of Thinbirigasyaya DSD. The meeting was held at the Buddhist shrine hall in Wanathamulla from 2.30 p.m. to 5.00 p.m. on 21st July, 2017.

The meeting was attended by squatter households who live in 297 Waththa and Elumaduwa situated along the KV railway line. 48 women and 40 men participated for the meeting.

The meeting was held mainly to give the community an awareness on documents required to prove their residential occupation along the KV line in section ii. The Social safeguard specialist welcomed all participants and introduced the process of identification of PAPs to become eligible for compensation according to the proposed Entitlement matrix of the CSRP. Social Safeguard Officers who attended the meeting. The list of documents needed to prove the occupation of residence was displayed through a board and also explained to the participants. It was highlighted that all necessary documents that PAPs intend to produce should bear evidence that they have been occupying the households before the cut-off date declared by the project. This list included copies of household heads identity card, Grama Niladari's certificate and electoral register that proves their occupancy in the current residence, electricity/water bills, and or any other valid proof of documents such as birth, death certificates and child health card etc. People were given the opportunity to raise questions on issues that are related to the resettlement process.

Table 4.2. Summary of the Questions and Answers

| S/N | Comments and Questions | Replies by CSRP Officers | Points reflected to the RAP |
|-----|---|---|---|
| 01 | Members of the community were keen to know about the most vital documents that are needed to prove their residential occupation in the area | The most important documents are; the electoral register which includes the family member's names registered at the current address, and the Grama Niladari's certificate to prove occupancy. Other documents required are copies of the Identity Card, and the Birth Certificate of the Household Head, Marriage Certificate, electricity, water and telephone bills, Colombo Municipal Council assessment receipts, Health cards of children, Bank Pass Book, etc. All these documents should be able to prove household occupancy of the members before the cutoff date of 14 th August 2017 declared to section ii in KV Line. | To verify a person's identity, to see if an individual is registered in the voters list under the same address, and prove his/her occupancy at the current residence. |

| | | | |
|----|---|---|---|
| 02 | How to rectify the names and address discrepancies in the documents, will the document be valid if submitted as they are? | Discrepancies in documents can be rectified by submission of an Affidavit addressing the errors in the document. | |
| 03 | What we will have to do, if there are no documents to prove occupancy? | Submission of any other relevant documents according to the list provided by the PMU that could prove the occupancy along with a certificate from the GN. They are not eligible, but they can submit an appeal to GRC which will be established by the project to address this issue. | Proper mechanism should be established through the GRM. |

Community Consultation Meeting (03) at 297 Waththa

The third community consultation meeting was held for the squatter households of 297 Waththa and Elumaduwa situated along the KV line. The meeting was conducted at the Buddhist shrine hall in the Wanathamulla GN division of Thinbirigasyaya DSD from 2.00 PM to 4.00 PM on 17th October 2018. This meeting was attended by 54 women and 52 men. The meeting was conducted by CSRP officers attached to the Social and Environmental Safeguard Division and Consultants from DOHWA.

Objective of the meeting was to inform the dwellers about the resettlement sites for which they would be relocated and other related information such as possible time frame of resettlement implementation. People were requested to raise questions if they have any related to the proposed resettlement process, or proposed housing schemes.

The Deputy Director (Environmental and Social Safeguard Division) welcomed the participants and explained the proposed finalized alignment and activities related to the development. KV rail improvement activities. Subsequently, information pertaining to the proposed UDA housing schemes, their locations, and available area in housing units of each scheme, and infrastructure facilities were described to the community.

Table 4.3. Summary of the Questions and Answers

| S/N | Comments and Questions | Replies by CSRP Officers | Points reflected to the RAP |
|-----|---|---|---|
| 01 | They requested details of all available housing schemes, distance from the current residents, floor area and facilities available. Participants were happy about selecting alternative | All 03 selected UDA housing schemes are located within 0.5– 2.00 kms distance from this community (Lakhiru Sewana = 400 Sq: Ft Siyapth Sewana = 500 Sq: Ft Methsara Uyana = 400 Sq: Ft | Community is given the opportunity to visit housing schemes and housing units allocated for resettlement. |

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| | housing schemes within a close proximity to their current settlements, as they would not hinder their day to-day activities or schooling of children. | All housing units are comprised equipped with individual water supply, electricity connection and sanitary facilities. | |
| 02 | What are the options available for households with sub-families living in the same house? | It is difficult to identify sub-families in the area using general criteria. Therefore, the project proposed to prepare marking scheme to give a solution for more members in the family. | They should be aware on marking scheme and eligible housing units for PAPs after obtaining cabinet approval. |
| 03 | Some self-employed activities are currently being carried out in-house; what are the options available at UDA apartment housing schemes to carry out self-employment activities? | Programs shall be introduced for home-based self-employment through livelihood restoration programs | Livelihood restoration program should commence prior to the relocation. |
| 04 | How to assure the safety and security of children and women in UDA apartment housing schemes? | Orientation programs shall be conducted to enhance the community on safety and security of children and women | Orientation program should be finished before the resettlement. |
| 05 | Our people would have different issues and questions when our houses are moved to the new relocation sites. To whom we should address and meet? | Your questions can be forwarded to the project director as it was mentioned in the leaflet. To facilitate people, GRM will be established and complaint boxes will be installed at the community. | GRM will be formulated in the RAP specifically to facilitate people to get solutions more quickly and transparent manner. |

Community Consultation Meeting (4) at Seewali Lane Block B

This community consultation meeting was conducted for the squatter households, NHDA deed holders and card holders living in block B Seewalipura of Wanathamulla along the ROW of KV railway line from Base Line Avenue to Seewali Lane. The meeting was held at a junction in the community access road situated in block B Seewalipura of Wanathamulla GN division in Thinbirigasyaya DSD from 10.00 AM to 12.30 PM on 02nd December 2018. 88 women and 102 men attended the meeting.

The Deputy Director (Environmental and Social Safeguard Division) welcomed the participants, introduced the CSR officers to the community and briefly explained the information regarding the progress of the proposed Base line station development under the KV rail improvement activities. An explanation was given about the socio-economic survey conducted by the UN Habitat and the

resettlement process which will be undertaken by the CSRP. The CSRP Officers requested the community to extend their support for the resettlement process, and enable future KV railway line improvement activities. People raised questions about the proposed resettlement process with regard to their community.

Table 4.4. Summary of the Questions and Answers

| S/N | Comments and Questions | Replies by CSRP Officers | Points reflected to the RAP |
|-----|---|---|--|
| 01 | What is the timeframe for the removal of houses and resettlement in proposed housing schemes? | Probably before June 2019. However, Prior notice will be given to all occupants before removal of houses. | Awareness creation and disclosure of information regarding time schedule of resettlement for affected parties |
| 02 | Is there any Payment involved in the provision of alternative housing units in housing schemes? | Provision of housing units for eligible PAHs shall be free of charge | EM should be disclosed in local language for affected parties just after obtaining the cabinet approval. |
| 03 | Whether NHDA regularized houses are entitled for any type of compensation? | Compensation shall be given for land and structures after deducting the value of the house for deed holders. Discussion will be held to give this facility for card holders too for those who were regularized by the NHDA. | Payment of compensation for land and households affected in the ROW |
| 04 | As the floor area provided in the housing units proposed for PAHs are not adequate to share with sub-families, how has the project planned to address this issue? | A points scheme based on family size, and currently occupied floor area shall be introduced to provide additional housing units | The EM shall address this issue. |
| 05 | Are shop owners entitled to receive compensation? | Yes, a payment shall be made for the loss of income considering the period mentioned in the EM. Residential cum commercial house owners are entitled to receive a house in the lower floors in the housing schemes to continue their businesses | Payment of compensation for affected shop owners in the ROW and for income restoration. Disclosure of EM for affected shop owners, after obtaining the cabinet approval. |
| 06 | After resettlement is there a possibility to use the address of the current residence to obtain schools for children? | We shall coordinate with the Department of Education and try to make arrangements | |
| 07 | For whom, our issues can be forwarded to get a solution in resettlement of our people? | Grievances can be forwarded to project through verbal form for our safeguard officers and in writing to our project director to the address mentioned in the leaflet given to you. In addition to that GRM will be established to facilitate you to get solutions to your | GRM will be established to suit to the section in KV Line to get solutions more easily. The RAP will include specific chapter by explain this mechanism. |

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| | | unsolved issues due to the project implementation. | |
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Community Consultation Meeting (05) at Divisional Secretariat Office –Thimbrigasyaya

This meeting was organized by the UN Habitat team to make the public aware on contents of the draft entitlement matrix to compensate for the affected people who are living in the ROW of KV Line within Thimbrigasya DS division. The meeting was chaired by the UN habitat team leader and Resettlement Expert, Assistant Project Director (Social Safeguards)/CSRP, Assistant Divisional Secretary of Thimbrigasyaya. Participants were included selected community leaders, affected household's men and women, political authorities in the Western Provincial Council and Colombo Municipal Council who represent in the DS area. The meeting was held on 10th September 2018 at 10.00 am to 12.30 pm.

First, Assistant divisional secretary welcomed the participants and requested participants to support this railway improvement national program and get benefits of new housing units to promote their living conditions. Secondly, UN Habitat team leader explained the objective of meeting and requested to give their ideas for the options suggested in the proposed entitlement matrix. Subsequently, Assistant project director in the CSRP presented power point presentation with brief introduction of basic project components and its national importance and suggested compensation options for affected parties living in the ROW of KV Line.

After the presentation, attended participants were given opportunity to express their ideas, comments and suggestions for the contents/options to pay compensation for PAPs while considering the category to which they are fallen. The summary of the discussion is shown in Table 4.5.

Table 4.5. Summary of the Questions and Answers

| S/N | Comments and Questions | Replies by CSRP Officers/UN Habitat officers | Points reflected to the RAP |
|-----|---|---|--|
| 01 | Where are the Housing schemes are situated for our resettlement? | All of you who are eligible, will be relocated within 2.0 Km distance. All UDA housing schemes are located in within close proximity to the affected communities in the KV Line in this DS division. | Resettlement is taken place in close proximity without affecting to their social and economic activities as to ADB safeguard policy and NIRP guidelines. |
| 02 | What is the squire area of alternative housing unit which we will get? We did not like to go for 400 square feet house. | There are two sizes of housing units with 400 and 500 square feet area. Majority of affected dwellers live in houses low than 400 square feet. Those who have more squire area will receive 500 Square feet houses. | Adequate compensation through housing units with compensation will be given for affected person. |
| 04 | Our families have a greater number of family members, one housing unit is not adequate as alternative houses? | Squire area and number of family members in one house are taken into account in allocating houses, if this EM is approved by the Cabinet. | House to house is the basis for compensation for affected dwellers with other additional payments of compensation. |

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| 05 | What is alternative option for commercial shop. They should be given separate building for shops or separate housing unit as suitable for shops? | Eligible shop will be compensated for loss of income for relevant affected period and development cost of structure if it is located in the ROW. | Adequate compensation is paid to affected persons so that social and economic condition is uplifted. |
| 06 | We live in NHDA regularized houses. How can such a house be compensated? | If the house is situated in regularized land and deed is given for owner by NHDA, such house is considered as private land and house which will be compensated for land and house. | Adequate compensation is paid to affected persons so that social and economic condition is uplifted. |

FGD sessions for the homogenous groups were held by the safeguard unit of the PMU. The groups were selected based on the issues identified in the resettlement process. These groups included women headed families, youths, and NHDA regularized households. These consultations led to identify and address safeguard concerns of women, youth and children, and NHDA households. Summary of the FGDs are given below.

Focus Group Discussion (FGD) - (01) at Elumaduwa

The first FGD was held for the project affected women community of Elumaduwa in section ii of KV Rail phase 01 at 246/7, T Waththa Wanathamulla GN division from 2.00 PM to 3.30 PM on 28th June 2017. 12 women members who shall be directly affected by the proposed railway improvements in the KV railway line participated for the discussion.

Deputy Director (Environmental and Social Safeguard) briefly explained about the CSRP and the KV Rail Phase 01. He emphasized about resettlement and the role of women and life in housing schemes and requested their related issues and inputs for the resettlement process. The PMU team discussed about the issues raised by these women participants. Summary of the discussion is given in Table 4.5.

Table 4.6. Summary of the Questions and Answers

| S/N | Comments and Questions | Replies by CSRP Officers | Points reflected to the RAP |
|-----|---|--|--|
| 01 | There are some women engaged in jobs and small businesses within the surrounding area of this community. Their customers also live in the same vicinity. Relocation will have an impact on their jobs and businesses. | PAPs will be resettled in a housing scheme close to their current area of residence within 1.5 Km distance. Thus, losing the customer base will not occur because all the people in a community will be resettled in the same housing scheme. Livelihood restoration programs and vocational training on selected programs shall be introduced to the PAPs to find alternative income sources. | Income restoration for PAPs in alternative resettlement site. Comprehensive income restoration program has been suggested in the RAP with budgetary allocations. |
| 02 | Schooling issues encountered by children due to change of residence | Resettlement will take place in close proximity to the current base; therefore, children may not face any issue to go the same schools | Negative social impacts will be minimized by selecting resettlement |

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| | | | sites closer to the current place of residences. |
| 03 | People in this community are not used to living in housing schemes. People may face adaptation issues. | Project will conduct orientation programs for living in housing schemes and behavioral changes | Social security is assured in new resettlement sites for newly resettled people with budgetary allocations. |

Focus Group Discussion (FGD) -(02) at 297 Waththa

The second FGD was held for project affected women headed households of 297 Waththa. The discussion was held at the Buddhist shrine hall of Wanathamulla GN division in Thinbirigasyaya DSD from 10.00 AM to 11.00 AM on 13th December 2018. This meeting was attended by 14 women who were directly affected from the proposed railway improvements in the KV railway line.

The meeting started by welcoming the participants by the Deputy Director (Environmental and Social Safeguard) of CSRP. He explained in detail the components of CSRP and the progress of KV rail improvement activities. He also requested the participants to cooperate with the project staff because this group of people are considered as a vulnerable group who need assistance in the process of resettlement. Their economic activities will be considered in the income restoration and livelihood improvement program and will be monitored throughout the project period after resettlement occurs. Summary of the discussion is given in Table 4.6.

Table 4.7. Summary of the Questions and Answers

| S/N | Comments and Questions | Replies by CSRP Officers | Points reflected to the RAP |
|-----|---|---|--|
| 01 | When resettlement occurs, people have to shift their household items/ furniture/etc. People should be informed in advance to make payments and arrange vehicles | The project shall provide transport allowance which also includes labor charges. | EM should address this issue. |
| 02 | Where safety is concerned, there are issues for women and children in multi-storied housing scheme. Does the project propose measures for the safety of children and women? | The condominium authority and the police post stationed in the housing scheme shall address the safety issues of occupants. Awareness programs on safety shall be conducted by the project. | Social security at the resettlement site. |
| 03 | Relocation will have an impact of self-employed personnel. Does the project have an option to address this issue? | The project has proposed an income restoration program to address such issues and introduce new income sources and vocational training program for self-employed persons. | Enclose Income restoration and livelihood programs |

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| | There are few differently abled persons and some persons suffering from chronicle illnesses. Special consideration is needed for these types of persons in allocating housing units in the apartment housing scheme. | This shall be addressed when allocating the floors in the housing schemes. These Housing schemes are built in accordance with acceptable standards and are also equipped with lifts for easy access. | Vulnerable people to be considered as a special group. |
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Focus Group Discussion (FGD) - (03) at 297 Waththa

The third FGD was held for project affected youth at 297 Waththa of Wanathamulla GND in Thinbirigasyaya DSD from 11.00 AM to 12.30 PM on 13th December 2018. 12 youth, including 08 girls and 04 boys whose families were directly affected from the proposed railway improvements in the KV railway line participated for the discussion.

The Deputy Director (Environmental and Social Safeguard) of CSRP briefly explained about the components of CSRP and progress of KV rail improvement activities. He asked the participants to express their views in terms of the proposed resettlement process, and also about their future plans. He further explained that new training opportunities will be arranged by the project with the coordination of government training authorities, and encouraged the youth to apply for these training programs. Summary of the discussion is given in Table 4.7.

Table 4.8. Summary of the Questions and Answers discussed

| S/N | Comments and Questions | Replies by CSRP Officers | Points reflected to the RAP |
|-----|---|---|--|
| 01 | Some of these youngsters have stopped schooling without completing their school career. Most of them like to do jobs or engage in skill training activities. Some of them are already engaged in new self-employment activities within the community but are looking for jobs. | Suitable Income Restoration programs shall make aware of new Skill development training programs. Government vocational training authorities will be coordinated to get such facilities. | Income restoration and livelihood development programs shall be arranged as per the RAP. |

Focus Group Discussion (FGD) -(04) at Seewalipura Block B

This FGD was held from 2.00 PM to 3.00 PM on 13th December 2018 for project affected households in the NHDA regularized section at Seewalipura Block B, in the Wanathamulla GN division of Thinbirigasyaya DSD. 15 PAHs which included 08 women and 07 males who are directly affected by the project participated for the discussion.

Deputy Director (Environmental and Social Safeguard) briefly explained the project and the progress of KV rail improvement activities. He explained the participants about the special assistance that would be

provided by the project for NHDA householders. Since these householders possess deeds issued by NHDA, he requested them to produce the deeds to provide compensation for their land and structure; if they are not willing to accept housing units in UDA Scheme. During the discussion the participants raised questions about the process of relocation. The summary of question and answer are given in Table 4.8.

Table 4.9. Summary of the Questions and Answers discussed

| S/N | Comments and Questions | Replies by CSRP Officers | Points reflected to the RAP |
|-----|---|---|--|
| 01 | NHDA Householders have been issued housing loans, advisory services to build houses, and deeds or cards for houses by NHDA. Therefore, wanted to clarify whether they will receive a reasonable compensation package for their lands and houses when resettlement occurs under the railway improvement project. | Households with deeds are eligible for a housing unit and compensation for the land lot. The project shall discuss with the NHDA to reconsider the card holders same as the deed holders in the provision of compensation | EM has provisions to pay reasonable compensation for PAPs. |
| 02 | Is there a possibility to request for the value difference of the current house and the UDA housing unit? | The EM has been prepared with provision to address this issue; it has to be approved by the cabinet. | EM has provisions to pay reasonable compensation |
| 03 | If the affected house is a two storied house. How does the project allocate housing units for each floor of the affected house? | EM has proposed to allocate more housing units based on the total floor area and the number people occupying the affected house. | EM has provisions to pay reasonable compensation |
| 04 | There are NHDA deed holders as well as card holders. How does the compensation for land and house differ for affected NHDA regularized deed and card holders? | Households with deeds are eligible for a housing unit and compensation for the land lot. The project proposed to consider the card holders also same as deed holders | EM has provisions to pay reasonable compensation |

Overall, the communities living on either side of the railway line did not object to the proposed KV Rail Phase 01 activities, because they believe that the project will promote progress in the country while providing benefits to the community. They expressed strong support to the project as they aspired to become titleholders of housing units in a flat in the same area that will offer them better living conditions and improved quality of life. They insisted on relocation before construction starts. They want to be resettled at close proximity to the present location mainly to ensure uninterrupted continuation of livelihood and children’s education.

Very few in the Business community are affected. Their shops are in two locations where the railway track was designed to cross the Dematagoda road and Baseline road. PMU team interviewed all owners and rented persons of businesses and explained their entitlements if businesses were lost due to railway line improvements. Information documents like business registration certificates and other basic information

were requested while taking measurements of their business structures. It was found that most of them carried out businesses in the railway reservations and or road reservations. The shops located in most places can be retained their businesses since the buildings are partly affected as per the design. This was confirmed by the DD & FS consultancy. Business group whose shops are partly affected expressed their willingness to continue their businesses in the present locations. In the 297 Waththa, few people are running groceries or small food selling shops within part of their houses found even though shops were faced to the railway line. They requested housing units in the ground floors or downstairs' in the resettlement housing apartment to continue their businesses.

Key Informant Interviews (KII)

Most of key-informant interviews were held with government officials who are in charge of institutions that will be partially affected due to the proposed railway improvements. The details are given in the table below.

Table 4.10: Summary of Key Informants Interviews

| Designation of Government Officer | Views expressed at the KII session |
|---|---|
| School Principal -Seewalipura Central College Venue: Seevalipura Central College-Wanathamulla Date: 03-12-2018 Time: 3.30 pm | The school principal expressed his fullest cooperation to the proposed railway improvement program and further mentioned that removal of shanty dwellings will improve the appearance of the playground as well as the school. The project assured that it would reconstruct the boundary wall of the playground that will be affected by the project. However, all official procedures shall be attended with the Zonal Director of Education in Colombo office. |
| Officer-in-Charge -Police Station-Dematagoda Venue: Dematagada Police Station Date: 05-12-2018 Time:10.00 am | OIC of Dematagoda Police Station said that the Police Station premises consist of 50 perches of land belonging to the CMC. A part of the vehicle park, canteen and two outside toilets will be affected due to the project, as such they can manage within the remaining space. He expects the project to reinstate the affected amenities. |
| Chief Area Engineer -Ceylon Electricity Board - Colombo East Venue: CEB Borella Date: 05-12-2018 Time: 12.00 pm | The CEB area engineer said that they can shift the existing transformer house to an alternative place provided by the project in a nearby area. However, all official procedures have to be attended by the CEB DGM of Colombo East. |
| Vice -President in Mount Mary Railway Ground - Dematagoda Venue: Sri Lanka Railways, Borella Date: 06-02-2019 Time: 3.00 pm | Vice-President expressed his fullest support to the project and requested to shift the existing pavilion building to be relocated under the proposed elevated station, and adjust and reconstruct the cricket pitch as suggested. |

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| Grama Niladari – Wanathamulla Thinbirigasyaya Venue: PMU office Date: 02-02-2019 Time: 1.00 pm | The Grama Niladari of Wanathamulla assured to support to identify the real affected households in section 02 area along the railway line because some of them provide wrong information. |
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4.2 Public Disclosure and Information Dissemination

During the surveys conducted by the UN Habitat and the PMU safeguard team, every house was visited in the identified project area. Project information related to affected area, potential changes to the existing route, positive and negative impacts, land acquisition, compensation, resettlement and resettlement assistance, grievance redress procedures were shared with the people and other stakeholders. The PMU team distributed leaflets available in all three official languages among the PAPs and informed them to contact the project office for further clarification.

A translation of the EM will be made available to the PAPs in local languages for public scrutiny. Copies of RAP will be kept at PMU, MoTCA, DS, LA, and GN Offices. Once finalized and updated, the RAP will be disclosed in ADB and PMU websites.

4.3 Continued Consultation and Participation

For continued public consultation and participation the following steps are envisaged:

- PMU directs the resettlement officers of safeguard team, supervision resettlement consultant and contractors to engage in continuous consultations with PAPs to avoid or minimize adverse impacts
- PMU will distribute the Entitlement Matrix for PAHs and help them to understand their entitlements with due relocation option consented by them.
- PMU shall conduct meetings with PAPs to inform the final design details, status of payment of compensation, relocation and resettlement assistance
- PMU shall conduct consultations with PAPs to update RAP, and revise implementation plans
- Share the final RAP with PAPs and stakeholders prior to its submission to ADB
- Conduct consultations over unanticipated or indirect consequences of involuntary resettlement
- Assist PAPs to access information, preparation of documents for claims, and receive resettlement assistance and other benefits
- Keep copies of RAP, progress reports and monitoring reports for public scrutiny at PMU, public offices like GN office and Baseline railway station which are easily accessible to PAPs in this section.
- Conduct information dissemination sessions during the period of project implementation, request and foster community participation
- Assist PAPs and vulnerable groups to acquire information
- Make aware the host community to build a good rapport with the resettled community

- Provision of employment opportunities for the PAPs under construction contractors
- Implementing an effective GRM to provide solutions for grievances
- Appointing community members and women representatives to the GRC

Chapter 5 - Grievance Redress Mechanisms

5.1 Introduction

Large-scale development projects could affect people in different ways. Problems related to development projects may arise due to land or property acquisition, delays in providing compensation and relocation assistance, or due to construction related activities like site clearing, excavation, compaction and blasting. The problems arising from land acquisition and resettlement process may lead to social, economic, cultural, and environmental issues. These problems are very complex and likely to change livelihoods of PAPs. Such issues could cause grievances among the public who are adversely affected by the project. To address such grievances of PAPs, preventive measures are needed to be taken promptly through a formally instituted, and time-bound grievance redress mechanism (GRM) to receive and resolve the grievances and complaints, to which the PAPs are particularly entitled; and also, it is necessary to address the project impacts in general. Such a grievance redress approach will help to resolve many public issues at site and avoid unnecessary delays in the progress of the project avoiding public criticisms and protests.

All disputes related to land acquisition, delays in providing cash compensation and resettlement assistance, handing over of housing units at relocation sites, land issues such as land ownership disputes shall be dealt by GRCs. PAPs can complain to the GRC in writing or verbally to any GRM receiving point established by the project, or a resettlement officer at the field/site office. Such verbal complaints shall be recorded and forwarded to the chairperson of relevant GRC. The Grievance Redress Committee (GRC) shall address PAPs' complaints and grievances promptly, using a transparent process that is gender responsive, culturally appropriate, and readily accessible to all segments of PAPs at no costs and without retribution.

The GRM is an accessible and trusted platform for PAPs to seek solutions and relief for their grievances relating to involuntary resettlement activities of KV Rail Phase 1. The GRM shall also demonstrate PAPs' capacity for consultations and desire to resolve grievances through discussion and negotiation. This mechanism would support the genuine claimants to resolve their problems through mutual understanding and a consensus reaching process with the relevant parties. The grievance redress committee (GRC) of GRM will have no jurisdiction over the 'rates' or packages of cash compensation. The purpose of a GRM is to resolve land/property acquisition, compensation, and relocation disputes at the grassroots level in order to avoid lengthy and costly judicial process. However, a GRM will not deal with matters pending in Courts of Law.

In line with the above aspects a Grievance Redress Mechanism (GRM) shall be formulated for KV Rail Phase 1 Section 2.

5.2 Operational aspects of GRM for KV Rail Phase 1

Sometimes people may not be directly affected by a project, but there could be requests or suggestions on the proposed development interventions. The KV Rail Phase 1 Section 2 located within CMR shall also receive public requests, suggestion or complaints during its implementation. Therefore, attending and

addressing the public complaints that may affect the day-to-day life of communities within the project area shall be of great importance.

Respective persons should be knowledgeable about GRM and GRC to successfully implement the GRM. Therefore, wide publicity is needed to make aware the stakeholder groups such as affected parties, government agencies, and civil society organizations. Effective awareness about the GRM process makes people better understand their options, depending on the types of complaints. Hence, criteria for eligibility shall be communicated and awareness campaigns shall be launched to give publicity to the roles and functions of GRC. First, all grievances received at PMU will be tried to be solved by the Social Safeguard Officer of PMU. If it seems not possible, the Social Safeguard Officer will refer them to the first GRC at site level.

The GRM shall work at three levels and grievances shall be addressed at each level depending on the nature and significance of the grievances or complaints. The first shall be at site level where complaints will be referred to the GRC in which Grama Niladarie in the area will chair. The second level shall be the regional level where simple grievances that cannot be addressed at site level are addressed. More complex grievances which cannot be addressed at regional level will be addressed at the National Level which includes the inputs of the Secretary of the Ministry. CSRP shall establish Grievance Redress Committees (GRC) at each of these three levels. The minimum composition of these GRCs are presented below.

1. Field level

| | | |
|------|---|-----------|
| I. | Grama Niladhari of the area | Chairman |
| II. | Representative of the PMU | Secretary |
| III. | Representative of Project Implementation Consultant (PIC) | Member |
| IV. | Representative of Contractor | Member |
| V. | Representative of CBO/NGO/ Religious leader | Member |
| VI. | Woman representative from the local community | Member |

2. Regional level

| | | |
|------|---|-----------|
| I. | Divisional Secretary of the area | Chairman |
| II. | Representative of the PMU | Secretary |
| III. | Representative of Project Implementation Consultant | Member |
| IV. | Member of Samatha Mandala | Member |
| V. | Representative of Contractor | Member |
| VI. | Representative of (CBO/NGO) / Religious leader | Member |
| VII. | Woman representative from the local community | Member |

If necessary, representative/s of line agency /agencies could be invited for both above committees.

3. National level

| | | |
|------|---|-----------|
| I. | Secretary to the Ministry | Chairman |
| II. | Project Director of PMU | Secretary |
| III. | Representative of Project Implementation consultant | Member |
| IV. | Representative of Community Based Organization | Member |

Grievances / complaints submitted to the GRC shall be treated equally irrespective of the gender of the person. To make the GRM process gender responsive, each GRC shall include at least one-woman member to represent the local community.

Suggestions, requests and complaints shall be received through various channels such as letters, telephone calls or emails. Suggestions, requests or complaints could be verbally communicated to PMU, PIC or contractor/s by the public or stakeholders. The contact details of persons of PMU and Project implementation consultant (PIC) shall be displayed in a project information display board at the project site. Complain boxes shall be placed and maintained at the security point of each construction site/relocation site for the public or stakeholders to put in their suggestions, requests and complains in writing (as letters). Suggestions, requests or complaints could also be directly handed over to the PMU and PIC in writing.

A “Master Register” shall be maintained at project Manager’s office of PICs to record the suggestions, requests or complaints of PAPs. Minutes of GRC meeting including decisions taken shall be recorded by Social safeguard officer and the decisions taken shall also be included in the “Master Register”. The environment / social officer of PIC shall take the responsibility to maintain and update the “Master register”.

The recommended steps of the GRM is provided in figure 2 with a timeline of the operation.

5.3 Monitoring and Evaluation of GRM and GRC

An evaluation system shall assess the overall effectiveness and the impact of the GRM. The evaluation process shall take place biannually for the KV Rail Phase 1, and the results shall be used towards improving the performance of the GRM, to monitor the trend of complaints, to detect flaws of implementation, to take timely corrective action, to provide feedback to the PMU to make strategic changes where needed. A questionnaire shall be prepared to address the evaluation. This could also provide feedback about PAPs satisfaction with the project.

5.4 Other agencies to which the aggrieved parties could forward their grievances

Land Acquisition Review Board (LARB)

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)

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 affected persons could be referred to SM to persuade the parties to arrive at an amicable solution without resorting to protracted litigation.

Human Rights Commission (HRC)

By the constitution of Sri Lanka, 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 the state officials. An aggrieved party could seek relief from HRC.

Parliamentary Ombudsman

Independent official appointed under the Constitution to inquire into the grievances brought to his notice by the members of the public.

Parliament Petition Committee (PPC)

An aggrieved member of 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.

Litigation

An affected 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

Government of Sri Lanka has established an agency to help people who cannot afford legal expenses, when they seek redress from the judiciary. 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 fees.

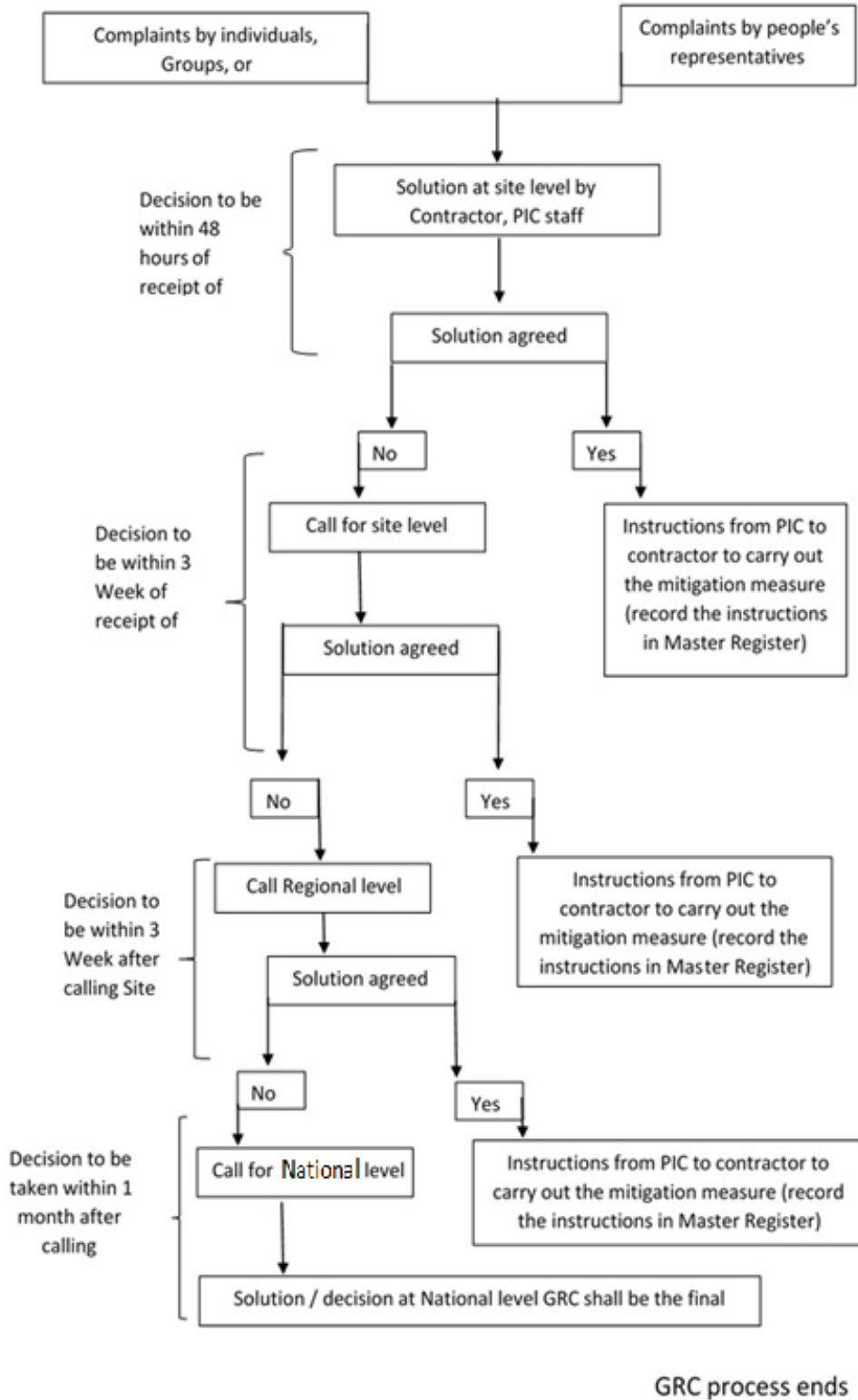


Figure 2: Proposed GRM process for CSRP

Chapter 6 - Legislative and Policy Framework

This chapter discusses the legislative and regulatory framework for land acquisition and resettlement relevant to the KV Rail Phase 1. These set out the procedures that must be followed

6.1 Applicable laws

6.1.1 Land Acquisition Act (LAA)

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 LAA of 1950 was modelled mainly on the English Land Clauses Acts and has evolved through the Acquisition of Land Act 1919 and the Acquisition of Land Authorization Procedure Act 1946 and the LAA amended by Act 28 of 1964.

LAA in force has several amendments with the latest of 1986. Revisions made to LAA regulations in 2008, and announced by gazette notification No. 1585/7 on Tuesday, 20th January 2009, have a significant impact on resettlement planning as it has reference to "replacement cost".

Table 6.1: Procedures for Land Acquisition

| Activity | Agency in Charge |
|--|--|
| Preparation & submission of proposal | Project executing/implementing agency |
| Issuance of order to survey (LAA S. 2) | Ministry of Lands and Parliamentary Reforms |
| Preparation and posting of notices (S. 2) | Divisional Secretary |
| Preparation of advance tracing | Survey Department |
| Issuance of order to acquire the land (S. 4) | Ministry of Lands and Parliamentary Reforms |
| Section 04 posting and publication of notices (S. 4) | Divisional Secretary, Government Press |
| Objection inquiries | Project executing/implementing agency |
| Gazette notification (S. 5) | Divisional Secretary, Department of Government Printing |
| Preparation of preliminary plan | Survey Department |
| Gazette notification (S. 7) | Divisional Secretary |
| Inquiries (S. 9) | Divisional Secretary |
| Decision (S. 10-1) | Divisional Secretary |
| Valuation | Valuation Department |
| Award (S. 17) | Divisional Secretary |
| Payment of compensation | Divisional Secretary |
| Order (S. 38a) | Ministry of Lands & Parliamentary Reforms, Department of Government Printing |
| Provision (S. 38a) | Ministry of Lands & Parliamentary Reforms, Department of Government Printing |
| Taking over vacant possession | Divisional Secretary, Project executing/implementing agency |
| Registration of land | Divisional Secretary, Project executing/implementing agency |

Provisions of LAA are inadequate to address all adverse impacts associated with land acquisition and involuntary relocation. The LAA is indifferent to land losers' socio-economic conditions and long-term adverse impacts on their incomes and livelihoods. LAA prescribes that market value of land should be paid as compensation which amounts the price a property owner could expect if sold in the open market, whereas SPS (2009) stipulates that 'replacement cost' should be paid as compensation which includes market value and other resettlement assistance packages. Post-acquisition monitoring of resettlement impacts is not a part of LAA

6.1.2 National Policy on Payment of Compensation (2008) and LA Regulations (2008)

The Cabinet of Ministers approved the National Policy on Payment of Compensation (NPPC) in November 2008 to establish a uniform system of adequate compensation payment, based on LAA, NIRP and several other laws applicable to land acquisition and resettlement, and also to supersede all other *ad hoc* and special compensation packages used by government agencies, for example, the manual used by Road Development Authority (RDA). The LA Regulations of 2008 ratified by the Parliament of Sri Lanka in 2009 as Regulations of LAA gave effect to both the NIRP and the NPPC. The LA Regulations 2008 incorporated NIRP and NPPC principles into Sri Lanka's legal framework thereby improving the congruence between local regulatory framework for land acquisition and resettlement, and international best practices for involuntary resettlement.

6.1.3 Land Acquisition Resettlement Committee (LARC and Super LARC) 2013

LARC review systems had been terminated with the introduction of revisions to the 2008 regulations by gazette notification No.1585/7 on 20th January 2009 to LAA, except for the specific road projects commenced before 31st August 2008.

However, the LARC system was introduced again for some projects in year 2014 under the Extraordinary Gazette Notification (No. 1864/54 - 30.05.2014) issued by the Ministry of Lands and Parliamentary Reforms.

6.1.4 Land Development Ordinance (1935)

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 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 'Swarna Boomi' (golden land) or 'Jaya Boomi' (victorious land).

6.1.5 Railways Ordinance 1 of 1903 as amended

Section 31 of the Ordinance states that "any person who shall trespass upon the railway, or upon any of the lands, stations, or other premises appertaining to the railway shall be guilty of an offence". Further it says that "if any such person shall refuse to leave the railway, or any land, station, or other premises appertaining thereto, on being requested do so by any railway official... will be guilty of an offence, and "may be removed therefrom by such railway official..." A Supreme Court judgment in 1935 clarifies that "a right of way [of a railway] cannot be acquired across a railway line, as the word "railway" includes all

railways already constructed or in the course of construction.

6.1.6 State Land Ordinance No 8 of 1947

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 mentioned in Section 22, the period of the grant may only be up to 50 years and the prescribed form given in the ordinance must 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.

Provisions also have provided General manager railway to rent out the lands under his purview. If such lands are affected due to this project, compensation will be paid for the balance period of time as stipulated in the agreement signed with the railway department.

6.1.7 State Lands (Recovery of Possession) Act 7 of 1970

A competent authority appointed under the Act can determine whether or not a person is in unauthorized possession or occupation of a piece of state land. In such a case, the authority will issue a notice requiring such person to vacate the land within 30 days and to deliver the vacant land to the authority. The person is not entitled to any hearing or to make any representation in respect of a notice.

6.1.8 Prescriptive Ordinance No 22 (1871)

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.

Following are the other subsequent statutory 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 No. 1 of 1973
- Apartment Ownership Law No. 11 of 1973
- Coast Conservation Act
- Agrarian Services Act No. 58 of 1979
- Roads and Thoroughfares Act No. 45 of 1956 and Law No. 37 of 1973

It is to be noted that there are substantial number of dwellers who occupied in regularized lands in the housing settlements situated in this section and executed by the National Housing Development Authority under its act and awarded a deed in confirming their ownership right.

6.1.9 Buddhist Temporalities Ordinance No. 19 of 1931

The original act was introduced by the British in 1886 and again amended in 1931. This act deals with lands donated to the temples and devales (Lands of shrines of the deities or worship places) by rulers under a deed of dedication, sometimes by “Sannasas” (Order) by the Monarchies in the past.

The Buddhist Temporalities Ordinance No. 19 of 1931 for example vests the management of temple property coming within the scope of the Ordinance with trustees appointed in terms thereof. A significant portion of such temple properties have not been ‘developed’ and remain forested with minimum disturbance. They remain under the management of the trustees. Especially, the rights of the custodian of temples and devales for the receipt of compensation in the event of acquisition for public purposes are spelled out in this Act in addition to the other provisions.

6.1.10 National Environmental Act (NEA) 1980 and 1988

The National Environmental Act (NEA), No.47 of 1980, amended by Act No.56 of 1988 has some provisions relevant to involuntary settlement. The Gazette Notification No.859/14 of 23 February 1995 determined the projects and undertakings for which Central Environmental Authority (CEA) approval is needed in terms of Part IV – C of the NEA. Item 12 in the Schedule requires the formulation of RAP to address involuntary resettlement of 100 or more households. This RAP will be supplementary planning document of the environmental assessment report.

6.1.11 Poor Law Ordinance

The Poor Law Ordinance No. 30 of 1939 was introduced initially in the municipalities of Colombo, Kandy and Galle, and was further strengthened by the Social Service Commission in 1947 by extending the social safety net to the other parts of the country. Most of those social safety nets enacted for the sake of the poor have been based on this. For example, all poverty eradication programs such as ‘Janasaviya’ and ‘Samurdhi’ (the current program) have been developed on the basis of this ordinance. The aim of these programs is to improve the quality of life of the people identified as poor.

6.1.12 Ordinances on Protecting Women and Children

Legal provisions for employing children and young persons are very complex, and a number of Ordinances address these issues. The aim of these Ordinances or Acts is to protect children and to provide a peaceful environment for their education and leisure.

The GOSL in its ‘Women’s Charter’, which was established in March 1993, reflects the same thinking just described. In addition, revisions to the Penal Code of Sri Lanka in 1995 and 1998 defined more clearly the offences of sexual harassment, abuse, and trafficking of women, while enhancing punishments for these offences. Furthermore, ‘Prevention of Domestic Violence Act No. 34 of 2005’ provides legal cover against women in prevention of sexual harassment, abuses and trafficking of women and children.

6.1.13 Labour Law

Labour legislation in Sri Lanka consists of 25 ordinances and all of them are administered by the Commissioner of the Department of Labour. However, the following are considered as the most important:

- Wages Board Ordinance No. 21 of 1941
- Workmen's Compensation Ordinance No. 19 of 1934
- Trade Union Ordinance No. 14 of 1935
- Shops Ordinance No. 19 of 1954
- Service Contract Ordinance No. 11 of 1865
- Payment of Gratuities Act No. 12 of 1983
- Employment of Women, Young Persons, and Children Act No. 47 of 1956
- National Child Protection Authority Act No. 50 of 1998
- Employees' Trust Fund Act No. 46 of 1980
- Employees' Provident Fund Act No. 15 of 1958

6.2 Policy Framework

The LAA 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 project affected householders and other dependents on land cannot be assisted under the LAA.

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 24th May 2001. The NIRP also highlights the need for consultation of PAPs and their active participation in the resettlement process.

6.2.1 National Involuntary Resettlement Policy (NIRP)

The Government adopted the NIRP in 2001 to ensure that (i) PAPs are fairly and adequately compensated, relocated, and rehabilitated; (ii) delays in project implementation and cost overruns are reduced; (iii) better community relations are restored among PAPs and host communities; and (iv) income and livelihood sources of PAPs are restored and improved.

The NIRP is based on LAA and its amendments, National Environmental Act of 1980 (amended in 1988), and several other applicable laws such as Urban Development Authority Act and Coastal Conservation Act, Regulations of the Acts, and also on legal opinions of courts on land acquisition, compensation, consultation, and income restoration and improvement.

Objectives of the Policy are:

- Avoid, minimize, and mitigate negative involuntary resettlement impacts by rehabilitating PAPs on a productive and self-sustaining basis.
- Ensure that PAPs are fully and promptly compensated and successfully resettled. The livelihoods of the displaced persons should be re-established and the standard of living improved.
- Ensure that no impoverishment of PAPs shall result as a consequence of compulsory land acquisition by the State for development purposes.
- Assist PAPs in dealing with the psychological, cultural, social and other impacts caused by compulsory land acquisition.
- Make all PAPs aware of the processes available for resolving grievances such as grievance redress mechanism that are easily accessible and immediately responsive.
- Have in place a consultative, transparent and accountable involuntary resettlement process with a time frame agreed to by the project executing agency and PAPs.

Principles of the Policy are:

- IR should be avoided as much as possible by reviewing alternatives to the project as well as alternatives within the project.
- Where involuntary resettlement is unavoidable, PAPs should be assisted to re-establish themselves and improve their quality of life.
- Gender equality and equity should be ensured and adhered to throughout the project.
- PAPs should be fully involved in the selection of relocation sites, livelihood compensation packages and development options at the earliest opportunity.
- Replacement land is an option for compensation in the case of loss of land; and in the absence of replacement land cash compensation should be an option.
- Compensation for loss of land, structures, other assets and income and livelihood losses 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.
- Participatory consultative measures should be designed and implemented to assist those economically and socially affected. Clear-cut plan is needed to integrate them with their host communities.
- Common property resources and community and public services should be provided to resettlees and their host communities.

- Resettlement should be planned as a development activity for PAPs so that they will not get impoverished because of the project.
- PAPs who do not have title deeds to land or other property should receive fair and just treatment and compensation.
- Vulnerable groups should be identified and given appropriate assistance to improve their living standards.
- Project Executing Agencies should bear the full costs of compensation, resettlement, and income restoration and improvement.

The Policy applies to:

- All development-induced land acquisition or recovery of possession by the State, and
- All projects regardless of their sources of funding.

The MLLD is responsible for implementing the NIRP. This is done in collaboration with a wide network of public agencies including CEA, Survey Department, Valuation Department, Ministries concerned, and Divisional Secretariats.

The NIRP ensures that PAPs are treated in a fair and equitable manner, and that they are not impoverished in the process of land acquisition and resettlement. The Policy also enables establishing a framework for project planning and implementation that would meet international best practices in involuntary resettlement including involuntary resettlement safeguard policy principles and requirements of ADB.

6.2.2 Safeguard Policy Statement of ADB, 2009 (SPS)

The objectives of the involuntary resettlement safeguards policy of ADB are to avoid involuntary resettlement wherever possible; to minimize involuntary resettlement by exploring project and design alternatives; 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.

Involuntary resettlement (IR) safeguards covers physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of (i) involuntary acquisition of land, or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas. IR safeguards apply whether such losses and involuntary restrictions are full or partial, permanent or temporary.

The IR policy principles 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 affected 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 evaluation 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 affected 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 affected 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 affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected 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 considering the baseline conditions and the results of resettlement monitoring. Disclose monitoring reports.

Involuntary Resettlement Principles of the Project

Based on the comparative review of various resettlement policies, laws, regulations and guidelines of Sri Lanka and the ADB Involuntary Resettlement Policy and resettlement best practices, the following broad resettlement principles are distilled for this Project. They will apply to all of its subprojects and components that are already identified and yet to be identified. Screen each subproject or component of the Project to determine whether it triggers the following involuntary resettlement principles and to determine the scope of resettlement planning required.

- Take every effort to avoid physical displacement and/or any other adverse impacts on livelihood and income sources and community resources and infrastructure. If physical displacement and economic displacement are unavoidable, the following actions will be taken to (a) ensure that sufficient compensation is provided through cash-for-land, land-for-land, and dwelling-unit-for-dwelling-unit modalities, (b) improve or at least restore their income and livelihoods; and (c)

facilitate rebuilding their previous socio-cultural systems by carefully planning relocation sites and the selection of households for relocation.

- Consult and inform all PAPs on land/dwelling unit acquisition, compensation package, income rehabilitation and other entitlements, and grievance redress mechanism.
- Provide special project assistance to meet the needs of affected vulnerable people such as poor, landless, elderly, woman-headed households, lessees, tenants, informal settlers and squatters.
- Compensate all affected dwelling units either by paying cash at replacement cost or by following the dwelling-unit-for-dwelling unit modality.
- Provide well-planned and budgeted income restoration and improvement programmes for the benefit of PAPs, especially, for the poor and vulnerable households.
- All common property resources lost to a subproject or component will promptly be replaced or compensated by EA. Cash compensation will be given to the representatives of the community affected.
- If land/property acquisition is done through negotiated acquisition, the subproject or component will ensure that PAPs who enter into negotiated settlement will maintain the same or better income and livelihood status after displacement.
- Non-titled PAPs are eligible for resettlement assistance. If they lose their dwelling units, they are entitled to receive replacement dwelling units regardless of their current tenure status.
- Disclose resettlement information and RAPs including consultation minutes and other documentation before the project appraisal in a form, manner and language(s) accessible to PAPs and other stakeholders. The final RAPs and their updates, if any, will also be disclosed to PAPs and other stakeholders in the same manner.
- The full costs of land acquisition, compensation and relocation will be included in project costs.
- Pay compensation and provide other entitlements to each displaced person or household *before* physical displaced and *before* any construction work starts.
- Monitor and assess the progress of RAP implementation, and prepare half-yearly monitoring reports to share with ADB, PAPs, and other stakeholders. During the first two years of the implementation of the RAP, quarterly resettlement monitoring reports will be prepared. All monitoring reports will be submitted to ADB to review. The EA discloses the monitoring reports in local languages to all PAPs and households.

In accordance with involuntary resettlement principles listed above, all PAPs and affected households and communities will be entitled to a combination of compensation packages and resettlement or relocation assistance according to the nature of the ownership or occupation or access to lost property or the nature of income or livelihood losses sources affected.

6.3 Valuation of Lost and Affected Assets

The EA/IA and PAPs will participate in determining the 'replacement cost' of the acquired property and dwelling units for a subproject/component. Replacement cost comprises fair market value of the property and other compensation packages that are elaborated in NIRP and LA Regulations 2008. The valuation

of acquired property will be done by the Valuation Department on the request of the Divisional Secretary (DS) of the area where land or dwelling unit is located. DS or DPD (Lands) /PMU is the land acquiring officer. The Valuation Department will calculate the replacement cost of fully acquired, partially acquired, and damaged or partially damaged structures, guided by the 2008 LAA Regulations.

Those who hold formal legal rights to land and dwelling units acquired are entitled to compensation at replacement cost of the land and structures on the lost land or to replacement land and replacement cost of structures on the land or a replacement dwelling unit at a relocation site. Those persons who do not own land but have 'interests' or 'claims' on land or on property that are acquired will also be entitled to receive compensation. If such person loses a house, he or she will get a new dwelling unit at a relocation site, and cash compensation of balance amount after reducing cost for other structures and improvements to the land. The cut-off-date for eligibility for resettlement assistance applies. If there is any time gap between displacement and relocation, EA/IA will provide cash and subsistence assistance to the physically displaced persons until such persons are given resettlement assistance. These facilities are to be provided in accordance with the entitlement matrix.

In case of PAPs whose livelihoods are land-based, EA/IA will give priority to find replacement land for them. It is the responsibility of EA/IA to find suitable land of equal size or quality. Where replacement land is offered as in case of paddy land or cultivated highland, economically displaced persons will be given a plot of land at least equivalent to the quality and size of the land acquired. The replacement land will allow them to improve or at least, to restore their livelihoods such as businesses.

Land value will be based on updated official records, field observations, recent land market rates in the vicinity, if available, and valuation done by the Valuation Department. The land records containing information such as legal title and classification of land will be taken into consideration in determining its value. All land parcels acquired for the subproject/component will be compensated based on the replacement cost of the land and will be paid in cash unless the land-for-land option or the dwelling-unit-for-dwelling-unit option is adapted.

6.4 Negotiated Land Acquisition

LAA refers to 'willing seller' as a precondition for negotiated land acquisition. This avoids expropriation and use of governmental authority ('eminent domain') to remove people from their land and to acquire it. It is based on meaningful consultation with PAPs including those who occupied land without legal titles. Obtaining lands through negotiated land acquisition still involves a formal acquisition as per LAA. This is mainly to avoid land with title defects get passed on to the State. Within the LAA Framework, it is difficult to apply negotiated land acquisition modality, although the LAA recognizes negotiated land acquisition as a method of calculating compensation. The Supreme Court defined the test of a willing seller as being 'likely to receive prompt compensation of the market value'. The Court pointed out the impracticality of negotiated land acquisition because of 'delays, technicalities, and expenses' associated with LAA mandatory procedures for land acquisition and compensation payment.

6.5 Assessment of 'Replacement Cost'

The LAA provides for determining compensation based on 'market value'. It defines market value as 'the amount which the land might be expected to have realized if sold by a willing seller in the open market as a separate entity on the date of publication of that notice in the Gazette ... [Section 46(1)]. The NIRP states that compensation will be based on 'replacement cost' of acquired land and structures. '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 [Principle 6].

The LAA Regulations of 2008 under section 63(2) (f) of the LAA did not adopt 'replacement cost' as the basis for compensation, as the LAA does not use the concept; instead it used 'market value' as defined in the LAA together with several safeguard provisions to eliminate inequities arising from the methods of valuation and determining 'market value', thereby upgrading compensation to the level of 'replacement cost.'

The current involuntary resettlement regulatory framework ensures that persons and households affected by land acquisition receives replacement cost, so that they could maintain the same socio-economic status that they enjoyed prior to land acquisition, or that their living standards are improved to a higher level compared with the pre-acquisition level, particularly, in case of the poor and vulnerable households. As outlined above, the LAA Regulations of 2008 under 'Disturbances' make the necessary provisions for compensating every possible cost incurred by a PAP during the acquisition of their properties. Section 3.11 of the LAA regulations 2008 within the framework of 'value to owner' provides a range of 'disturbances' that could be caused by land acquisition. The total package of compensation and other payments would bring compensation to the level of 'replacement cost', which is also a best international practice. The LAA Regulations 2008 provide the following compensation packages to those who lost land to a public project. Those are adequate;

- Where part of a land is acquired and when its value as a separate entity deems to realize a value proportionately lower than the market value of the main land, the compensation will be proportionate to the value of the main land.
- A building used for occupation or for business purpose, or was intended to be used for occupation or business purpose on the date the intention to acquire was published, the difference between the cost of re-construction and the value of building based for determination of market value will be paid as additional compensation.
- Value based on 'development potential' is considered in determining the value of land when a paddy land plot is acquired if the Agrarian Services Commissioner General's approval has already been obtained to convert it into a non-agricultural land.
- Where an acquired building is occupied by a tenant/statutory tenant protected under the provision of the Rent Act No 7 of 1972 (as amended thereafter) compensation will be ascertained in proportion having regard to the provisions of Rent (amendment) Act No 26 of 2006 and subsequent amendments.

Damages caused by injurious affection and severance should be allowed fully. Compensation for disturbance is based on the “value to owner” will be paid based on written claims:

- Expenses incurred for appearing for section 9 inquiry
- Expenses for finding alternative accommodation
- Cost incurred in change of residence
- Cost of advertising
- Re-fixing cost of fixtures and fittings
- Expenses incurred for transport
- Loss of earnings from business (within the limit given in prevailing Act)
- Increased overhead expenses
- Double payments
- All other expenses to the owner due to the acquisition
- Any other additional expenses for disturbances or compensation not connected under any other Sub section of this act which is directly not connected to market value of the land
- When the owner of a house or an investment property is displaced additional 10% based on market value.

However, LAR 2008 does not make adequate provisions to fulfil gaps in national regulations and ADBs’ SPS 2009 as described previously in this chapter as well as the risks of project affected persons not benefitting adequately from the valuation procedures and compensation payments. And also the Project Affected Person who lose their land or house and dissatisfied with the statutory compensation determined by the chief Valuer are unable to apply for ex-gratia payment provided by the Land Acquisition and Resettlement Committee (LARC) as per LAR 2013 in which this project was not included in the prescribed special list. Further, neither LAA nor the LAR 2008 have the provisions to determine compensation for non-land economic displacement such as in the case of recovery of possession of state land occupied by squatters, mobile vendors and tenants etc.

Thus, these gaps are addressed through suggestions to the Entitlement Matrix (EM) of the RAP which includes compensation and or rehabilitation and restoration assistance in accordance with rates taken from LAR 2013. In addition to this, both additional cash compensation and non-cash resettlement assistance were also included in the EM prepared for this RAP. In order to determine ex-gratia payments and receive the submission of appeal, an Entitlement Assessment Committee (EAC) will be established. The payment of additional allowances specified in the EM and to the proposed EAC, require the approval of the cabinet of Ministers.

Based on the laws, policies, and regulations and the nature of anticipated impacts and losses arising from the Project and its subprojects/components, a list of categories of impacts and entitlement owners is prepared for reference in the EM given in the chapter 07.

6.6 Establishment of an Entitlement Assessment Committee (EAC)

The Chief Valuer of the Valuation Department is the legitimate body for determining compensation for persons affected by land acquisitions under LAA 1950 and LAR 2008. If the PAP is dissatisfied with the

statutory compensation determined by the Chief Valuer, then the Land Acquisition Regulations of 2013 empower the LARC or Super LARC to determine ex-gratia payments. Since the KV Line Rail Phase 1 is not listed in LAR 2013, the above is not applicable to this project and also LAR 2008 does not institute an agency to determine ex-gratia payments for such cases or non-land economic displacements. Under such circumstances, this vacuum will be filled by the decision taken to set up an Entitlement Assessment Committee (EAC) established for KV Rail Phase 01.

The EAC will perform the following functions:

- Determine ex-gratia benefits and other Resettlement & Rehabilitation assistance that shall not be covered by the existing laws and regulations
- Verification of occupancy and identification of squatters
- Determine the viability of further utilization for remaining parts of lands/structures
- Determine the period of alternative/ temporary accommodation

The EAC shall comprise of the Project Director and Deputy Project Director (Environment and Social Safeguards) of CSRP, a representative from relevant Divisional Secretary, representative from the Ministry of Land, a representative from the Valuation Department, land officer Sri Lanka Railway (SLR), representative from the Treasury and a member representing the civil society (to be nominated by the respective Divisional Secretary of the Project Implementation Area). The EAC will be assisted by a team of technical experts such as licensed valuers and chartered quantity surveyors and etc., in order to assess the monetary value of the PAPs' affected assets. In the process of determining compensation for project affected persons, the EAC will be guided by the entitlement parameters set in the Entitlement Matrix. This EM proposes compensation measures and resettlement assistance for all types of PAPs, to offset their losses, and to enable to maintain or improve their standard of living. The payment of additional allowances specified in the EM will require the approval of the Cabinet of Ministers. Any person who will encroach or settle in the area after the cut-off date will not be entitled for compensation or any other form of resettlement assistance.

6.7 National Project Steering Committee (NPSC)

The project implementation will be done through the existing government structures and their capacities. A National Project Steering Committee (NPSC) has been established, which comprise of the following officers/agencies or their authorized representatives:

- Secretary of MoTCA
- GM, Railway Department
- Survey General, Survey Department
- Chief Valuer, Valuation Department
- Secretary, Ministry of Lands and Parliamentary Reforms
- Secretary (LG & PC), Ministry of Local Government & Provincial Council
- Director General, Department of External Resources
- Chairman/Director General, UDA

- Chairman, NHDA
- Chairman/General Manager, SLLRDC
- Municipal Commissioner/Deputy Municipal Commissioner (Engineering Services), CMC
- DG, Coast Conservation Department
- General Manager, Ceylon Electricity Board.
- General Manager, Water Supply & Drainage Board
- Director General, Central Environment Authority
- Director, Department of National Budget. Director (Planning), Ministry of Finance
- Project Director (PD) and others as and when necessary will be co-opted as the members of the committee.

Among other responsibilities, the NPSC will meet once in two months to:

- Monitor the overall Project implementation based on progress reports;
- Resolve implementation problems
- Coordinate with other National Government Agencies which are connected to project implementation. NPSC will meet bi-monthly

6.8 Existing Gaps in LAA and NIRP vis-à-vis Safeguards Policy Statement of ADB (2009)

There are differences between LAA and the NIRP and safeguard Policy Statement (SPS) in ADB (2009) 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 the NIRP, 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 analysed in the table 6.2.

Comparison of National Policy with ADB's SPS 2009 Policy

The Land Acquisition Act (LAA and its regulations) of 1950 (as amended in 1986) gives directives for the acquisition of land in the public interest and provides benefits only to titleholders. The LAA and its regulations do not guarantee compensation at replacement cost for the loss of land and assets. The National Involuntary Resettlement Policy (NIRP) 2001 represents a significant milestone in the development of a systematic approach to addressing resettlement issues in Sri Lanka, and closes significantly the gap between Sri Lankan national policies and those of ADB.

Table 6.2: Comparison between the Borrower and ADB's Safeguard Policy Statement

| | Aspect | GOSL Laws /Policies | ADB's SPS | Measures to Bridge the GAP |
|---|-------------------------|--|---|----------------------------|
| 1 | Screen the project | Required under LAA and NIRP | Screen the project to identify past, present, and future involuntary resettlement impacts and risks. Conduct survey and/or census of displaced persons, including a gender analysis, specifically related to resettlement | No gap. |
| 2 | Consultation with stake | Does not require under LAA as amended. It is a requirement | Carry out meaningful consultations with stakeholders. | No gap. |

| | Aspect | GOSL Laws /Policies | ADB's SPS | Measures to Bridge the GAP |
|----|---|--|---|----------------------------|
| | holders and establish grievance redress mechanism | under NIRP. For grievance redressal, no provision in the LAA, but a requirement under the NIRP | Inform all displaced persons of their entitlements and resettlement options. Ensure their participation in planning, implementation, and monitoring and evaluation of resettlement programs. Pay particular attention vulnerable groups. Establish a grievance redress mechanism to receive and facilitate resolution of the affected persons' concerns. | |
| 3. | Improve, or at least restore, the livelihoods of all displaced, and payment at replacement cost | LAA does not have provisions. But NIRP stipulates the necessity of income restoration and improving the standard of living. Provided in the NIRP, replacement cost according to regulation gazette on 20, January 2009. | Improve, or at least restore, the livelihoods of all displaced persons through (i) land-based resettlement strategies when affected 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. | No gap. |
| 4. | Assistance for displaced persons | LAA does not have provisions. But NIRP requires assistance | Provide physically and economically displaced persons with needed assistance | No gap. |
| 5. | Improve standard of living of displaced vulnerable groups | LAA is silent on this Aspect. NIRP requires special treatment for the vulnerable groups. | Improve the standards of living of the displaced poor and other vulnerable groups. | No gap. |
| 6. | Negotiated Settlement | Not covered by LAA. | 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 | CSRP follows ADB SPS |

| | Aspect | GOSL Laws /Policies | ADB's SPS | Measures to Bridge the GAP |
|-----|---|--|---|---|
| 7. | Compensation For non-title holders | Provided in the NIRP, Not in the LAA | 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. | CSRP follows ADB SPS. |
| 8. | 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. | 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. Required for Category A and B projects. | No gap. |
| 9. | 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. | 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 affected persons and other stakeholders. Disclose the final resettlement plan and its updates to affected persons and other stakeholders. | No gap. |
| 10. | Cost of resettlement | Budget to be allocated by government for relevant project. | 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. | No gap. |
| 11. | Taking over possession before Payment of compensation | NIRP does not allow, LAA provides statutory compensation to be paid in installments, but NIRP does not agree For emergency acquisition, under 38(a) of LAA, acquisition is allowed after 48hrs, even without paying compensation. | Pay compensation and provide other resettlement entitlements before physical or economic displacement. Implement the resettlement plan under close supervision throughout project implementation. | CSRP will follow the NIRP and SPS as indicated in the RAP. Full compensation at the replacement cost has to be paid to the displaced person before any physical or economic |

| | Aspect | GOSL Laws /Policies | ADB's SPS | Measures to Bridge the GAP |
|-----|---------------|---|---|--|
| | | 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. | | displacement will occur. CSRP 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 RAP 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 |
| 12. | Monitoring | Required under NIRP | 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 monitoring reports. | CSRP will follow schedule per SPS |

Chapter 07 - Entitlements, Assistance and Benefits

7.1 Introduction

The implementation of the project shall result in significant physical and economic displacement of some group of persons, such as legal title holders, lease holders, tenants, non-title holders including squatters and encroachers, workforces, wage earners and vulnerable groups. This Entitlement Matrix prepossess a combination of compensation measures and resettlement assistance provided to all PAPs to offset their losses, and enable to improve their living conditions by making it better or equal to the pre-project situation. Anyone who wishes to receive compensation/assistance or to rehabilitate themselves need to fulfil the requirements according to the eligibility criteria proposed by the project according to the laws, regulations, policies and principles of the GOSL, and ADBs SPS.

Entitlement matrix is prepared in accordance with the RF prepared under KV Rail Phase 01 and as per the provisions in the legal and regulatory framework of Sri Lanka which are reflected in the LAA of 1950 and the LAR 2008. This legal and regulatory framework does not make adequate provisions to use the latest rates adopted in LAR 2013 and also the economic displacement of non-titleholders caused by non-land-based acquisition and their right to compensation. Thus, this gap is addressed through this resettlement action plan which includes compensation and/or rehabilitation and restoration assistance to all PAPs. Therefore, CSRP will seek special approval from cabinet of Ministers for the Entitlement Metrix and the resettlement budget included in the RAP, once the document is endorsed by the compliance unit of ADB.

The cut-off date for eligibility for entitlement for titleholders is the date of notification of section 2 under LAA (1950), and for non-titleholders is the last date of the Socio – Economic and Asset Inventory Survey. Any person who encroach or settle in the area after the cut-off date is not entitled for compensation or any other form of resettlement assistance.

7.2 Eligibility for Compensation/Assistance/ Rehabilitation

Eligibility for compensation, assistance and rehabilitation are shown below.

Table 7.1: Eligibility for Compensation, Assistance and Rehabilitation

| S/N | Eligibility |
|-----|--|
| 1 | The cut-off date entitlement was 14 th August 2017 for non-title holders; and date of section 2 of the LAA (1955) shall be declared for title holders |
| 2 | Eligibility of different categories of project affected households will be selected as per the Entitlement Matrix shown below in Table 7.4 |
| 3 | The unit of entitlement for compensation/assistance/rehabilitation shall apply the household unit |
| 4 | Compensation and assistance shall be provided to all DPs irrespective of the possession of legal title, but depending on the type and scope of losses, severity of impacts and ownership to the affected assets and socio-economic vulnerability. |
| 5 | In case a project affected households could not be enumerated during census, but has reliable evidence to prove his/her presence before the cut-off date in the affected area he/she shall be included in the list of PAPs after verification by grievance redress committee. |
| 6 | Vulnerable households or persons shall be entitled for additional assistances as specified in the Entitlement Matrix |
| 7 | If a notice for eviction has been served on a person/household before the cut-off date and the case is pending in a court of law, then the eligibility of PAP will be considered in accordance with the legal status determined by the court and the PAP will be eligible for compensation/ assistance in accordance with the RAP provisions |

7.3 Entitlement Matrix

The Entitlement Matrix is presented in Table 7.4. PAPs will be eligible for a combination of compensation and assistance measure depending upon the nature of ownership, right of lost assets, type of impacts, and the socio-economic status. Entitlement Matrix specifies two alternatives for the resettlement of project affected households, who shall have the liberty to decide one of the alternatives specified below upon their wish. The alternatives are:

Alternative 1: Project Affected Households can be resettled in a housing unit purchased from the UDA housing scheme close to their existing residing area

Alternative 2: Affected households can self-relocate themselves on an area where they wish, and an allowance for self-relocation shall be paid based on the EM

Anyone who is willing to re-settle in a UDA housing scheme shall be decided based on the criteria mentioned in the table below. This includes the floor area and the number of members of the affected household.

Table 7.2: Defined Marking Scheme based on Floor Area and No. of Family Members

| Category | Range | Marks |
|-----------------------|----------------------|-------|
| Floor area | 450 – 650 (Sq. ft.) | 20 |
| | 651- 850 (Sq. ft.) | 30 |
| | 851- 1000 (Sq. ft.) | 40 |
| | 1001- 1500 (Sq. ft.) | 50 |
| | 1501 and above | 60 |
| No. of family members | 5 – 6 | 30 |
| | 7 – 8 | 40 |
| | 9 and above | 60 |

The size of the housing unit shall be decided according to the under mentioned total mark ranges given by table 7.2. The marks are calculated by adding up the marks of floor area and number of family members as given in table 7.3.

Table 7.3: Defined Mark Ranges Determined on Floor Area/House Size

| Mark Ranges | House Size |
|--------------|------------|
| Below 50 | 400 Sq. ft |
| 51 - 60 | 500 Sq. ft |
| 61 and above | 400 x 2 |

Table 7.4: Entitlement Matrix

| SN | Category & subcategory | Category of Losses | Definition of Entitled Person | Entitlements | Implementing Agency | Remarks |
|--------------------------|------------------------|---|--|---|---|---------|
| A | | | | | | |
| Loss of Land | | | | | | |
| 1 | A 1 | Homestead, commercial land, or vacant/barren land | Owner with legal title or registration certificate | (a) Cash compensation for the acquired land based on its replacement cost ⁵ (b) If a part of the land is acquired and where the remaining part is viable for further using, compensation will be paid only for the affected part of the land at the replacement cost (c) If the remaining portion is not economically viable the Project will acquire the entire piece of land and pay compensation for it at the replacement cost. (d) Three-months advance notice to vacate the land in writing. ... | 1. CV assess all valuations as per LAA and 2008 regulations 2. EAC will decide the ex-gratia payments if necessary and viability for further use of balance portion of partially affected land 3. DS/DPD land CSRP act as acquiring officer manage acquisition process and make payments. | |
| 2 | A 2 | Homestead, commercial land or vacant/barren land | Tenant and leaseholder | (a) No compensation for the land (b) Cash payment for loss of net income from the portion of land affected for the remaining period of the lease/agreement (c) Three-months advance notice to vacate from the land | 1. CV assess all valuations as per LAA and 2008 regulations 2. EAC will decide ex-gratia payment if necessary 3. DS/DPD land CSRP act as acquiring officer manage acquisition process and make payments. | |
| B | | | | | | |
| Loss of Structure | | | | | | |
| 3 | B1 | Loss of residential structure | Owner with legal title or registration certificate | <u>Option one: Self Relocation</u> (a) Cash compensation for the affected structure based on its replacement cost (without depreciation) (b) If a part of the structure is affected and where the remaining part is viable for residing/further using, compensation is paid only for the affected part of the structure at the replacement cost (without depreciation) according to the actual loss and to repair or rebuild the structure to its original or better condition (c) If only a part of the structure is affected and the balance portion is rendered structurally not viable for further use, compensation is paid based on the | 1. CV assess all valuations as per LAA and 2008 regulations 2. EAC will decide the allowances/incentives and viability for further use of balance portion of partially affected structure 3. DS/DPD land CSRP act as acquiring officer manage acquisition process and make payments | |

⁵ Replacement cost involves replacing an asset at a cost prevailing at the time of its acquisition. This includes fair market value, transaction costs, interest accrued, transitional and restoration costs, and any other applicable payments, if any. Depreciation of assets and structures should not be taken into account for replacement cost. Where there are no active market conditions, replacement cost is equivalent to delivered cost of all building materials, labor cost for construction, and any transaction or relocation costs.

| | | | | | | |
|---|-----|-------------------------------|--------------------|---|---|---|
| | | | | <p>replacement cost (without depreciation) of the full house.</p> <p>(d) Right to salvage materials from the demolished structure without any charge.</p> <p>(e) Self-relocation allowance of Rs. 1,000,000.00 will be paid based on the category of local authority</p> <p>(f) Three-months advance notice to vacate the affected structure in writing.</p> <p>Option two: Alternative Housing</p> <p>(a) House-for-house with better facilities built at an UDA apartment block based on the floor area and the number of members of the affected household.</p> <p>(b) In case where alternative housing unit has less replacement value than that of the affected house, the claimant is entitled for one housing unit plus the balance value of compensation valued at the replacement cost (without deduction for depreciation)</p> <p>(c) Right to salvage materials from the demolished structure without any charge</p> <p>(d) Three-months advance notice to vacate the affected structure in writing.</p> | | <p>Self-relocation allowance is defined as per the 2016 amendment LARC of 2013.</p> |
| 4 | B 2 | Loss of residential structure | Non-titled dweller | <p>Option one: Self Relocation</p> <p>(a) Cash compensation for the full or partially affected structure based on the replacement cost (without depreciation) of the full house</p> <p>(b) Right to salvage materials from the demolished structure without any charge</p> <p>(c) Self-relocation allowance of Rs. 1,000,000.00 will be paid based on the category of local authority</p> <p>(d) Three-months advance notice to vacate the affected structure in writing.</p> <p>Option two: Alternative Housing</p> <p>(a) House-for-house with better facilities built at an UDA apartment block based on the floor area and the number of members of the affected household</p> <p>(b) In case where alternative housing unit has a less replacement value than that of the affected house, the claimant is entitled for one housing unit plus the balance value of compensation valued at</p> | <ol style="list-style-type: none"> 1. CV assess all valuations as per LAA and 2008 regulations 2. EAC will decide the allowances/ incentives 3. DS/DPD land CSRP manage repossession process and make payments | <p>Self-relocation allowance is defined as per the 2016 amendment LARC of 2013</p> |

| | | | | | | |
|---|-----|---|--|--|---|---|
| | | | | <p>replacement cost (without deduction for depreciation)</p> <p>(c) Right to salvage materials from the demolished structure without any charge</p> <p>(d) Three-months advance notice to vacate the affected structure in writing.</p> | | |
| 5 | B 3 | Loss of all other structures ⁶ | Owner with legal title or the registration certificate | <p>(a) Cash compensation for the affected structure based on replacement cost (without depreciation)</p> <p>(b) If part of the structure is affected and where the remaining part is viable for further using, compensation will be paid only for the affected part of the structure at replacement cost (without depreciation) according to the actual loss to repair or rebuild the structure to its original condition</p> <p>(c) If only part of the structure is affected and the balance portion is rendered structurally not viable for further usage, compensation based on replacement cost (without depreciation) of the full structure</p> <p>(d) Right to salvage materials from the demolished structure</p> <p>(e) Three-months advance notice in writing to vacate the affected structure</p> | <p>1. CV assess all valuations as per LAA and 2008 regulations</p> <p>2. EAC will decide the allowances/ incentives and viability for further use of balance portion of partially affected structure</p> <p>3. DS/DPD land CSRP act as acquiring officer manage acquisition process and make payments</p> | |
| 6 | B 4 | Loss of other all structures ⁷ | Non-titled person | <p>(a) Cash compensation for the full or partially affected structure based on replacement cost (without depreciation) of the full structure</p> <p>(b) Right to salvage materials from the demolished structure</p> <p>© Three-months advance notice to vacate the affected structure in writing.</p> | <p>1. CV assess all valuations as per LAA and 2008 regulations</p> <p>2. EAC will decide the allowances/ incentives</p> <p>3. DS/DPD land CSRP manage repossession process and make payments</p> | |
| 7 | B 5 | Loss of rental accommodation | Tenants and leaseholder | <p>(a) For registered lessees under the Rent Act, compensation for the unexpired period of the rent or lease</p> <p>(b) Protected tenants will be entitled as per the Rent (Amendment) Act No. 26, 2002. If there is partial loss of rental accommodation, the tenant has the option to continue to stay with the agreement of the owner, OR, if there is complete loss and the tenant wishes to move out, the difference between the replacement</p> | <p>1. CV assess all valuations as per LAA and 2008 regulations</p> <p>2. EAC will decide the allowances/ incentives</p> <p>3. DS/DPD land CSRP act to process and make payments</p> | Period of occupancy and compensation percentages as proposed by LARC 2013 |

| | | | | <p>value and the statutory payment will be divided between the occupant and the owner on the following basis:</p> <table border="1"> <thead> <tr> <th>Period of Occupancy (No. of Years)</th> <th>Compensation to Tenant (% of Total)</th> <th>Compensation to Owner (% of Total)</th> </tr> </thead> <tbody> <tr> <td>20 <</td> <td>75</td> <td>25</td> </tr> <tr> <td>10 ≤ 20</td> <td>50</td> <td>50</td> </tr> <tr> <td>5 ≤ 10</td> <td>25</td> <td>75</td> </tr> <tr> <td>< 5</td> <td>10</td> <td>90</td> </tr> </tbody> </table> <p>(c) Compensation for any development or improvement effected on the structure at replacement value, if done with the owner's consent.</p> <p>(d) Tenant will not be protected under the Act if there is a partial loss of rental accommodation. The tenant has the option to continue to stay on agreement with the owner, or if the displaced household chooses to move out, cash assistance (equivalence of the value of rent for six month)</p> <p>(e) Three-months advance notice for relocation in writing</p> | Period of Occupancy (No. of Years) | Compensation to Tenant (% of Total) | Compensation to Owner (% of Total) | 20 < | 75 | 25 | 10 ≤ 20 | 50 | 50 | 5 ≤ 10 | 25 | 75 | < 5 | 10 | 90 | | |
|------------------------------------|-------------------------------------|------------------------------------|--|--|--|-------------------------------------|------------------------------------|------|----|----|---------|----|----|--------|----|----|-----|----|----|--|--|
| Period of Occupancy (No. of Years) | Compensation to Tenant (% of Total) | Compensation to Owner (% of Total) | | | | | | | | | | | | | | | | | | | |
| 20 < | 75 | 25 | | | | | | | | | | | | | | | | | | | |
| 10 ≤ 20 | 50 | 50 | | | | | | | | | | | | | | | | | | | |
| 5 ≤ 10 | 25 | 75 | | | | | | | | | | | | | | | | | | | |
| < 5 | 10 | 90 | | | | | | | | | | | | | | | | | | | |
| 8 | B 6 | Loss of rental accommodation | Users of public quarters/structures | <p>(a) Ex-gratia payment of Rs. 50,000.00</p> <p>(b) Official quarters affected will be rebuilt by the project. Depending on service requirements, the occupant will be assured of accommodation in official quarters reconstructed on priority basis</p> <p>(c) Government structures shall be re-built with improved conditions</p> <p>(d) Three-month advance notice for relocation in writing.</p> | <p>1. Cabinet of ministers will decide the allowances/ incentives/Ex-gratia payment</p> <p>2. DS/DPD land CSRP manage repossession process and make payments</p> | | | | | | | | | | | | | | | | |
| C | | Loss of Crops and Trees | | | | | | | | | | | | | | | | | | | |
| 9 | C 1 | Loss of crops and trees | Owner with legal title or registration certificate | <p>(a) Provision of reasonable advance notice enabling harvesting of the standing seasonal crops or cash compensation for the crops damaged</p> <p>(b) Cash compensation for loss of perennial crops and fruit bearing trees affected based on their current market price</p> <p>(c) Allowed to retain felled trees free of charge</p> | <p>1. CV assess all valuations as per LAA and 2008 regulations</p> <p>2. EAC will decide the allowances/ incentives/ex-gratia payment</p> <p>3. DS/DPD land CSRP act as acquiring officer manage acquisition process and make payments</p> | | | | | | | | | | | | | | | | |

| | | | | | | |
|----|----------|-----------------------------------|---|---|--|--|
| | C2 | Loss of crops and trees | Non-titled person | <p>(a) Provision of reasonable advance notice enabling harvesting of the standing seasonal crops or cash compensation for the crops damaged</p> <p>(b) Cash compensation for loss of perennial crops and fruit bearing trees affected based on their current market price</p> <p>(c) Trees on the SLR land will be remove according to the SLR regulations</p> | <p>CV assess all valuations as per LAA and 2008 regulations</p> <p>2. EAC decide the allowances/ incentives/ ex-gratia payment</p> <p>3. DS/DPD land CSRP act as acquiring officer manage acquisition process and make payments</p> <p>3. GMR manage to remove trees on the SLR land</p> | |
| | D | Loss of Income | | | | |
| 10 | D 1 | Temporary loss of business income | Business owners or operators with or without registration | <p>(a) Assist in finding alternative business place /shop with improved facilities on short-term lease at a commercial site (if available or planned) or at any public shopping scheme in the area on the payment of the lease premium</p> <p>(b) If the project fails to find an alternative suitable business place, Payment of Rs 15,000.00 monthly allowance or cash compensation will be paid based on the average income of the preceding three months for a period of six months, or EAC can decide the period to provide compensation</p> <p>(c) Transport of goods and materials by the project or a cash payment to the business owner for transport depending on the volume of goods and materials to be transported</p> | <p>1. CV assess all valuations as per LAA and 2008 regulations</p> <p>2. EAC decide the allowances/ incentives/ ex-gratia payment and period</p> <p>3. DS/DPD land CSRP act to manage and make payments</p> | Monthly cash allowance of Rs. 15,000.00 as proposed by LARC of 2013. |
| 11 | D 2 | Permanent loss of business income | Business owners with business names registration, income tax payers | <p>(a) Assist in finding alternative business place/shop with improved facilities on long-term lease at any commercial site (if available or planned) or at any other public shopping scheme in the area on the payment of the lease premium</p> <p>(b) If the project fails to find an alternative business place, cash compensation will be paid up to 32 months, based on the average adjusted profit of the immediately preceding 3 years on the production of tax declaration documents.</p> <p>(c) Transport of goods and materials by the project or a cash payment to the business owner for transport depending on the volume of goods and materials to be transported.</p> | <p>1. CV assess all valuations as per LAA and 2008 regulations</p> <p>2. EAC decide the allowances/ incentives/ ex-gratia payment</p> <p>3. DS/DPD land CSRP act as acquiring officer manage acquisition process and make payments</p> | |

| | | | | | | |
|--|-----|--|--|---|--|---|
| 12 | D 3 | Permanent loss of business income | Informal business owners | <p>(a) Assist in finding alternative business place/shop with improved facilities on long-term lease at a commercial site (if available or planned) or any other public shopping scheme in the area on the payment of the lease premium</p> <p>(b) If the project fails to find an alternative business place or livelihood assistance, monthly cash allowance of Rs. 15,000.00 will be paid for 18 months, or based on the average income of the preceding three months for a maximum period of 18 months, whichever is higher</p> <p>(c) Transport of goods and materials by the project or a cash payment to the business owner for transport depending on the volume of goods and materials to be transported</p> | <p>1. CV assess all valuations as per LAA and 2008 regulations</p> <p>2. EAC decide the allowances/ incentives/ ex-gratia payment</p> <p>3. DS/DPD land CSRP act as acquiring officer manage acquisition process and make payments</p> | Monthly cash allowance of Rs. 15,000.00 as proposed by LARC of 2013. |
| 13 | D 4 | Temporary loss of income from wage labour and employment | Wage workers including labourers, employees | <p>(a) Livelihood assistance grant of Rs. 45,000.00, or cash compensation will be paid based on the average income/basic salary for the preceding three months for a maximum period of three months, whichever is higher</p> <p>(b) Three-months advance notice for relocation in writing</p> | <p>1. EAC decide the allowances/ incentives</p> <p>2. DS/DPD land CSRP make payments</p> | Livelihood assistance grant of Rs. 45,000.00 as proposed by LARC of 2013 |
| 14 | D 5 | Permanent loss of income from wage labour and employment due to relocation of business to another area or decided not to re-establish the business | Wage workers including labourers, employees | <p>(a) Livelihood assistance grant of Rs. 90,000.00, or Cash compensation will be paid based on the average income/ basic salary of the preceding three months for a maximum period of six months, whichever is higher</p> <p>(b) Three-months advance notice for relocation in writing</p> | <p>1. EAC decide the allowances/ incentives</p> <p>2. DS/DPD land CSRP make payments</p> | Livelihood assistance grant of Rs. 90,000.00 as proposed by LARC of 2013. |
| E Livelihood restoration and rehabilitation | | | | | | |
| 15 | E 1 | Loss or effects on livelihood due to relocation | Poor persons, self-employed persons, small businessmen, vulnerable persons | <p>(a) Professional assistance and advice to invest/setup business, access to credit to obtain production assets, partnership arrangements;</p> <p>(b) Skills training for livelihood strengthening for a maximum of two youths (one male and one female) from the interested relocated households;</p> <p>(c) Housekeeping assignments at the business places, relocation sites and employment at civil works of the project, if available.</p> <p>(d) Assistance to avail of a shop on long-term lease at any commercial site (if available or planned by local</p> | <p>1. EAC decide the allowances/ incentives</p> | |

| | | | | authority) or at another public shopping scheme on the payment of the lease premium | | | | | | | | | | | | |
|---------------------|-----------------|--|---|---|--|--|-------|-----------|-------------|-----------|------------|-----------|--|------------|---|---|
| | F | Disturbance and Other Allowances | | | | | | | | | | | | | | |
| 16 | F 1 | Loss of access to electricity, water and fixed telecommunication connections | Relocated households, business owners, structure owners, institutions (regardless of the ownership of the land) | (a) Cost of obtaining access to all utility services | 1. EAC decide the allowances/ incentives | | | | | | | | | | | |
| 17 | F 2 | Cost of re-fixing of fixtures and fittings | Relocated households, business owners, structure owners, institutions (regardless of the ownership of the land) | (a) Cash allowance of Rs. 10,000.00 enabling re-fixing fixtures and fittings at the new location | 1. CV assess all valuations as per LAA and 2008 regulations 2. DS/DPD land CSRP act as acquiring officer manage acquisition process and make payments | LARC of 2013 proposes the re-fixing fixtures allowance as Rs. 5,000 but considering the high cost of living, the RAP proposes Rs. 10,000.00. | | | | | | | | | | |
| 18 | F 3 | The cost incurred in shifting of residence | Relocated households (regardless of the ownership of the land) | (a) Shifting/transportation allowance would be paid to household for transportation to UDA housing scheme based on the floor area of the affected house <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Floor area (Sq.ft.)</th> <th>Allowance (Rs.)</th> </tr> </thead> <tbody> <tr> <td><1000</td> <td>10,000.00</td> </tr> <tr> <td>1000 – 2000</td> <td>15,000.00</td> </tr> <tr> <td>>2000</td> <td>25,500.00</td> </tr> </tbody> </table> | Floor area (Sq.ft.) | Allowance (Rs.) | <1000 | 10,000.00 | 1000 – 2000 | 15,000.00 | >2000 | 25,500.00 | 1. CV assess all valuations as per LAA and 2008 regulations 2. DS/DPD land CSRP act as acquiring officer manage acquisition process and make payments | | | |
| Floor area (Sq.ft.) | Allowance (Rs.) | | | | | | | | | | | | | | | |
| <1000 | 10,000.00 | | | | | | | | | | | | | | | |
| 1000 – 2000 | 15,000.00 | | | | | | | | | | | | | | | |
| >2000 | 25,500.00 | | | | | | | | | | | | | | | |
| 19 | F 4 | Expenses for finding alternative accommodation | Households, business or institutions owners who will be relocated (regardless of the ownership of the land) | (a) Rental allowances will be paid based on the period decided by the EAC <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Floor area (Sq.ft.)</th> <th>Allowance (Rs.)</th> </tr> </thead> <tbody> <tr> <td><500</td> <td>50,000.00</td> </tr> <tr> <td>500 – 750</td> <td>60,000.00</td> </tr> <tr> <td>751 - 1000</td> <td>75,000.00</td> </tr> <tr> <td>>1000</td> <td>100,000.00</td> </tr> </tbody> </table> | Floor area (Sq.ft.) | Allowance (Rs.) | <500 | 50,000.00 | 500 – 750 | 60,000.00 | 751 - 1000 | 75,000.00 | >1000 | 100,000.00 | 2. EAC will decide the allowances/ incentives | Rental allowances based on floor area as proposed by LARC of 2013 |
| Floor area (Sq.ft.) | Allowance (Rs.) | | | | | | | | | | | | | | | |
| <500 | 50,000.00 | | | | | | | | | | | | | | | |
| 500 – 750 | 60,000.00 | | | | | | | | | | | | | | | |
| 751 - 1000 | 75,000.00 | | | | | | | | | | | | | | | |
| >1000 | 100,000.00 | | | | | | | | | | | | | | | |

| | | | | | | |
|----|----------|--|---|--|--|---|
| | | | | (Household should be signed an MOU with the Project allowing it to proceed with project construction works) | | |
| | G | Special Assistance | | | | |
| 20 | G 1 | Effects on household heads with vulnerabilities | Household heads with vulnerabilities (poor households below the National Poverty Line, elderly, and female-headed households, chronically ill). | (a) Ex-gratia payment of Rs 15,000.00 minimum or amount determined by EAC taking into consideration the severity of their individual vulnerabilities | 1. EAC will decide the allowances/ incentives | Special re-settlement assistance of Rs. 15,000 as proposed By LARC of 2013 |
| 21 | G 2 | Effects on sub families | Sub-families living within the main housing unit/dwelling who shall be self-relocated | (a) Self-relocation allowance of Rs 1000,000.00 and rehabilitation assistance, as required | 1. EAC will decide the allowances/ incentives | |
| | H | Additional Allowances self-and Incentives | | | | |
| 22 | H 1 | Expenses incurred during the acquisition process | Household head who appears before Section 9 Inquiry of LAA | (a) Cash Allowance not exceeding Rs.10,000 for PAP, who appears before Section IX Inquiry | | |
| 23 | H 2 | Incentive payment for handing over possession of properties before the deadline. | Households or business owners who have titles and will be relocated | (a) An allowance equivalent to 25% of the statutory payment. | 1. EAC will decide the allowances/ incentives | |
| 24 | H3 | Compensation packages not available in any other sub sections. | Tenants and self-employed person | (a) Maximum cash payment of Rs. 15,000.00 for each household. | 1. EAC will decide the allowances/ incentives | For tenants and self-employed persons who do not receive compensation. Rs. 15,000 allowance as proposed by LARC of 2013 |
| 25 | H4 | When an owner of a house or an investment property is displaced. | Owner of a house or an investment property | (a) Based on replacement value/market value, an additional payment of 10%. | 1. CV assess all valuations as per LAA and 2008 regulations 2. DS/DPD land CSRP manage repossession process and make payments | |
| | I | Loss of Community Resources | | | | |
| 26 | I 1 | Loss of cultural resources (shrines, | Local community and groups | (a) Replacement/reconstruction of cultural resources and replacement of common property resources in | 1. CV assess all valuations as per LAA and 2008 regulations | |

| | | | | | | |
|----------------------------------|-----|---|---|---|--|--|
| | | temples, mosques, structures and objects of religious and cultural significance) | | consultation with the managing trustees as appropriate will be affected at the earliest possible time (b) Cash allowance to cover cost of exhumation including for performance of any religious rites and ceremonies required, according to prevailing customs | 2. EAC will decide the allowances/ incentives 3. DS/DPD land CSRP manage repossession process and make payments | |
| 27 | I 2 | Loss of civic and social service facilities (local roads, footpaths, playgrounds, common wells, water points etc.) | Local community and groups | (a) Rehabilitation/restoration of civic or social service facilities to their original or better condition in consultation with the community organizations and managing trustees of the property, as appropriate, OR, (b) Relocation/replacement, if necessary, in consultation with affected communities, OR, (c) Cash payment at full replacement cost, AND, (d) Provision of temporary services during civil work to avoid inconvenience to the user groups, AND (e) Restoration of access to community resources | 1. CV assess all valuations as per LAA and 2008 regulations 2. EAC will decide the allowances/ incentives 3. DS/DPD land CSRP manage repossession process and make payments | |
| 28 | I 3 | Loss of social capital / Occurrence of social alienation | Host community and re-settlers affected by poor integration and weak social relations with each other | (a) Assist Project Partner Agencies in forming and developing community organizations involving both host community and re-settlers for social capital enhancement. (b) Facilitate to conduct social events among the host and relocated households; (c) Assist partner agencies in implementing common welfare activities and other services that benefit both host community and re-settlers | 2. EAC will decide the allowances/ incentives | |
| J Public Utility Services | | | | | | |
| 29 | J 1 | Public utilities impacted | Owners of the Public utilities (CEB, NWSDB, SLT, etc.) | (a) Relocation in alternative location identified in consultation with relevant authorities. | 1. CV assess all valuations as per LAA and 2008 regulations 2. DS/DPD land CSRP manage repossession process and make payments 3. Respective utility service agency will carry out the work | |
| K Temporary Impact | | | | | | |
| 30 | K1 | Temporary Adverse Impacts of Civil Works (such as loss of access, damage to property or land, safety hazards, impact of mobility) | Legal titleholder; licensed vendor, Tenant/leaseholder; Non-titled; Hawkers, vendors, employees of commercial | (a) Public notice at the site informing the people about: work schedule, likely temporary impacts, (b) Cash compensation for any assets affected (e.g., boundary wall demolished, trees removed) (c) Necessary traffic management measures for facilitating mobility; | 1. CV assess all valuations as per LAA and 2008 regulations 2. EAC will decide the allowances/ incentives 3. DS/DPD land CSRP manage repossession process and make | |

| | | | | | | |
|----|----------|--|---|---|----------|--|
| | | | structure, wage labourers; Local communities | (d) Special measures to provide access for continuing trade/business (e) All temporary use of lands outside Proposed ROW to be used through written approval of the landowner and contractor. (f) Location of construction camps will set up by contractors in consultation with the implementing agencies. | payments | |
| | L | Unanticipated Resettlement Impacts | | | | |
| 31 | | (a) Any unanticipated involuntary resettlement impacts of the project will be documented and mitigated based on the spirit of the principles agreed upon in the Resettlement Action Plan (b) Any category of PAPs or property or services not identified or described in the above EM will be compensated/ addressed through the EAC, case by case, considering relevant legal instruments as guidelines, and taking into consideration the observations of PMU's Social Officers and the relevant Divisional Secretary | | | | |

Chapter 8 - Relocation of Housing and Settlements

As per the ADB social safeguard policy statement 2009, it is necessary to relocate PAHs in alternative houses within a closer proximity to their currently occupied locations to protect their current social and economic ties. However, due to unavailability of land and high land prices within the heart of the city, it is difficult to find suitable lands for relocating the affected PAHs within the suburban areas closer to the existing occupied locations in city of Colombo. Therefore, MoTCA has decided to purchase housing units with optimum facilities from Medium Rise Housing Schemes from the Urban Regeneration Project (URP) executed by the Urban Development Authority (UDA). These housing schemes are located within a close proximity of their existing settlements (less than 2 km) and relatively the housing units are much better than their current living spaces. In this context, MoU has been signed with the UDA according to the approved cabinet paper for purchasing of housing units from the UDA for the resettlement program of the KV Rail Phase 1.

8.1 Relocation of Settlements

According to the initial socioeconomic survey conducted by UN Habitat and the review survey carried out by the PMU, it is revealed that 271 PAPs (residential – 241, residential cum commercial – 15 and Commercial 15), which include a population of 1295 persons will be affected. The affected residential households are in three settlements - namely the 297 Waththa, Elumaduwa and Seewalipura Block B & A. These three settlement areas are located on either side of the railway line from Loco Junction to Seewali Lane in the KV line phase 1 “section 2”.

Out of 255 PAHs, 217 are identified as non-title householders and 12 PAHs as title holders. Another 28 PAHs hold NHDA cards and letters for the houses occupied in the regularized lands by the NHDA. The above 217 non-title holders are considered as fully affected, and 6 title holders, out of 12 are considered as partially affected and the rest are fully affected. The 28 PAHs who hold NHDA documents will also get affected completely; therefore, shall be considered as fully affected households. Out of the six partially affected households, five houses can be upgraded in situ with receiving due compensation for affected land and structures from the project. One title holder who shall get affected significantly cannot be upgraded in-situ.

From the socioeconomic surveys conducted, it was revealed that extended families are also living within the same house. However, the common criteria cannot be applied to identify and separate the sub family from the main family in this community. Hence, a specific strategy which is based on number of family members and the floor area of the existing house was proposed in the EM to overcome this situation.

8.1.2 Attitudes of Affected Households (AHs) on Resettlement

Table 8.2 depicts the results related to the resettlement preferences of AHs. All squatters and NHDA regularized householders are willing to resettle in UDA housing units rather than receiving a self-relocation package which is inadequate to purchase a house in the vicinity of the Colombo city. This represents only 1 PAH who wishes to self-relocate who is also a deed holder. Accordingly, 97.6 are willing to be resettled in UDA housing units, and 2% of PAH who are deed holders shall be settled in-situ.

Table 8.2: Compensation Preference of PAHs (Multiple Responses)

| Preferred Compensation for Affected Land & Structure | Number | Percent (%) |
|--|------------|---------------|
| Compensation for self-relocation | 1 | 0.4 |
| Housing unit from a UDA Flat House | 249 | 97.6 |
| Onsite upgrading | 05 | 2 |
| Total | 255 | 100.00 |

Source: Socio economic verification survey by PMU

8.2 Proposed Compensation Package

PMU will consider the following two options specified in the Entitlement Matrix to compensate the PAHs in order to mitigate the impacts caused to them by the project.

Option 1: To resettle PAH in a housing unit in a UDA housing scheme with a title

Option 2: Provision of compensation for affected parties for self-relocation in a place where they prefer

PAHs shall have the liberty to pick either option 1 or 2 based on their willingness.

In addition to the above, resettlement assistance package includes an ex-gratia payment to shift to the new housing unit, salvaged materials of the demolished house, and transport allowances to the affected PAHs. Those with title deeds are entitled to receive claims for valuable trees and crops affected in their gardens. Details of the currently available housing schemes that could be occupied shortly are given below.

Table 8.3: Details of housing schemes

| Housing Scheme | Location | No. of housing units | Housing units purchased by CSRP | Housing unit Sq. ft | Land Ownership |
|-----------------|---------------|----------------------|---------------------------------|---------------------|----------------|
| Lakhiru Sewana | Maligawaththa | 576 | 384 | 400 | State Land |
| Methsara Uyana | Borella | 430 | 40 | 400 | State Land |
| Siyapath Sewana | Dematagoda | 266 | 30 | 500 | State Land |

Source: PMU



Figure 3: Relative locations of existing settlement, and the proposed sites for re-location

Distance to the three housing schemes that are allocated for PAHs residing in section 02 is within 0.5 to 2 kms. The above map shows the project area (in white colour) and the locations of the three housing schemes (in yellow blocks). The proposed elevated highway is shown in purple colour.

8.3 Relocation of Affected Religious Shrines

Three Buddhist statues and two Catholic shrines located in this KV Rail Phase 1 section 2 will be affected by this project. People in the area requested to rebuild these shrines in convenient places.

Chapter 9 - Income Restoration Program

9.1 Introduction

The National Involuntary Resettlement Policy (NIRP) and the Safeguard Policy Statement of the Asian Development Bank (ADB)-2009 envisage the need to re-establish the livelihoods of displaced persons, improve their standard of living, and avoid impoverishment of people that may transpire as a result of compulsory land acquisition for development purposes. Both these policies strongly insist on providing livelihood compensation and development options at the earliest to the PAHs. In principle, resettlement planning can be stated as a development opportunity for PAHs. As a priority matter, project benefits should flow to the PAHs through institutional intervention such as timely resettlement, adequate and timely compensation, income restoration, and rehabilitation of vulnerable PAHs.

As per the Baseline Survey on Income Restoration conducted in January 2019, the residential population in the KV Rail Phase 1" Section 2"; is 568. These people are engaged in income generating livelihood activities which are connected with services and small-scale productions. The survey also revealed that they do not engage in agriculture or other land-based livelihood activities. Discussions with the PAH members in KV Rail Phase 1" Section 2 revealed that there are also an undistinguished number of drug dealers and sex workers in this community. The table below shows the main sources of income of PAHs.

Table 9.1: Individual Source of Income of PAHs in KV Line Phase 1 -Section 2

| Source of Income | Number of persons | Percentage |
|--------------------------|-------------------|------------|
| Government Employees | 43 | 7.57 |
| Private Sector Employees | 147 | 25.88 |
| Daily paid labourers | 54 | 9.51 |
| Contract labourers | 62 | 10.92 |
| Unskilled labourers | 4 | 0.70 |
| Businesses | 15 | 2.64 |
| Self-Employed | 167 | 29.40 |
| Three-wheel Drivers | 14 | 2.46 |
| Tailors | 11 | 1.94 |
| Foreign Employment | 38 | 6.69 |
| Pensioners | 13 | 2.29 |
| Total | 568 | 100 |

Source: Baseline Survey on Income Restoration - January 2019

9.2 Impact on Livelihood

According to the Baseline Survey on income restoration conducted by the PMU there are 15 commercial structures and 15 residential plus commercial structures that will be directly affected within the project affected area. Jobs of 19 workers shall be affected from the said 15 business ventures that will be affected by the project. Also, there are about 167 persons involved in self-

employment activities; among which 65 are operated within the affected household structures. The below table indicates the summary of the income categories.

Table 9.2: No. of Affected HHs & Affected Workers under each Income Earning Source

| Income Earning Sources | No. of Affected HHs | No. of Affected Workers |
|-----------------------------|---------------------|-------------------------|
| Commercial | 15 | 19 |
| Commercial plus Residential | 15 | None |
| Self-employment | 65 | - |
| Total | 95 | 19 |

Source: Baseline Survey on Income Restoration - January 2019

The below mentioned data has a relevance to the above table of affected households. Among the 65 PAHs that depend on self-employment the below table indicates the number of households that will have a direct impact on their main income source.

Table 9.3: Main Income Source of Affected Households

| Main Income Source | PAHs | Percentage |
|----------------------------|-----------|--------------|
| Shoe Menders | 03 | 5.0 |
| Bicycle Repairs | 02 | 3.0 |
| Food Processor and Sellers | 10 | 18.0 |
| Retail Traders | 07 | 13.0 |
| Mobile Traders | 08 | 14.0 |
| Others | 07 | 13.0 |
| Total | 37 | 100.0 |

Source: Baseline Survey on Income Restoration - January 2019

Within the 37 households that will have a direct impact on their source of income, a significant impact will be felt by 10 food processors and sellers.

The surveys indicate that 378 PAH members are unemployed. The number of unemployed males and females categorized according to age is shown below.

Table 9.4: Unemployed PAH Members

| Age Category | Male | Female | Total | Percentage |
|--------------|------------|------------|------------|------------|
| 18-20 | 20 | 24 | 44 | 12 |
| 21-30 | 32 | 72 | 104 | 27 |
| 31-50 | 71 | 88 | 159 | 42 |
| 51-61 | 25 | 46 | 71 | 19 |
| Total | 148 | 230 | 378 | 100 |

Source: Baseline Survey on Income Restoration - January 2019

Table 9.5: Monthly Income Levels of PAHs in Project Related Area

| Monthly Income Levels in Rs: | Number of PAHs | Percentages |
|------------------------------|----------------|-------------|
| Less than 20000 | 57 | 21 |
| 20001 -30000 | 47 | 18 |
| 30001 -40000 | 41 | 15 |
| 40001-50000 | 45 | 17 |
| 50001-100000 | 59 | 22 |
| More than 100000 | 17 | 7 |
| Total | 266 | 100 |

Source: Baseline Survey on Income Restoration - January 2019

As per the above Survey 104 PAHs are earning less than Rs. 1000/- per day; and 59 PAHs earn a monthly income between Rs. 50,000.00 - Rs. 100,000.00. There are four PAHs receiving “Samurdhi” (Government Poverty Alleviation Assistance) benefits and six older persons receiving elders’ welfare payment from the Government.

9.3 IR needs for Vulnerable households and persons

Table 9.6: Vulnerability Status of PAHs

| Poverty Status | No of PAHs |
|---------------------------|------------|
| Below poverty level | 09 |
| “Samurdhi” assistance | 11 |
| Other welfare | 04 |
| Female headed households | 10 |
| Elderly headed households | 09 |
| Total | 43 |

Source: Baseline Survey on Income Restoration - January 2019

As revealed in the above table, the vulnerability status of PAHs indicates that there are 9 households below the poverty level, 10 female headed households, and 09 elderly headed households. The survey also shows that there are a total number of 15 households that receive welfare from the government which includes “Samurdhi” and “Other welfare”.

Table 9.7: Vulnerability Status of the Project Affected Persons

| Vulnerable category | Male | Female | Total | % |
|-------------------------|-----------|-----------|-----------|------------|
| Disabled persons | 08 | 5 | 13 | 33 |
| Chronically ill persons | 11 | 08 | 19 | 49 |
| Mental issues | 04 | 03 | 07 | 18 |
| Total | 23 | 16 | 39 | 100 |

Source: Baseline Survey on Income Restoration - January 2019

As observed through the socio-economic survey there are 39 vulnerable PAPs which include 23 males and 16 females, indicating there are more elderly males than elderly females within the project area.

9.4 Income Restoration Program for the Section 02- KV Rail Phase 01

The PMU will play a key role in planning and implementing of IRP; providing the required funds to implement the program; and facilitating and the coordinating for the PAPs to obtain the services and inputs available from the respective state or private institutions in the area of entrepreneur development. PMU provides logistic support and initial funds required to implement the program. The Deputy Director of ESSD attached to the PMU will be the focal point of PMU with regard to IRP.

9.5 Need for Livelihood Development Training Program for IRP

Livelihood trainings are important in IRP to enhance the capabilities of vulnerable people. These programs will assist to restore the income of affected households and solve unemployment to some extent. The training program shall also focus on self-employed personnel by training them to handle appropriate environment-friendly technologies/utensils that could be adopted to suit their new condominium life-styles.

Baseline Income Restoration survey has revealed that persons from 112 PAHs have positively responded towards conducting livelihood programs while persons from 51 PAHs responded negatively. 23 PAHs have no idea whether to participate or not, and 98 PAHs did not want to respond to the question at the IRP survey.

Furthermore, according to the survey findings, 77 PAHs have an initial capital to start a small business, 72 PAHs are owners of usable capital assets for a business and 123 PAHs wish to start a business at the new settlement. The above factors show that livelihood development programs are important to uplift the standard of living of the PAHs.

9.6 Livelihood and Income Restoration Strategies

There are 255 households to be relocated within the project area. It is believed that some of their sources of income could be affected as a result of relocation. Hence, the Income Restoration Program (IRP) strategy would be reinforced based on multiple approaches as stated below. The proposed activities for IRP are:

- Increase awareness of the PAPs on livelihood activities
- Training on human resources development
- Training on occupational/vocational skills development
- Pursue PAPs to open bank accounts and promote banking/saving practices
- Improve and promote leadership qualities
- Formation of societies by members to address common issues

9.7 Categories of PAHs Entitled to Participate in the IRP

All income restoration programs will be undertaken in consultation with PAPs and their household's setup for resettlement related requirements. Identification of vulnerable PAHs and providing

assistance for capacity building to adjust to the change is an important item in a Resettlement Action Plan. The categories of PAHs entitled to IRP benefits are listed below:

- Households with members unemployed for more than one year
- Households with members suffering from chronic diseases
- Households with differently-abled members
- Households with divorced or not re-married members
- Households with school skippers of age more than 15 years
- Households with illiterate members
- Households losing businesses
- Very poor who need institutional support to improve their income
- Vulnerable categories

9.8 Potential Income Restoration Program

These surveys revealed that almost all the PAH's livelihoods are connected with services and small-scale productions. Some livelihoods are homebased and some of the source of income are earned by working in neighbouring houses. Individual discussions, formal group discussions and resource profile of Divisional Secretariat proved the above information. The IRP can be planned based on this information.

There are two types of IR activities.

- Short-term income restoration (IR) activities
- Long-term income restoration (IR) activities

Short-term IR Activities

Restoration of income of PAPs during periods immediately before and after relocation is envisaged under short-term IR activities. KV Rail phase 01 has suggested various short-term IR activities for the PAPs to mitigate the short-term impacts that may occur due to relocation. The project will compensate for all temporary and permanent economic losses as provided for in the EM. As such, those who are resettled will only have bare minimum impacts on their employment and means of livelihood. Some options that are proposed through the EM that directly address the loss of income of PAPs are:

- Ensuring that adequate compensation is paid prior to relocation
- Providing relocation and transit allowances
- Provision of transport allowance
- Free or subsidized items if necessary
- Transitional allowances until adequate income is generated as specified in the EM
- Special allowances to vulnerable groups
- Providing access to project related employment opportunities

If any person is not satisfied with his/her entitled compensation specified according to the EM, he/she has the provision to appeal for relief from the EAC.

Long-term IR Activities

For the project, PMU needs to repossess and acquire lands for the proposed railway line improvement. In this process many households along the railway line could be affected; as a result, their livelihoods

can be impacted. Cash compensation alone will not be sufficient to ensure long-term sustainability of livelihood restoration. Long-term IR activities are financed through the resettlement and rehabilitation budget that provides for expenses incurred in training and coordination. The following strategies will therefore be adopted to upgrade or diversify existing livelihood.

- Support to expand and intensify or diversify the existing businesses through occupational skills training programs
- Organize appropriate livelihood training programs for self-employment.
- Linkage building with line agencies and introduce existing national poverty alternative and enterprise development programs patronage with the government
- Searching suitable job opportunities for member of PAHs
- Infrastructure development for business if adequate space is available
- Organize self-help groups for Micro finance and small-scale business development.
- Assist members of PAHs to purchase tools and small-scale machineries
- Assist members of PAHs to build linkages with relevant institutions/organization.
- Training of community leaders

Special attention shall be paid to the restoration of livelihoods of women and women headed households. Women leaders who can activate female members of the community shall be actively involved in this process. Women's societies shall be formed to take leading roles in the restoration of women's livelihoods whenever possible.

9.9 Assisting Organizations in Implementing IRP

Whenever the need arises additional expertise shall be drawn from outside to assist the income restoration program. The PMU will maintain linkages with the following institutions in implementing the IRP.

- Western Provincial Council
- Colombo Municipal Council
- Urban Development Authority
- Medical Health Office
- Chamber of Commerce Sri Lanka
- Divisional Secretariat of Thimbirigasyaya
- Samurdhi Authority
- Banks and Financial Organizations
- Vocational Training Authority
- Lanka German Technical Institute
- National Apprentice and Industrial Institute
- Other NGOs working on poverty alleviation

9.10 Progress Monitoring of Income Restoration Program

PMU through the IR consultant will monitor the progress of the IR program, and submit monthly progress report. External monitoring of the progress shall be conducted annually.

Chapter 10 - Resettlement Budget and Financing Plan

10.1 Introduction

The resettlement budget has been prepared based on the parameters set in the entitlement matrix for KV Rail Phase 1 "Section 2" of RAP. It consists of the cost of land acquisition which includes compensation for loss of land, loss of structures, loss of trees and crops, cost of rehabilitation to restore and improve income and livelihood, cost of administration and monitoring including external monitoring, staff training, and cost of contingencies. This will exclude the cost of housing units for relocation because the approval is granted by a decision taken by the Cabinet of Ministers on 17th October 2017.

The costs for acquisition of land, structures and other assets have been estimated as 'replacement cost' arrived at as per LAR 2008 that uses the concept of 'market value' together with several other safeguard principles (fair market value, transaction cost, interest accrued, transitional and restoration costs, and any other applicable payment) that bridges the gap between NIRP and LAR. Injurious value, severance, disturbances and transaction cost (without depreciation) will be paid as provided in LAR 2008.

The values presented in the budget are indicative. Budget calculations are also supported by data collected through the census of PAPs and a rapid market survey of land, and building rents. The project implementing agency will disburse the necessary funds through, PMU to cover the land acquisition and resettlement costs. A contingency provision of 10% of the total resettlement budget is set aside to cover the unanticipated costs which may have to be incurred during RAP implementation.

Further clarification of budget:

- Business relocation grants: Compensation for relocation of businesses was estimated based on parameters/ceilings set in the entitlement matrix as applicable to different PAP categories.
- Rental values: Compensation for loss of rental incomes of PAPs was estimated based on mean monthly rental income of rentier category as recorded in the PAP census.
- Business incomes and wages: Compensation for loss of monthly business income and wages of PAPs were estimated based on mean monthly incomes calculated for different PAP categories as recorded in the PAP census.
- Livelihood restoration grants: Estimated based on parameters/ceilings set in the entitlement matrix as applicable to different PAP categories
- Provisions for ex-gratia payment for vulnerable persons: 5% of business income/rental income/wage
- Provisions for ex-gratia payments for impacts not covered in the entitlement matrix: 10% of the total compensation for land, relocation, income losses, livelihood restoration
- Cost of appearing before inquiries of EAC and documentation charges: Estimated at SLRs 10,000/- per PAP
- Unforeseen impacts: 10% of total compensation provided for loss of business income, rental income and wages.

10.2 Compensation Payment

10.2.1 Compensation for Private land

Some of the private lands to be acquired that consist of homesteads are in the CMC area. For cost estimation the unit rates have been estimated based on rates adopted by the Government Institutions particularly the DV. The actual compensation will be determined by the DV after the inspection of the site. The current market rates were also obtained from the APs, and the GNs during the process of the census survey. However, the rates indicated by the DV were adopted as the official rates for the estimation of cost. The Chief Valuer provided the value that the Department adopts for CMC area. This rate was averaged out to derive a reasonable valuation for the preparation of budget (Table 10.1).

Table 10.1: Unit Rates for Estimation of Replacement Value of Land in CMC Area (LKR/ Perch)

| Location | Residential | | | Commercial | | | Average |
|----------|-------------|-----------|-----------|------------|-----------|-----------|-----------|
| | Low | High | Average | Low | High | Average | |
| CMC area | 3,900,000 | 4,200,000 | 4,050,000 | 4,500,000 | 5,400,000 | 4,950,000 | 4,500,000 |

Payment of compensation for partially affected 06 deed holders and 6 NHDA deed holders will be done through following the acquisition procedure according to the LAA 1950 and 2008 regulations together with recommendation of EAC committee that has to be approved by the cabinet.

10.2.2 Compensation for Structures including for CPR

The unit rates for calculating replacement cost of structures were derived from the information provided by the technical experts attached to CIDA, Buildings Department and the UN-Habitat who are engaged in the industry. The BSR given by the Provincial Council Buildings Department was compared with the UN Habitat rates and adjusted to fit the categories of structures identified by the survey. Recognizing the increased cost of materials, labour and etc., the cost estimation for the budget was decided by the high end of the range of values given for different categories of structures. The cost estimates derived are presented in Table 10.2 below.

Table 10.2: Unit Rates for Estimation of Replacement Cost of Structures

| House Category | Floor Type | Roof Type | Wall type | Value/ (LKR/Sq. Ft.) |
|----------------|---------------------|-----------------|--------------------|----------------------|
| Category – 1 | Tile/Terrazo/Cement | Concrete | Brick/Cement Block | 5,000-4200 |
| Category – 2 | Tile/Terrazo/Cement | Asbestos/Tile | Brick/Cement Block | 4,200-4000 |
| Category – 3 | Tile/Terrazo/Cement | Tar/Tin/Cadjan | Brick/Cement Block | 3,800-2200 |
| Category – 4 | Mud/Timber | Asbestos/Tile | Brick/Cement Block | 2,200-2000 |
| Category – 5 | Mud/Timber | Tar/Tin/Cadjan | Brick/Cement Block | 2,200-2000 |
| Category – 6 | Mud/Timber | Tar/Tin/ Cadjan | Mud/ Timber/Tin | 2,000-1800 |

Note: Upper value is taken for budgeting purposes

If an affected householder has decided to be self-relocated under this project, he/she will be paid the cost of the structure based on rates given in table 10.2. However, the cost of structure will be determined by the chief valuer. An affected householder who is willing to take an UDA house will be paid the balance of the value of his/her house.

10.3.3 Compensation for Trees and Crops

The number of trees that will be affected due to the project were identified at the census survey carried out by the UN-Habitat & PMU. The compensation amount was considered based on the assessment of market value according to the information provided by the Department of Export Agriculture, Department of Agriculture, Hector Kobbekaduwa Agrarian Research and Training Institute, wholesale traders and timber depots. The Timber Corporation officials and timber merchants as well as the valuation officers indicated that the valuation of trees should be done by individual inspection of trees. The PAPs are encouraged to harvest the yield before they lose their lands. Fruit trees were valued on the basis of the price of a sapling along with the annual value of fruits produced by that tree for the number of years that the sapling will take to mature. The detailed costs estimated for various types of trees are categorized into a few groups, and the sub totals indicated in the budget. Trees in lands owned by affected title holders will receive compensation as per the LAA and regulations in 1950 and 2008. Trees in the ROW are properties owned by CGR. Person who has cultivated trees in the ROW can reap the harvest and if felled will be a property of CGR.

Tenants and owners of house will be paid compensation referring the occupied period of time and ratio suggested in the EM. Loss of income for affected business owners and wages for workers also have been calculated in the EM and will be paid accordingly. It should be assured that after completing the payment of compensation for every affected parties, removal of structures or acquiring of land will be done according to the ADB safeguard policy and NIRP guidelines.

Table 10.3: Resettlement Budget

| S/N | Impacted Category | Impacted Item | Unit | No. | Rate (LKR) | Grand Total (LKR) | Remarks |
|-----|---|--|--------------|-------|------------|-------------------|--|
| 01 | Compensation for loss of land | Residential | Perch | 100 | 4,050,000 | 405,000,000 | |
| | | Commercial/business | Perch | 7 | 4,950,000 | 34,650,000 | |
| 02 | Compensation for loss of residential structures | UDA housing units (400 sq.Ft.) | Housing unit | 235 | 4,000,000 | 940,000,000 | Paid as per cabinet approval on 17 th Oct: 2017 under no: 17/2290/709/084 |
| | | UDA housing units (500 sq.Ft.) | Housing unit | 26 | 5,000,000 | 130,000,000 | -----do----- |
| | | Loss of structures (self-relocate PAPs) | Sq. Ft. | 5000 | 4,200 | 21,000,000 | Immediately needed |
| | | Loss of structures (For partially affected buildings) | Sq. Ft. | 10500 | 4,200 | 44,100,000 | |
| | | Loss of primary & secondary structures (walls & gates) | Sq. Ft | 3200 | 170 | 544,000 | Provisional sum |
| | | Loss of other structures (Kennel & Pigeon cage) | Lump sum | 2 | 100,000 | 200,000 | Immediately needed |
| | | Loss of rental accommodation (Tenants & leaseholder) | No. of PAHs | 6 x 2 | 15,000 | 180,000 | Immediately needed |
| | | Loss of rental accommodation (Public quarters) | No. of PAHs | 33 | 50,000 | 1,650,000 | |
| | | Government structures (Public quarters - lower rank) | No. of PAHs | 15 | 5,000,000 | 75,000,000 | Immediately needed |
| | | Government structures (Public quarters - higher rank) | No. of PAHs | 18 | 7,500,000 | 135,000,000 | Immediately needed |
| | | Government structures - 15 (buildings and others) | Lump sum | | 30,000,000 | 30,000,000 | Immediately needed |
| 03 | Compensation for Loss of Trees | Fruit bearing | | 66 | 3,000 | 198,000 | Immediately needed |
| | | Timber (Jack) | | 6 | 30,000 | 180,000 | Immediately needed |
| | | Timber (Pihimbiya) | | 1 | 5,000 | 5,000 | Immediately needed |
| | | Coconut trees | | 30 | 10,000 | 300,000 | Immediately needed |

| | | | | | | | |
|----|---|---|--------------------------|-------|------------|------------|--------------------|
| | | Other | | 3 | 2,000 | 6,000 | Immediately needed |
| 04 | Livelihood Restoration and Rehabilitation | Loss or effects on livelihood due to relocation | PAPs | 150 | 30,000 | 4,500,000 | Immediately needed |
| 05 | Compensation for loss of income | Business income (permanent registered) for 32 months | PAHs | 15 | 32x20000 | 9,600,000 | Immediately needed |
| | | Business income (permanent informal) for 18 months | PAPs | 15 | 18x 15,000 | 4,050,000 | Immediately needed |
| | | Business income (temporary) for 6 months | PA business holders | 65 | 6x 15,000 | 5,850,000 | Immediately needed |
| | | Loss of wage / salary | PA business holders | 19 | 90,000 | 1,710,000 | Immediately needed |
| | | Loss of income from rent /lease | PA business holders | 6 x 2 | 45,000 | 540,000 | Immediately needed |
| 06 | Disturbance and Other Allowances | Loss of access to utilities | PAHs | 271 | 15,000 | 4,065,000 | Immediately needed |
| | | Cost of re-fixing of fixtures and fittings | PAHs | 271 | 10,000 | 2,710,000 | Immediately needed |
| | | Shifting cost | PAHs (1000< (Sq. ft) | 235 | 10,000 | 2,350,000 | Immediately needed |
| | | | PAHs (1000-2000 (Sq. ft) | 21 | 15,000 | 315,000 | Immediately needed |
| | | | PAHs (>2000 (Sq. ft) | 2 | 25,000 | 50,000 | Immediately needed |
| | | Alternative accommodation | PAHs (10%) | 25 | 50,000 | 1,250,000 | Immediately needed |
| 07 | Special Assistance | Effects on vulnerable household heads | PAH | 43 | 15,000 | 645,000 | Immediately needed |
| | | Effects on sub families | Sub-families | 5 | 1,000,000 | 5,000,000 | Immediately needed |
| 08 | Additional Allowances and Incentives | Section 9 inquiry | PAHs | 40 | 10,000 | 400,000 | |
| | | Incentive payment for handing over possession of properties before the deadline 25% | Perch | 107 | 562,500 | 60,187,500 | |

| | | | | | | | |
|----|--|---|-----------|-----|-----------|----------------------|--------------------|
| | | Compensation packages not available in any other sub sections | PAHs (5%) | 13 | 20,000 | 260,000 | Immediately needed |
| | | When an owner of a house or an investment property is displaced 10% | Perch | 107 | 405,000 | 43,335,000 | |
| 09 | Loss of Community Resources | Loss of cultural resources and religious statutes | Lump sum | 4 | 300,000 | 1,200,000 | Provisional sum |
| | | Loss of civic and social service facilities, electric transformers | Lump sum | 2 | 2,000,000 | 4,000,000 | Provisional sum |
| | | Loss of social capital / Occurrence of social alienation | Lump sum | 3 | 200,000 | 600,000 | Provisional sum |
| 10 | Public Utility Services | Public utilities impacted | Lump sum | 2 | 1,000,000 | 2,000,000 | Provisional sum |
| 11 | Operationalization of EAC | Inspecting the PAHs, recording, reviewing and giving approvals | Lump sum | 250 | 10,000 | 2,500,000 | Immediately needed |
| 12 | External Monitoring | External Monitoring | Months | 30 | 200,000 | 6,000,000 | |
| | | Totals (in Rs) | | | | ,1981,130,500 | |
| | Unanticipated Resettlement Impacts & Contingency | 10% of the total | | | | 198,113,050 | |
| | | Grand total (LKR) | | | | 2,179,243,550 | |
| | | Balance (excluding payments already made for UDA housing units) | | | | 1,109,243,550 | |

Chapter 11 - Implementation Schedule

Activities related to social safeguards management shall go through different stages from the preparation of RF and draft RAP to finalizing the RAP. The resettlement programme goes through several phases that include socioeconomic survey and census, publication of cut-off date, resettlement planning, public consultation and information disclosure, land acquisition and payment of compensation and resettlement assistance, relocation, grievance redress, income restoration and improvement, and monitoring and evaluation of the resettlement programme.

The RAP is based on the following principles:

- All PAPs are fully paid their due compensation, other benefits and allowances prior to relocation.
- Relocation of households and businesses shall be coordinated according to a schedule that would not jeopardize the commencement and progress of the construction program.

The RAP will ensure that no physical or economic displacement occurs until all the physically displaced households are securely relocated at resettlement sites, and the PAPs are paid compensation at full replacement cost for the properties affected; KV Rail phase 01 shall ensure that compensation is paid prior to the commencement of construction. It is important that a reasonable length of the rail track to be free in order to start the construction program, thus the construction plan shall be implemented in sections identified as free and suitable to carry out civil construction work.

Consultation will be carried out throughout implementation; all matters related to lands shall be freed from encumbrances, and resettlement and rehabilitation activities shall be completed before they are handed over to the contractors to commence civil works. However, post-resettlement follows up monitoring activities, livelihood improvement, community life establishment, assessments and evaluations in addition to addressing grievances, and continued public consultations; information sharing shall continue until the completion of the construction works or beyond.

The implementation schedule is indicative and tentative, and subjected to modification based on actual progress of work related to RAP implementation; and shall be updated periodically. Table 11.1 presents the implementation schedule of the resettlement activities. A composite implementation schedule for resettlement and rehabilitation shall be further prepared for the respective sections of KV Line Phase 1.

Table 11.1: Proposed Implementation Schedule

| Activities | 2017 | | | | 2018 | | | | 2019 | | | | 2020 | | | | 2021 | | | | 2022 | | | |
|---|------|---|---|---|------|---|---|---|------|---|---|---|------|---|---|---|------|---|---|---|------|---|---|---|
| | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | 3 | 4 |
| Socio-economic and census surveys | | ■ | ■ | | | | | | | | | | | | | | | | | | | | | |
| Declaration of the cut-off date | | | ■ | | | | | | | | | | | | | | | | | | | | | |
| Revision of census based on final alignment | | | | | | | | ■ | ■ | | | | | | | | | | | | | | | |
| Prepare draft RAP | | | | | | | | | ■ | | | | | | | | | | | | | | | |
| Obtain approval from cabinet of ministers on EM and Budget | | | | | | | | | ■ | ■ | ■ | ■ | | | | | | | | | | | | |
| Endorsement from compliance unit of ADB | | | | | | | | | ■ | ■ | ■ | ■ | | | | | | | | | | | | |
| Public disclosure of RAP | | | | | | | | | ■ | ■ | ■ | ■ | | | | | | | | | | | | |
| Establishing the EAC | | | | | | | | | ■ | ■ | ■ | ■ | | | | | | | | | | | | |
| Verification of entitlements of PAPs with documentary evidence | | | | | | | | | ■ | ■ | ■ | ■ | ■ | ■ | | | | | | | | | | |
| Coordination on land acquisition and compensation payment | | | | | | | | | ■ | ■ | ■ | ■ | ■ | ■ | | | | | | | | | | |
| Inform PAPs of their entitlements | | | | | | | | | ■ | ■ | ■ | ■ | ■ | ■ | | | | | | | | | | |
| Submission of land acquisition proposal to Divisional Secretaries | | | | | | | | | ■ | ■ | ■ | ■ | ■ | ■ | | | | | | | | | | |
| Hiring of a resettlement consultant | | | | | | | | | ■ | ■ | ■ | ■ | ■ | ■ | | | | | | | | | | |
| Payment of compensation and other allowances | | | | | | | | | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | | | | | | | | |
| Land acquisition and possession of structures | | | | | | | | | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | | | | | | | | |
| Resettlement and relocation at new UDA housing schemes | | | | | | | | | ■ | ■ | ■ | ■ | ■ | ■ | | | | | | | | | | |
| Establish GRM | | | | | | | | | ■ | ■ | ■ | ■ | | | | | | | | | | | | |

Chapter 12 - Institutional Arrangements

12.1 Introduction

Several Ministries and agencies are involved to successfully carry out the various components of involuntary resettlement planning, implementation and monitoring. Overall implementing responsibility of the project lies with the Ministry of Transport and Civil Aviation, which has a Land Administration Division headed by a Senior Assistant Secretary who is assisted by an Assistant Secretary. The functions of this division cover land management and administration including disposal and leasing, but does not include resettlement. As the institutional arrangements for the implementation of the RP are designed to ensure accountability and provide for required capacity, the PMU of the Colombo Suburban Railway Project serves as the focal institution responsible for the implementation of RAP at operational level. The PMU has been strengthened with certain degree of financial autonomy and administrative flexibility subjected to the guidance and supervision of the Ministry of Transport and Civil Aviation.

12.2 Project Management Unit of the Ministry of Transport and Civil Aviation

MOTCA together with the SLR will execute the Project through a Project Management Unit (PMU) established under it for managing project implementation. The PMU is empowered with a certain degree of financial autonomy and administrative flexibility subject to general guidelines issued by the Management Services Division (MSD) of the Ministry of National Policies and Economic Affairs (MNPEA) and the MOTCA to meet the project objectives. The PMU is headed by a fulltime Project Director (PD) who reports directly to the Secretary of the MOTCA. The PD has the authority for all aspects of project implementation and management, including procurement, financial management, and resettlement planning and implementation. The PMU will focus on several key areas and related tasks as specified below for resettlement planning and implementation:

- Initiate the process to create awareness and arrange the organizational set up by creating divisions for Land Acquisition Management, and Environmental and Social Safeguard Management
- Enlist the services of consultants to prepare RF and RAPs
- Develop institutional relationships and coordinate with relevant institutions and organizations to implement RAP including the process of managing compensation and resettlement, and providing rehabilitation benefits and attending to the grievance redress process
- Organize an external monitoring process
- Provide information, and feedback to steering committees and relevant agencies.

The overall implementing responsibility of the project lies with the MOTCA. Several partner agencies will involve with the implementation of the project. Following State agencies will play a vital role in the resettlement process:

- Ministry of Transport and Civil Aviation
- Ministry of Megapolis and Western Region Development
- Ministry of National Policies and Economic Affairs
- Ministry of Land and Land Development
- Ministry of Provincial Councils and Local Government (including relevant local authorities)
- Ministry of Housing and Construction
- Ministry of Power and Energy
- Sri Lanka Railways
- Department of External Resources
- Land Commissioner's Department
- Department of National Planning
- Divisional Secretariat
- Central Environmental Authority
- Department of Surveys
- Department of Valuation
- Government Printer
- Urban Development Authority
- National Housing Development Authority
- Ceylon Electricity Board
- Water Supply and Drainage Board
- Sri Lanka Telecom Ltd.
- National Physical Planning Department
- Road Development Authority
- National Water Supply and Drainage Board
- Provincial Land Commissioner's Department
- Provincial Road Development Authority

12.3 Environment and Social Safeguard Division, and Land Acquisition Division

Environment and Social Safeguard Division (ESSD) is the focal division of PMU for safeguard compliance. It works in close coordination with the Land Acquisition Division (LAD). ESSD and LAD are responsible for the overall planning, management, implementation and monitoring of the implementation of RP. The functions and responsibilities of ESSD and LAD will include:

12.3.1 Environment and Social Safeguard Division:

The ESSD is headed by a fulltime Deputy Project Director who is assisted by two specialists in the field of Social Safeguard, and Environmental Safeguards with key fulltime staff comprising of 02 Senior Social Safeguard Officers, 07 Social Safeguard Officers, and 03 Resettlement Assistants. In addition, services of a Resettlement Consultancy Firm will be procured to assist the implementation activities. Also, support will be gained from community volunteers. The community volunteers shall work as a key link between the PAPs and the PMU. RAP recommends that at least 50% of the community volunteers should be females.

12.3.2 Land Acquisition Division:

The PMU has created a dedicated division for Land Acquisition management with specific reference to the project, which is headed by the Deputy Project Director Lands. This division will work in close collaboration with the Land Administration Division of the Ministry. The key tasks of the Land

Acquisition Division involve identifying of private lands, which will be affected due to railway improvements, land acquisition, investigation, land survey, detailed measurement survey, valuation and payment of compensation to the affected parties. Apart from the above their responsibilities also include Facilitation and maintain close coordination with DS, Ministry of Lands, Survey Department to acquire lands, Valuation and Department and Registrar General Department. It is the responsibility of the Land Division to assist the Environment and Social Safeguard Division in conducting various socio-economic surveys to support the resettlement process.

Information of other stakeholders who assist the PMU in implementing the RAP are given below.

12.4 Divisional Secretariat

Main responsibilities of the DS include: Coordination of all development activities in the DSD, management of crown lands and other administrative and coordination functions. The DS has authority under the Land Ordinance to take legal action against encroachments and is responsible for land regularization and land alienation. In terms of land acquisition procedure under LAA, the DS acts as the Acquiring Officer in the proposed project area where the land is located. He or She is expected to educate the officers and the PAPs about the procedural aspects of land acquisition. The, DS has an important role to play in the process of land acquisition and resettlement. Once acquired, the DS as the Acquiring Officer issues a vesting order to the institution which requested the acquisition of land.

12.5 Survey Department

The Survey Department has a statutory role as per the LAA to survey land and prepare survey plans. Survey Department employs its licensed surveyors to survey lands. The final survey plans (primary plans) prepared by the Department of Surveys, should include survey plans of all land plots required to be acquired, and the tenement list (list of persons claiming ownership for land/structures). The PMU assists the SD to hire licensed surveys to work under the direction of the Survey Genera.

12.6 Ministry of Land and Parliamentary Reforms (MLPR)

The Ministry of Land was established in 1932 to formulate and implement state land policies, conserve state lands, land settlement, and land acquisition for public purposes, with in the country. The main functions include: Land Surveying, Land Acquisition, Land Alienation and Disposition Land Policy and Development, Land Use Policy Planning, Land Title Registration.

The Ministry of Land and Parliamentary Reforms (MLPR), is also responsible for implementing, administering and development of the NIRP, and assist other agencies to implement NIRP. In addition to the Process Manual 2003, MLPR has developed (i) General guidelines on planning and implementation of involuntary resettlement, (ii) Guideline for the preparation of a resettlement action plan, and (iii) Guidelines for participatory resettlement process.

12.7 Department of Valuation

LAA permits assessment of damages to land and structures based on 'market value', defined as 'open market value' or 'reinstatement cost' which is the conventional approach to valuation. The LAR 2008 gives details guidelines for determining compensation based on current market value without depreciation, injurious affection and severance, and disturbances and other losses. The valuation

officers assigned by the DOV will visit the property individually or jointly, and make their assessment based on the following:

- Filed conditions and surrounding environment of the property
- Purpose of the use of the property
- Available documentary evidence related to values of properties: deeds, valuation certificates, loan documents, income earning evidence etc. Consultation of people
- Study secondary information available in DS offices, Provincial and Central Income Tax Offices etc.
- The valuation of properties gives individual values for each and every property.

The PMU shall support the DOV to attend to the work of the project as per the schedules, providing mobilization support to the visiting valuation officers to visit expected sites.

12.8 RF and RAPs Approval Process

MOTCA is the national agency responsible for approving the RAP. Although NIRP has assigned approval of RAPs to CEA, it is recognized as a policy level broad statement indicating implicit approval. MLPR is the agency responsible for land acquisition and implementation of NIRP including capacity development for effective and efficient implementation of NIRP. After investigating the suitability of land for the project, the PMU develops a proposal on the prescribed format (Land Order 248 B-3) and submits to the secretary of the line ministry. He submits his recommendation to the Minister for approval of the land acquisition. If the project causes economic and physical displacement of people, the MLPR would request for an acceptable RAP.

The RAP preparation process is guided by NIRP, SPS, and other relevant laws and regulations, the operational realities are marked by the active involvement of PMU in reviewing drafts of RAP. Final RAP will be submitted to ADB for approval and clearance.

Chapter 13 - Monitoring and Reporting

Resettlement Monitoring means the collection, analysis, reporting and use of information on the progress of resettlement, based on the RAP. The process of implementation of resettlement of PAPs by the project must ensure that they are able to improve or at least restore their economic and social resources to the pre-project levels. In this regard, monitoring and evaluation activities are critical in involuntary resettlement to minimize or avoid problems in the process of implementation. Monitoring involves periodic checking to ascertain whether the activities are being implemented and carried out according to the plan. It also provides a channel for the resettled persons and assist their needs, feedback or reactions to the resettlement programme being implemented. Timely identification and resolution of these problems are critical for achieving resettlement outcomes.

Indicators of monitoring consist of two broad categories:

- Process and output indicators or internal monitoring
- Outcome and impact indicators or external monitoring

13.1 Aims and Objectives of Monitoring

- Ensure the rights and interests of PAPs are protected, and their standard of living is restored or improved
- Assess the sustainability of income restoration and development efforts
- Assess adequacy of compensation, rehabilitation, resettlement, and various assistance measures,
- Identify problems or potential problems and respond immediately to mitigate hardships.
- Measure physical progress against the milestones are being met

13.2 Internal Monitoring and Methodology

Internal monitoring shall be carried out by a team comprising of representatives of PMU, consultant and contractor. Monitoring shall be carried out monthly.

13.3 Key Indicators for Monitoring

Following indicators shall be used to conduct the monitoring:

- Comparison of pre/post socio economic status
- Restoration of income earning capacity
- Integration with the host villagers
- Access to education, water supply, electricity, sanitation and etc.

13.4 Reporting Requirements

The consultant shall prepare and submit the monthly monitoring reports and quarterly reports to PMU. The PMU shall review the monthly reports and prepare semi-annual monitoring reports, The monitoring reports will focus on whether land and other property acquisition and resettlement activities have implemented in accordance with this RAP. It shall document consultations conducted with PAPs and summaries of issues identified and actions taken to resolve them, along with a summary

of grievances or complaints lodged by PAPs and actions taken to redress them and the specific activities conducted to restore and improve income sources and livelihoods of PAPs.

13.5 External Monitoring and Methodology

External monitoring shall be conducted by an external agency (EA) experienced in monitoring resettlement programmes. The PMU shall select a suitable agency for this purpose. External monitoring shall commence after the commencement of the resettlement programme. The external monitor should attend the progress re-review meetings at CSRPMU and should be available during visits of ADB officials. He/she shall prepare and submit monthly monitoring reports and quarterly reports that describe the progress of implementation of resettlement activities and any compliance issues and corrective actions to the PMU and ADB.

The specific tasks for external monitoring shall include:

- Review of pre-project (before displacement) baseline data on PAPs
- Verify the progress of implementation of RAP based on the records available at field offices, PMU and each household
- Advise on safeguard compliance issues if significant involuntary resettlement issues are identified, prepare a corrective action plan to address such issues
- Identify an appropriate set of indicators to gather and analyse 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

Some key benchmarks for safeguard monitoring shall include the following:

- Updating the RAP by following the final engineering design
- Information disclosure and consultation
- Status of land acquisition and compensation
- Compensation for affected structures and other assets
- Relocation of PAPs
- Payments for loss of income
- Income restoration activities
- Status of mitigation of construction related impacts
- Status of grievance handling and grievance redress

The Monitoring & Evaluation officers will regularly visit the project area and resettlement sites and engage with the communities and stakeholders. They will make sure that consultations are continued with and demonstrate commitment to disclosure of information to PAPs including monitoring results. They will focus on the requirement to check progress in the implementation of RAP on the one hand and ensure commitment to deliver on the safeguard measures including compensation and resettlement assistance on the other. They will listen to and attend to any grievances including construction related temporary impacts. They will identify gaps in the implementation of RAP and find solutions in consultation with PAPs to mitigate, avoid or minimize impacts and submit their recommendations to the PMU for taking or facilitating corrective actions. Thus, Internal and External monitoring are an integral part of the overall management of the project.