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MINISTRY OF ECONOMY AND FINANCE

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Phnom Penh, *March 22*, 2024

Ms. Bo Zhang,
Investment Operations Officer
Asian Infrastructure Investment Bank (AIIB)
AIIB Headquarter, Tower A, Asia Financial Center,
No. 1 Tianchen East Road, Chaoyang District, Beijing 100101, China

Subject: Approval of Land Acquisition and Resettlement Planning Framework (LARPF) of Climate Adaptive Irrigation and Sustainable Agriculture for Resilience Project

Dear Ms. Bo Zhang,

With reference to the letter dated 29 February 2024, the Ministry of Water Resources and Meteorology (MOWRAM) submitted the Land Acquisition and Resettlement Planning Framework (LARPF) of the Climate Adaptive Irrigation and Sustainable Agriculture for Resilience Project to the Inter-Ministerial Resettlement Committee (IRC) for approval.

After having reviewed and revised the LARPF, IRC has approved the revised LARPF and is formally submitting it to AIIB for no objection before proceeding to the next step of the project implementation. This revised LARPF is also approved for public disclosure on the websites of the Ministry of Water Resources and Meteorology and AIIB.

Please accept, Ms. Bo Zhang, the assurances of my consideration.

Sincerely Yours, *K. B. Sokhom*

[Signature]

Dr. SDOEUNG Sokhom
Secretary of State
Ministry of Economy and Finance

C.C.: H.E. Chan Sinat, Secretary of State of MOWRAM



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MINISTRY OF WATER RESOURCES AND METEOROLOGY



CLIMATE ADAPTIVE IRRIGATION AND SUSTAINABLE AGRICULTURE FOR
RESILIENCE PROJECT

LAND ACQUISITION AND RESETTLEMENT PLANNING FRAMEWORK

February 2024

Prepared by the Ministry of Water Resources and Meteorology with the assistance of consultants under the guidance and direction of the General Department of Resettlement of the Ministry of Economy and Finance for the Asian Infrastructure Investment Bank and International Fund for Agriculture Development.

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Abbreviations

ADB	Asian Development Bank
AIIB	Asian Infrastructure Investment Bank
AH	Affected Household
ARP	Abbreviated Resettlement Plan
CAISARP	Climate Adaptive Irrigation and Sustainable Agriculture for Resilience Project
COD	Cut-Off Date
COI	Corridor of Impact
DED	Detailed Engineering Design
DIMDM	Department of Internal Monitoring and Data Management
DMS	Detailed Measurement Survey
DRP	Detailed Resettlement Plan
ESF	Environmental and Social Framework
ESS	Environment and Social Standards
GDR	General Department of Resettlement
GHG	Green House Gas
GRM	Grievance Redress Mechanism
IFAD	International Fund for Agriculture Development
IOL	Inventory of Loss
IRC	Inter-Ministerial Resettlement Committee (Project-Level)
IRC-WG	Inter-Ministerial Resettlement Committee Working Group
Km	Kilometer
LAR	Land Acquisition and Involuntary Resettlement
LARPF	Land Acquisition and Resettlement Planning Framework
MoWRAM	Ministry of Water Resources and Meteorology
PDWRAM	Provincial Department of Water Resources Management and Meteorology
PGRC	Provincial Grievance Redress Committee
PIB	Project Information Booklet
PRSC	Provincial Resettlement Subcommittee
PRSC- WG	Provincial Resettlement Subcommittee Working Group
RCS	Replacement Cost Study
RGC	Royal Government of Cambodia
ROW	Right-of-Way
SECAP	Social, Environmental and Climate Assessment Procedures
SEO	Social and Environment Officer
SOP-LAR	Standard Operating Procedures for Land Acquisition and Involuntary Resettlement

Definitions

Affected People (AP)/Affected Households (AHs). In the context of involuntary resettlement, APs are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically affected (loss of land, assets, access to assets, income sources, or means of livelihood) as a result of (i) land acquisition and involuntary resettlement; or (ii) involuntary restrictions on land use or on access to legally designated parks and protected areas. In the case of AP/AHs, it includes all members residing under one roof and operating as a single economic unit who is adversely affected by the project or any of its components. They can also be referred to as Displaced Persons. In this Land Acquisition and Resettlement Planning Framework (LARPF), the term used will be “AH.”

Abbreviated Resettlement Plan (ARP). Where impacts on the entire displaced population are minor, or fewer than 200 people are displaced, the Client may, with the prior approval of the Bank, prepare an abbreviated resettlement plan, covering such elements as the Bank may specify. Impacts are considered “minor” if the affected people are not physically displaced and less than 10 percent of their productive assets are lost.

Corridor of Impacts (COI). It is the area which is required for construction of the planned civil works under the Project. The COI is agreed by the implementing agency and is demarcated by the civil work consultant within which the construction activities will take place.

Cut-Off Date (COD). Date established by the government that establishes the eligibility of the AHs for receiving compensation and resettlement assistance. For this project, the COD of each subproject financed under the Project will be date of the completion of the census undertaken during the detailed measurement survey (DMS) stage. The COD will be announced in the consultation meeting prior to DMS. Any persons who encroach upon the subproject’s COI after the COD will not be eligible for any compensation or assistance. Persons not covered in the census result can be eligible for compensation if they can show proof that they have been inadvertently missed during the census survey.

Detailed Measurement Survey (DMS). With the aid of detailed engineering design, this activity involves finalization of the results of the inventory of losses, measurement of affected land and assets attached to land, 100% socioeconomic survey and 100% census of AHs.

Detailed Resettlement Plan (DRP). To be prepared following the completion of the Detailed Measurement Survey when impacts on land, assets, livelihood activities of affected people become known following the DMS.

Economic displacement. Loss of land, assets, access to assets, income sources, or means of livelihood 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.

Eligibility. All AHs confirmed to be residing in, doing business, or cultivating land within the project affected area or land to be acquired or used for the project before the COD are eligible for resettlement compensation for their affected properties.

Eminent Domain. The right of Cambodia using its sovereign power to acquire land for public purposes. National law establishes which public agencies have their prerogative to exercise eminent domain.

Entitlements. Refers to a range of measures comprising compensation for loss of assets, resettlement assistance, income restoration, etc. which are due to the AHs, depending on the type and severity of their losses, to restore their economic and social base.

Expropriation. Process whereby a public authority, usually in return for compensation, requires a person, household, or community to relinquish rights to land that it occupies or otherwise uses. Expropriation under the Cambodian law refers to the confiscation of ownership or real right to immovable property of a natural person,

private legal entity, and legal public entity, which includes land, buildings, and cultivated plants and economically productive crops/trees, for the purpose of constructing, rehabilitating, or expanding public physical infrastructure for the national and public interests with prior and fair compensation.

Grievance Redress Mechanism. Refers to a mechanism established under the project to receive, facilitate, resolve, and report back to affected persons the grievance resolution outcome. In the context of this LARPF, the GRM aims to address timely and effectively the grievances arising from involuntary land acquisition, physical resettlement, accesses restrictions as well as economic displacement.

Host communities. Communities receiving physically affected persons of a project as re-settlers.

Income Restoration. Improve, or at least restore, the livelihoods of all persons displaced by the Project through: (i) where possible, land-based resettlement strategies when affected livelihoods are land-based or where land is collectively owned; or cash compensation at replacement value for land, including transitional costs, when the loss of land does not undermine livelihoods; (ii) prompt replacement of assets with assets of equal or higher value; (iii) prompt compensation at full replacement cost for assets that cannot be restored; and (iv) capacity building programs to support improved use of livelihood resources and enhance access to alternative sources of livelihood.

Income Support. Re-establishing the productive livelihood of the AHs to enable income generation equal to or, if possible, better than that earned by the AHs before the project.

Indigenous Peoples. “Indigenous Peoples” is used in a generic sense to refer exclusively to a distinct social and cultural group possessing all the following characteristics in varying degrees: Self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by others; and Collective attachment¹ to geographically distinct habitats, ancestral territories, or areas of seasonal use or occupation, as well as to the natural resources in these areas; and Customary cultural, economic, social, or political institutions that are distinct or separate from those of the mainstream society or culture, and A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.

Information Disclosure. The process of disseminating project information to stakeholders to allow them to understand the risks and impacts of the project, and potential opportunities.

Inventory of Losses. This is the process where all fixed assets (i.e. lands used for residence, commerce, agriculture, including ponds; dwelling units; stalls and shops; secondary structures, such as fences, tombs, wells; trees with commercial value; etc.) and sources of income and livelihood inside the Project right of way are identified, measured, their owner identified, their exact location pinpointed, and their replacement costs calculated.

Involuntary Resettlement. Resettlement is considered involuntary when directly affected persons or communities do not have the right to refuse project-related land acquisition or restrictions on land use that result in their displacement.

Land Acquisition. Refers to process and methods that are adopted to acquire land for the project purpose. This may include outright purchase, expropriation of property and acquisition of access rights, such as easements or rights of way. Land acquisition may also include: (a) acquisition of unoccupied or unutilized land whether or not the landholder relies upon for income or livelihood purpose; (b) repossession of public land that is used or occupied by individuals or households; and (c) project impacts that result in land being flooded or otherwise rendered unusable or inaccessible. Land acquisition refers to anything growing on or permanently affixed to land, such as crops, buildings, and other improvements.

¹ Means that for generations there has been a physical presence in, and economic ties to, land and territories traditionally owned, or customarily used or occupied, by the group concerned, including areas that hold special significance for it, such as sacred sites.

Land Acquisition and Resettlement Planning Framework (LARPF). Prepared when project components are not known and therefore land acquisition needs cannot be identified. The LARPF will guide the preparation of future Resettlement Plans if these become necessary.

Meaningful consultation. Two-way process that (a) begins early in project planning process to gather initial views on project proposal and inform project design; (b) encourages stakeholder feedback, particularly as a way of informing project design and engagement by stakeholders in the identification and mitigation of environmental and social risks and impacts; (c) continues on an ongoing basis, as risks and impacts arise; (d) is based on prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information in a timeframe that enables meaningful consultation with project stakeholders in a format culturally appropriate, and in relevant local language(s) and is understandable to stakeholders; (e) considers and responds to feedback; (f) supports active and inclusive engagement with project-affected parties; (g) is free of external manipulation, interference, coercion, discrimination, and intimidation; and (h) is documented and disclosed by the Government of Cambodia. Under this LARPF, which is specific for land acquisition and involuntary resettlement, the meaningful consultation refers to consultation in respect of land acquisition, economic displacement, and physical resettlement which is clearly stipulated in the Government's Standard Operating Procedures (SOP) for Land Acquisition and Involuntary Resettlement (LAR) and incorporates all the above elements.

Physical Displacement. Relocation, loss of residential land, or loss of shelter 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.

Relocation. This is the physical relocation of an AH from her/his pre-project place of location and/or business to another location.

Replacement cost. A method of valuation that yields compensation sufficient to replace affected assets, plus necessary transaction costs associated with asset replacement. Where markets are active, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety. The valuation method for determining replacement cost should be documented. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, and any similar costs imposed on affected persons.

Relocation Assistance. Support provided to persons displaced by the Project, including the following: (i) if there is relocation, security of tenure (with tenure rights that are as strong as the rights the displaced persons had to the land or assets from which they have been displaced) of relocation land (and assets, as applicable), proper 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 to facilitate the resettlement process; (ii) transitional support and development assistance, such as land development, credit facilities, training or employment opportunities, food, shelter, transportation; and (iii) civic infrastructure and community services, as required.

Right-of-Way. It is a government owned strip of land following a centerline (such as for roads, canals, etc.) providing an area of access.

Voluntary donation. Defined as the ceding of a property by an owner who is (a) appropriately informed about the project and their right to seek compensation and (b) can refuse to donate. This does not apply to voluntary,

legally recorded market transactions unless such voluntary land transactions may result in displacement of persons other than the seller.

Poor and Vulnerable Persons/Groups.² A distinctive group of APs who by virtue of factors beyond their control: (a) are to be more adversely affected by the project's environmental and social impacts; and (b) may be more limited than others in their ability to claim or take advantage of project benefits. Such individuals or groups are also more likely to be excluded from or unable to participate fully in the mainstream consultation process and may require specific measures or assistance (or both) to do so. Poor and vulnerable persons are categorized as: (i) households living below the poverty rate as established by the Royal Government of Cambodia; (ii) elderly people headed households with no means of support; (iii) female headed households with dependents living below the poverty rate; (iv) disabled headed households, (v) landless poor living below the national poverty rate; and (vi) indigenous peoples (who often have traditional land rights but no formal titles).

Due to their vulnerability, particular attention will be paid to such displaced persons to provide them with an opportunity to improve their status and benefit from development/resettlement to the same extent as other displaced persons. This group of displaced persons will be provided with additional assistance to re-establish their livelihood status if they lose their livelihood source permanently.

² The group is classified under Sub-Decree No. 291 ANKr. BK on identification of Poor and Vulnerable Households issued with ID Poor Cards by Royal Government of Cambodia.

Executive Summary

1. This is an Executive Summary of the main points discussed in this Land Acquisition Resettlement Planning Framework (LARPF). The Executive Summary should not be relied on for full information; the full LARPF should be read for this purpose.
2. This LARPF has been prepared by the Ministry of Water Resources and Meteorology (MoRWAM) for the Climate Adaptive Irrigation and Sustainable Agriculture for Resilience Project (CAISARP) with the guidance and direction of the General Department of Resettlement (GDR) of the Ministry of Economy and Finance (MEF). This LARPF will be applied to all investments to be financed under this CAISARP irrespective of financing source (e.g. the AIIB, IFAD, and Royal Government of Cambodia). The LARPF has been prepared in line with the Royal Government of Cambodia's (RGC) Standard Operating Procedures on Land Acquisition and Resettlement (RGC's SOP-LAR), the Asian Infrastructure Investment Bank's (AIIB) Environment and Social Framework, 2022 (ESF), and International Fund for Agriculture Development's (IFAD) Social, Environmental and Climate Assessment Procedures 2020 (SECAP) Standard 7.
3. This document is considered a living document and shall be modified and updated in line with the changing situation or scope of the activities. The Detailed Resettlement Plans (DRPs) and Abbreviated Resettlement Plans (ARPs) will be developed when and if necessary, in close consultation with affected stakeholders and the AIIB and IFAD. Clearance of future DRPs/ARPs by the AIIB will be necessary.
4. The objective of CAISARP is to improve aspects of water security and increase agricultural water productivity in Kampong Speu, Kampong Chhnang, Kandal, and Pursat province.
5. The CAISARP will be implemented through various activities organized through the following three components: (i) Component 1. Improving farm-level climate adaptation, resilience, and water use efficiency; (ii) Component 2. Upgrading and climate-proofing water infrastructure for increased resilience; and (iii) Component 3. Institutional strengthening.
6. In Cambodia, the Expropriation Law (2010) is the main legal framework that governs land acquisition and involuntary resettlement (LAR). Under the Article 3 that governs the provision for projects financed by development partners in Cambodia, the RGC issued in 2018 the Standard Operating Procedures on Land Acquisition and Involuntary Resettlement (SOP-LAR). The GDR of the MEF is responsible for providing guidance and clarification to users of SOP-LAR. Given that the proposed CAISARP is financed by the Asian Infrastructure Investment Bank (AIIB) and International Fund for Agriculture Development (IFAD), the SOP-LAR is the guiding RGC's sub-decree for land acquisition and should be read together with this document. This LARPF also complies with the AIIB's Environment and Social Standard (ESS2) and IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) Standard 7. There are some minor, but no significant gaps between the policies of the SOP-LAR, AIIB's ESS2, and IFAD's SECAP Standard 7. Two most relevant is that the SOP-LAR does not have a provision for voluntary donations (VDs) and negotiated settlement as the SOP-LAR addresses involuntary resettlement. This LARPF describes a process for VDs consistent with the AIIB's ESS2, which will be followed for the CAISARP and the required steps and documentation. The approach to manage resettlement under CAISARP follows the mitigation hierarchy by:
 - Adjusting designs to avoid impact on land and assets;
 - When impacts cannot be avoided, minimize them;
 - Once risks and impacts have been minimized or reduced, mitigate through compensation payment for affected assets and income generation activities; and
 - Where land acquisition impacts remain, compensate people as per this LARPF.

7. This LARPF covers resettlement: (i) where land, or assets, are voluntarily donated; (ii) where land, or assets, are involuntarily acquired. Voluntary contributions, with proper information and documentation as explained in this LARPF, can be justified because irrigation infrastructure rehabilitation will directly benefit farmers for irrigation, water consumptions and fisheries. However, the benefit from an irrigation infrastructure rehabilitation may far outweigh the impact on a small asset such as a small temporary movable farm cottage, trees/crops. Besides the process for VD and involuntary land acquisition, the LARPF also details the institutional arrangements and responsibilities, consultations, information disclosure, funding arrangements and monitoring and reporting.

8. The LARPF applies to permanent or temporary physical and economic displacement as described in the SOP-LAR, and compliant with AIIB's ESS2 and IFAD's SECAP Standard 7. All affected households (AHs) who have assets in the Corridor of Impact (COI) before the Cut-Off-Date (COD) will be eligible for compensation as described in this LARPF, regardless of their legal status. COD is the date established by the government that establishes the eligibility for receiving compensation and the resettlement assistance by the project affected persons. The COD needs to be well-documented. Persons not covered may be eligible in case they can show proof that they have inadvertently missed out during the census.

9. Based on the scope, scale, and nature of potential subprojects, the CAISARP may involve minor land acquisition – both permanent and temporary, to facilitate rehabilitation/upgrading of existing reservoirs, irrigation canals, weirs, barrage, including construction of new water distribution system (to increase command areas), and so forth. Physical resettlement of local people is envisaged but could be avoided through alternative designs since existing works are in remote rural areas where local population is small and scattered. If permanent land acquisition is required at subproject level, public land will be prioritized. If not feasible because of technical requirements, private agricultural land would be acquired which is anticipated to be of small-scale at household level due to linear land impact, particularly where land is required for building new canals to extend existing water distribution system for new command area. It is noted that as existing reservoirs are upgraded to increase water retention capacity (impounding additional water amount), both upstream and downstream impacts are anticipated but scope and magnitude of land impacts may vary depending on various factors such as maximum water retention capacity, water flow regulation during subproject operation, seasonal rainfall, current land use (for upstream) and water use (for downstream). Upstream impact might include extended inundation (area and time duration) which may restrict local land access for agriculture/non-agricultural income generation activities, and/or animal raising, etc. Downstream impact may include restricted access to normal volume of water for farming/water supply purposes, and so on.

10. The LARPF outlines the Grievance Redress Mechanism to be established as a locally based arrangement for receiving, recording, assessing, and facilitating the resolution of complaints and grievances raised by the affected persons in relation to the CAISARP. The LARPF also describes the process for consultation and information disclosure in cases of VDs and for land acquisition.

1. INTRODUCTION

1.1 Project Background

1.1.1 Project Context

11. Cambodia's irrigated agriculture faces increasing challenges from adverse impacts of climate change, especially the changes in rainfall patterns, duration and timing of the rainy season, and climate induced water disasters such as floods and droughts. Climate Resilient and low emission practices and investments in agriculture and water management are therefore crucial to protect and enhance Cambodia's agricultural production and productivity which will in turn contribute to poverty reduction and increased food security.

12. Addressing the complex impacts of climate change on rain fed and irrigated agriculture requires action at both farm and irrigation scheme, including enabling environment at regional and national level. Farm level actions will help communities adapt to climate change while also saving water and decreasing Green House Gas (GHG) emissions from BAU of agriculture, water use and management. This will help farmers to diversify their farming while also addressing changing rainfall patterns and increasing drought conditions throughout the growing season. Actions at system level will help achieve a modernized and climate proofed irrigation infrastructure delivering irrigation services to farmers in line with the requirements at the farm level. It will also protect the natural capital stocks, especially the land and water, against the increasing threats of flood. In addition, replacement of diesel pumps with solar pumps and combination of both grey and green solutions for irrigation modernization and flood proofing works will help reduce GHG emissions.

13. The integrated actions combining both farm and system levels has a transformative potential to reduce vulnerability of water and agriculture systems to climate change impacts while also reducing GHG emissions and enhancing the livelihood of rural populations who primarily depend on agriculture.

14. The theory of change diagram demonstrates how the project shifts the BAU from poorly constructed and maintained irrigation systems to a smart, climate resilient water management system with climate proofed irrigation and flood control infrastructures for smallholder farmers. The project's outcomes and outputs are in-line with Global Climate Fund's adaptation and mitigation goals, objectives, and long-term sustainability principles.

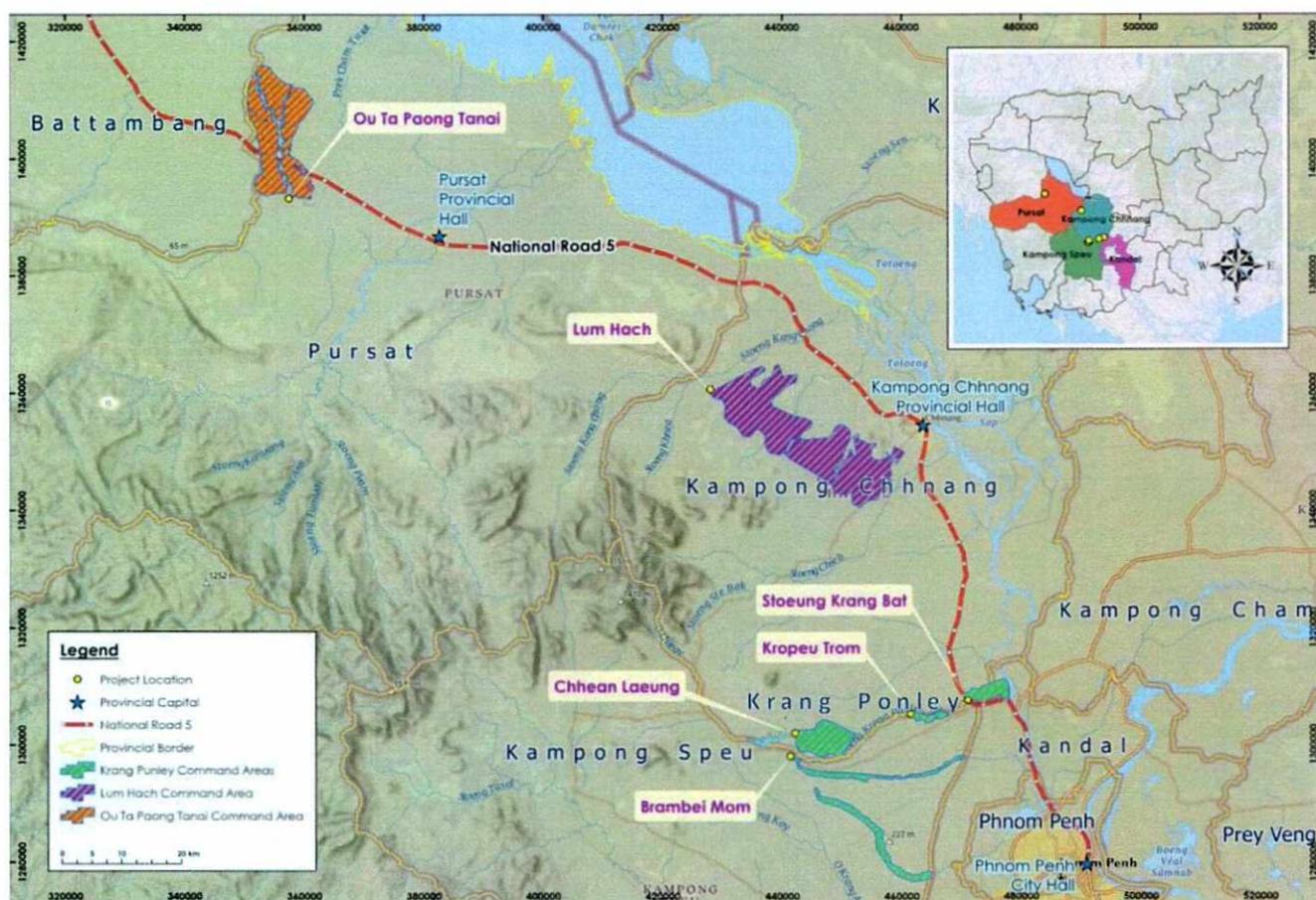
15. The paradigm shifting aspects of the CAISARP will include the data driven climate-proofing of irrigation infrastructure and focus on last-mile engagement of vulnerable communities. The Terms of Condition shows that if climate resiliency of irrigated agriculture is enhanced then the agricultural outputs and income of small-scale farmers will increase, as well as the climate resilience of vulnerable households and in particular to women will increase because water and food systems are less vulnerable to increasing temperatures, changing rainfall patterns and the extreme water events, and low-emission irrigation and sustainable agriculture adaptation practices will contribute to Nationally Determined Contributions mitigation targets.

16. The project's goal stated above shall be achieved through the generation of the following three outcomes: (1) Improved resiliency of small holder farmers (2) Resilient water control infrastructure and water service delivery with less crop and asset damage and (3) Reduced GHG emission. These three outcomes are derived from interventions at farm and irrigation system level together with institutional strengthening of relevant stakeholders and will contribute towards an irrigated agricultural system that is climate resilient and productive ultimately reducing the climatic vulnerability of poor farmers in the CAISARP areas.

1.1.2 Project Development Objective and Project Components

17. The objective of CAISARP is to increase climate adaptation, mitigate the negative impact of extreme climate events and improve livelihoods of smallholder farmers and vulnerable rural communities in four provinces of Cambodia in Kampong Speu, Kampong Chhnang, Kandal, and Pursat province (Figure 1).

Figure 1 – Map showing six irrigation schemes located in four provinces



Source: CAISAR Feasibility Study July 2023

18. The proposed CAISARP will be implemented through various activities organized through the following three components:

- Component 1. Improving farm-level climate adaptation, resilience, and water use efficiency
- Component 2. Upgrading and climate-proofing water infrastructure for increased resilience
- Component 3. Institutional strengthening

1.1.3 Project Budget and Implementation Agency

19. The proposed CAISARP will be implemented by the Ministry of Water Resources and Meteorology (MoWRAM) from 2024 to 2031 with an estimated cost of US\$240 million.

1.2 Rationale and Purpose of the Resettlement Planning Framework

1.2.1 Rationale

20. The Asian Infrastructure Investment Bank's (AIIB) Environment and Social Standard (ESS2) on Land Acquisition and Involuntary Resettlement (LAR) and the International Fund for Agriculture Development's (IFAD) Social, Environmental and Climate Assessment Procedures (SECAP) Standard 7 requires that Borrowing country prepares a Land Acquisition and Resettlement Planning Framework (LARPF) in case a project requires land acquisition and/or have restriction on land use, but impact zones of the subprojects cannot be determined during project preparation. Under this CAISARP, since land acquisition are anticipated and the number, nature, and scale of subprojects have not been confirmed during project preparation stage, this LARPF is prepared in accordance with AIIB's Environmental and Social Framework (ESF), specifically: ESS1 and ESS2; the IFAD's SECAP – Standard 7, and in compliance with the Royal Government of Cambodia's relevant laws and regulations,

including the Sub-Decree No.22 ANK/BK (2018) on Promulgation of the Standard Operating Procedures for Land Acquisition and Involuntary Resettlement (SOP-LAR) for externally financed Projects in Cambodia.

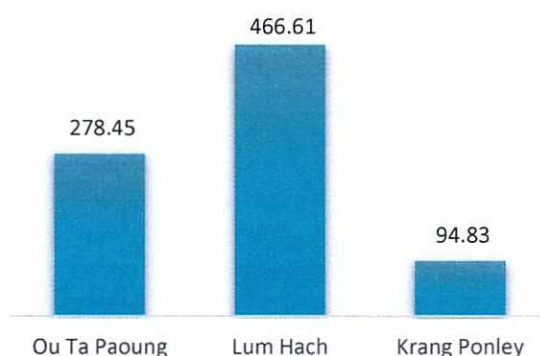
1.2.2 Purpose

21. The purpose of this LARPF is to establish principles and procedures for consultation with affected households, compensation payment, resettlement, eligibility criteria for affected households, entitlements and livelihoods restoration plan, implementation arrangements, a grievance redress mechanism, monitoring and reporting arrangements, estimated costs and budget, etc. which are to be applied to prepare Resettlement Plan(s) for relevant subprojects to be finalized/confirmed during CAISARP's implementation. This LARF is intended to avoid or minimize any adverse impacts associated with physical or economic displacement, and to ensure arrangements are in place to mitigate any adverse impacts that may occur. The Borrower agrees to apply the principles, procedures, and standards incorporated in ESS2 of the AIIB ESF and the IFAD's SECAP Standard 7 if obtaining any sites for project use would cause economic displacement or physical displacement.

2. PRELIMINARY ASSESSMENT OF LAND ACQUISITION & RESETTLEMENT IMPACT

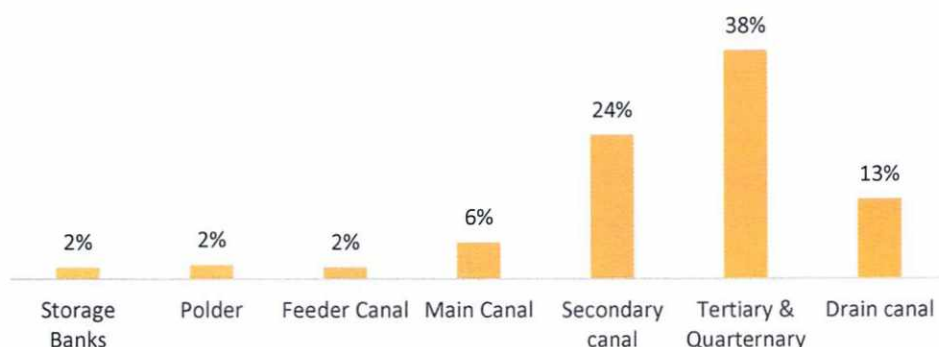
22. The proposed CAISARP will rehabilitate existing irrigation canals and build new irrigation channels in an estimated six schemes located in four provinces (Kampong Speu, Kampong Chhnang, Kandal, and Pursat). In some subprojects, small-scale roads will be built alongside existing/new canals to improve transportation of farm produce for the rice farmers. Due to the construction of new canals and roads, land acquisition of small scale may be required. However, the scope of land acquisition is expected to be small at household level (linear impact) and as such would not affect remarkably the livelihood of those who are land based. Physical resettlement is anticipated but the number of affected households would be very small because most land acquisition (required for construction) would take place in the command area where residential houses are not present. An estimated 839ha of public and private land (Figure 2) would be required for the planned construction of irrigation systems at subproject command areas, including Ou Ta Paong Tanai, in Pursat province, Lum Hach in Kampong Chhnang province, and Krang Ponley which including sub project areas—Brambei Mom, Chhean Laeung, Krapeu Trom, Stoeng Krang Bot, in Kampong Chhnang, Kapong Speu and Kandal provinces (Figure 1).

Figure 2 – Estimated land need (hectare) for construction of irrigation system



23. Of the total land (about 839ha) to be required for construction, most of the land that are required for project construction are within the command areas and are at tertiary and quaternary canals (38%), followed by secondary canal (24%), drain (13%) (Figure 3).

Figure 3 – Estimated land acquisition by type of construction



- **Physical resettlement**

24. The proposed CAISARP makes every effort to avoid physical resettlement. However, physical resettlement may not be avoidable, particularly in some road sections (located along main canals) where existing roads could be widened which requires some households to resettle.

- **Temporary Restriction of Irrigation Access**

25. During subproject construction, in some irrigated areas, water from existing reservoir may be restricted to facilitate the construction process. However, this temporary impact is anticipated to be minor since most of the current project area is rainfed.

- **Impact on collective land owned by IPs**

26. Based on the above preliminary assessment of the locations of land impact, it is anticipated that there is no land collectively owned by IP community located in the command area (where most land acquisition is required). Under the proposed CAISARP, impact on land collectively owned by IP community, if any, will be avoided through alternative designs.

3. LEGAL FRAMEWORK GOVERNING LAND ACQUISITION & INVOLUNTARY RESETTLEMENT

3.1 National Laws and Regulations

27. **The Expropriation Law (2010)** is the key legal framework that governs land acquisition and involuntary resettlement in the Kingdom of Cambodia. The law defines land expropriation in the Kingdom of Cambodia by specifying principles, mechanisms, procedures required for land expropriation and for fair and just compensation for affected peoples under any construction, rehabilitation, and public infrastructure projects implemented for public and national interest, and for the development of Cambodia. The law defines the development of public infrastructure as one of its objectives and extends the definition of public infrastructure to any infrastructure "required by the Nation in accordance with the determination made by the government." Public interest is also understood in a broad manner as "the use of land or property by the public or by public institutions or their agents." The expropriation of the ownership of immovable property and real right to immovable property can be exercised only if the Expropriation Committee has paid fair and just compensation to the owner and/or holder of real right in advance.

28. Key articles of the Expropriation Law (2010) are:

- **Article 2:** The law aims to: (i) ensure just and fair deprivation of legal rights to private property, (ii) ensure prior fair and just compensation, (iii) serve the national and public interest, and (iv) develop public physical infrastructures;
- **Article 3:** Under the Article 3 of the Expropriation Law (2010) that governs the provision for projects financed by Development Partners in Cambodia, the RGC issued the SOP-LAR in 2018. The SOP-LAR reflects the policies, regulations and procedures relating to the acquisition of land and the involuntary resettlement consistent with the safeguard policies and procedures of the development partners like AIIB,

IFAD, ADB, WB, and incorporates international good practices in resettlement planning, implementation, monitoring and reporting. The SOP-LAR has a specific provision which stipulates that where a provision conflicts with the mandatory safeguard requirement of the Development Partner, then the later will prevail;

- **Article 7:** Only the State may carry out an expropriation for use in the public and national interests;
- **Article 22:** The amount of compensation to be paid to the owner of and/or holder of real right to the immovable property shall be based on the market prices or replacement costs as of the issuance date of the declaration on the expropriation project. The market prices or replacement costs shall be determined by an independent committee or agent appointed by the Expropriation Committee;
- **Article 29:** A tenant of the immovable property with proper contract shall be entitled to allowance for disturbances because of the expropriation including the dismantling of structures, materials, and transportation to the new relocation site. A tenant of the immovable property who is operating a business shall be entitled to compensation for the impact on their business operation and to additional assistance at fair and just compensation to the capital value actually invested for the business operation activities as of the date of the issuance of the declaration on the expropriation project. For the expropriation of a location that is operating business activities, the owner of the immovable property shall be entitled to additional compensation at fair and just compensation against the value of the property actually affected by the expropriation as of the date of the issuance of the declaration on the expropriation project.

29. **RGC's Sub-Decree No. 22 ANK/BK (2018) on the Promulgation of the Standard Operating Procedures for Land Acquisition and Involuntary Resettlement (SOP-LAR) for Externally Financed Projects in Cambodia.** The General Department of Resettlement (GDR) of the Ministry of Economic and Finance (MEF) is responsible for providing guidance and clarification to users regarding the SOP-LAR. Given that the proposed CAISARP will use counterpart funding for compensation and support, the provisions of SOP-LAR will apply to the proposed CAISARP and therefore should be read in conjunction with this LARPF.

30. **Sub-Decree No.19 on Social Land Concession of March 2003** provides for allocations to landless people of state lands for free for residential or family farming purposes, including the provision of replacement land lost in the cases of involuntary resettlement.

31. **RGC's Sub-Decree No.118 ANK/BK (2005) on State Land Management.** The Sub-Decree defines principles, procedures, mechanisms, and institutional arrangement for state land management. In line with key sections of Article 4, public state land has a public interest use and falls within one of the following specific types of property having a public interest use:

32. Properties that have a natural origin, such as

- Forests
- Courses of navigable or floatable water
- Natural lakes
- Banks of navigable or floatable waters

33. Properties available in its natural state or specifically developed for public use, such as

- Roads
- Tracks
- Oxcart ways
- Pathways
- Gardens and public parks
- Reserved land

34. **RGC's Sub-Decree No.98 ANK/BK (2015) on River Basin Management.** The Sub-Decree regulates the management, conservation, and development of the river basins in a manner that is effective and sustainable – as stated in the Law on Water Resources Management in the Kingdom of Cambodia (2007). The Sub-Decree specifies procedures for establishment and implementation of the plans for management, conservation and development of the river basin, sub-river basin, watershed, ground water and aquifer.

35. Key chapters and articles of RGC's Sub-Decree No.98 ANK/BK (2015) on River Basin Management are:

- **Chapter 3 River Basin Zoning and Delineation of Riparian Land, Article 8:** The distance of riparian and coastal strips along key natural water features and water works in rural areas of river basins is defined below:
 - Coastal strip and estuary 100 (one hundred) meters from the coastal bank and estuary bank;
 - River 50 (fifty) meters from its bank;
 - Stream 30 (thirty) meters from its bank;
 - Creek 20 (twenty) meters from its bank;
 - Small stream 10 (ten) meters from its bank;
 - Main channel 10 (ten) meters from the terrace of channel embankment;
 - Distribution channel 5 (five) meters from the terrace of channel embankment;
 - Irrigation channel 3 (three) meters from the terrace of channel embankment;
 - Basin area 100 (one hundred) meters from the maximum water level from the basin water surface;
 - Lakes 50 (fifty) meters from the maximum water level allocated in the reservoir;
 - Basin embankment 20 (twenty) meters from the terrace beneath the basin embankment of less than 04 (four); 100 (one hundred) meters from the terrace between 4 to 8 meters high. In case the embankment height exceeds 8 (eight) meters high, it shall be determined by separate sub-decree.

36. The riparian land as stated above is the state's public asset. The delineation of riparian land has no retroactivity on existing land with ownership titles issued before this sub-decree is in force.

- **Chapter 4 – Jurisdiction, Mechanism and Committee for River Basin Management, Article 10:** The MoWRAM is responsible in leading, monitoring and coordinating and consulting with concerned institutions for the management, conservation, and development of all river basins in the Kingdom of Cambodia.

3.2 AIIB's Environmental and Social Framework

37. The AIIB Environmental and Social Framework (ESF) sets out the requirements for all Bank supported operations to comply with the Bank policies addressing environmental and social impacts, among other policies³. The following AIIB's Environmental and Social Standards (ESSs) applies to this LARPF:

- **ESS1: Environment and Social Assessment and Management**
The objectives of ESS1 are to achieve the environmental and social soundness and sustainability of Projects and to support the integration of environmental and social considerations into Project decision-making process and implementation. The ESS1 applies if the Project is likely to have adverse environmental risks and impacts or social risks and impacts (or both). The scope of the environmental and social assessment and management measures are proportional to the risks and impacts of the Project. ESS1 provides both for quality environmental and social assessment and for management of risks and impacts through effective mitigation and monitoring measures during the course of Project implementation.
- **ESS2: Land Acquisition and Involuntary Resettlement**
The objectives of ESS2 are (a) to avoid Involuntary Resettlement wherever feasible; (b) to minimize Involuntary Resettlement by exploring Project alternatives; (c) where avoidance of Involuntary Resettlement is not feasible, to enhance, or at least restore, the livelihoods of all displaced persons in real terms relative to pre-Project levels and to provide resettlement assistance; (d) to understand and

³ <https://www.aiib.org/en/policies-strategies/download/environment-framework/AIIB-Environmental-and-Social-Framework-ESF-November-2022-final.pdf>

address gender-related risks and differential impacts of Involuntary Resettlement; (e) to improve the overall socioeconomic status of the displaced poor and other vulnerable groups; and (f) to conceive and implement resettlement activities as sustainable development programs, providing sufficient resources to enable the persons displaced by the Project to share in Project benefits.

3.3 IFAD's Social, Environmental and Climate Assessment Procedures

38. The IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) comprise key requirements for the environmental and social sustainability of projects. Under the CAISARP, IFAD's SECAP Standard 7 – Physical and economic resettlement applies.

39. The objectives of SECAP Standard 7 are (i) Avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring alternative project designs and sites; (ii) Avoid forced eviction; (iii) Ensure that resettlement activities are planned and implemented collaboratively with the meaningful participation of affected people; (iv) Enhance and restore the livelihoods of all displaced people; and (v) Provide explicit guidance to borrowers/recipients/partners on the conditions that need to be met regarding involuntary resettlement.

40. This Standard applies to CAISARP because the project involves displacement and resettlement. The displacement may be full or partial, permanent, or temporary, and could result from a variety of project activities. This Standard also applies to any physical or economic displacement for purposes relevant to the project before IFAD's involvement. Application of this Standard must be consistent with universal respect for fundamental human rights and freedoms, the principles of non-discrimination, equal opportunity and fair treatment, and the right to private property, adequate housing and improvement of living conditions.

3.4 Gap Analysis: AIIB ESS2, IFAD SECAP, and RGC SOP-LAR

41. The AIIB's ESS2 and IFAD's SECAP Standard 7 recognizes that project related land acquisition and restrictions on land use can have impacts on communities and persons. AIIB's ESS2, IFAD's SECAP Standard 7, and RGC's SOP-LAR have specified its objectives and principles of LAR to ensure affected people are not worse off because of land acquisition. The principles of the AIIB's ESS2, IFAD's SECAP Standard 7, and the RGC's SOP-LAR are largely similar on consultation, grievance redress, social support, livelihood restoration, resettlement assistance, standard of living of poor and vulnerable, entitlements for persons without title or legal rights except for land, information disclosure, payment of compensation and entitlements prior to physical displacement, and the supervision and monitoring of implementation of resettlement plans. The key departure is on the requirement on **negotiated settlement**.

However, in terms of procedures, the SOP-LAR does not have procedures for negotiated settlement and Voluntary Donations (VD). Since the GDR has a lot of experience in acquiring land through a negotiated settlement, particularly under Asian Development Bank and World Bank financed projects, the negotiated settlement approach could be applied to CAISARP. To assist the GDR in conducting acquisition of land through a negotiated settlement, this LARPF spells out the detailed procedures that the GDR will follow in case involuntary acquisition of land through negotiated settlement.

42. The key requirements under AIIB ESS2, IFAD SECAP 7 and the corresponding provisions in the RGC's SOP-LAR demonstrating any gaps in voluntary land donations and clarifications on LAR are summarized in Table 1.

Table 1 – Summary of Gaps and Clarifications Between RGC's SOP-LAR, AIIB's ESS2, and IFAD's SECAP Standard 7

Items for Clarification	RGC's SOP-LAR	AIIB's ESS2	IFAD's SECAP Standard 7	Clarifications
Livelihood Restoration	SOP-LAR details specific measures to restore livelihoods which are land-based, employment-based and business-based.	Restore livelihoods through (i) land-based resettlement strategies, where possible or cash compensation at replacement values plus transitional cost; (ii) prompt replacement of assets with assets of equal or higher value; (iii) prompt compensation at replacement value; (iv) capacity building programs; additional revenues through benefit sharing.	Action plans have been designed to enhance and restore the standards of living and livelihoods of affected persons. Such plans will address, at a minimum, the following element: Established eligibility criteria, cut-off dates, compensation and entitlements for all categories of affected persons. Measures to provide (a) fair and just compensation; (b) transition support (both financial and in-kind); and (c) assistance such as land development, credit facilities, direct benefits, training and provision of expertise, as appropriate.	There are no gaps. Based on RGC's SOP-LAR, an Income Restoration Program would be provided in order to re-establish sources of livelihoods for all APs who have permanently lost any of their sources of livelihood. If applicable in CAISARP, DRPs will include provisions to ensure livelihood restoration programs are robust and can accurately meet the livelihood restoration objectives in line with AIIB's ESS2 and IFAD's SECAP Standard 7.
Compensation and Resettlement Assistance	The SOP-LAR includes the compensation and transition/disturbance allowance to the DPs in its entitlement. The SOP-LAR has provisions for relocation land (for DPs with title or recognized rights to land) and are subject to conditions (e.g., availability of government land).	Provide DPs needed assistance: (i) <ul style="list-style-type: none"> • If relocated, security of tenure rights as strong as DP had to the prior land; • Proper housing at resettlement sites with comparable access to employment/production opportunities; and • Social and economic integration into host communities. (ii) <ul style="list-style-type: none"> • Transitional support; and • Development assistance such as land development assistance, credit facilities, training or employment opportunities (ii) civic infrastructure and community services	Provide (i) fair and just compensation at full replacement cost prior to displacement (based on the cost of replacement at resettled sites and locations) for any losses of personal, real or other property or goods, noting that compensation and support may be collective in nature; (ii) transitional support (both financial and in-kind) based on reasonable estimates of the time required to restore and improve income earning capacity, production levels and living standards; and (iii) assistance with land development, credit facilities, direct benefits, training or employment opportunities, and expertise as needed (the combination of compensation, transitional support and assistance is aimed at enhancing and restoring displaced persons' pre-displacement productive capacity and earning potential).	There are no gaps. This LARPF will align with the SOP-LAR's provisions on compensation and assistance.

Items for Clarification	RGC's SOP-LAR	AIIB's ESS2	IFAD's SECAP Standard 7	Clarifications
Grievance Redress Mechanism	Appendix 8 of the SOP-LAR provides the structure and details on the operating guidelines and procedures of an effective functioning Grievance Redress Mechanism. It provides a 3-step process including the registration and recording of complaints and the judicial process if the complaints remain unresolved at the administrative level. The detailed procedures for at each step are also provided in the SOP-LAR.	Establish a suitable grievance mechanism to receive and facilitate the resolution of concerns of DPs; utilize existing formal or informal grievance mechanism; supplemented by the project specific mechanism.	All borrowers/recipients/partners must ensure that an effective, accessible and culturally appropriate grievance redress mechanism is established to facilitate the resolution of concerns and complaints (e.g., compensation, relocation or livelihood restoration) by affected individuals.	<p>There are no gaps. The SOP states that there will be consultations with APs at various stages including during Basic Resettlement Plan and RP preparation. Prior to the preparation of the RP, consultation is carried out to confirm eligibility criteria and discuss entitlement matrix, as well as to introduce GRM. In addition, the copies of the Guidelines for GRM are translated in Khmer or/and IPs' language and provided and explained in detail to the APs during the public consultation process. There are clear mechanisms for grievance redress in the SOP.</p> <p>While the mechanisms are clearly set out, GDR will ensure it is accessible to all APs, in particular vulnerable APs and women.</p>
Consultations and Stakeholder Engagement	<ul style="list-style-type: none"> The SOP-LAR details out a number of steps to carry out consultations at various stages of the land acquisition and resettlement process and compensation. Para 126 mentions that the consultation is undertaken throughout the project cycle. SOP-LAR provides for stakeholder engagement in respect of land acquisition and involuntary resettlement. The SOP-LAR provides for disclosure of the LARPF to the stakeholders and public before the approval of the project. Similarly, the DRPs are also disclosed to stakeholders and 	Carry out meaningful consultations with persons to be displaced by the Project, host communities and non-governmental organizations, and facilitate their informed participation in the consultations, consult with all persons to be displaced on their rights within the resettlement process, entitlements and resettlement options, and further participation process. Ensure their involvement in planning. Implementation, monitoring and evaluation of the resettlement plan. Pay particular attention to the needs of vulnerable groups, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples and those without	Ensure that resettlement activities are planned and implemented collaboratively with the meaningful participation of affected people.	Meaningful consultations, inclusive of all groups and gender including vulnerable persons, as per AIIB's ESS2 should be conducted, with particular attention to ensuring it is a two-way process, that allows for feedback from APs and they are informed how their feedback was incorporated.

Items for Clarification	RGC's SOP-LAR	AIIB's ESS2	IFAD's SECAP Standard 7	Clarifications
	public after approval by the GDR.	legal title to land and ensure their participation in consultations.		
Voluntary Donation (VD)	<ul style="list-style-type: none"> The SOP deals with land acquisition and involuntary resettlement and therefore does not provide guidance on VDs. 	AIIB's ESS2 prescribes that where affected people choose to voluntarily donate land or assets without payment of full compensation, based on conditions (a) the potential donor or donors have been appropriately informed and consulted about the project and the choices available choices regarding the land and their implications, including refusal to donate the land, and has confirmed in writing their willingness to proceed with the donation; (b) the amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels; (c) no household relocation is involved; (d) the donor is expected to benefit directly from the project	There is no Standard applicable to resettlement resulting from voluntary transactions.	SOP-LAR does not prescribe VDs. However, this LARPF provides guidance on when VDs would be appropriate and the process of carrying out the donations, including documentation which will need to be followed by MoWRAM.

4. SCOPE AND APPLICATION, PRINCIPLES AND PROCESS

4.1 Scope and Application

43. This LARPF pertains to situations of permanent or temporary resettlement and economic displacement directly resulting from the CAISARP within the subproject area. These situations should align with the RGC's SOP-LAR and comply with the AIIB's ESS2.

44. It's important to note that this LARPF does not encompass impacts on incomes and livelihoods that are not directly influenced by CAISARP's land acquisition or land use restrictions. Such impacts will fall under AIIB's ESS1 on Environmental and Social Assessment and Management. They will also be addressed in accordance with CAISARP's Environmental Code of Practice (or, if deemed necessary, through the development of an Environmental and Social Management Plan specific to the respective subprojects).

45. In cases where a VD procedure is applied to households affected by the subproject, the MoWRAM must document the entire land donation process following the guidelines provided in this LARPF. It is important to emphasize that AHs have the right to refuse participation in this procedure.

46. Under exceptional circumstances that necessitate additional land acquisition, the GDR team will carry out a negotiated settlement, as outlined in this LARPF. This applies when there are no more than 20 AHs. However, the willingness of the AHs to engage in a negotiated settlement will be determined during the initial consultation meeting with the community and the AHs.

47. In the proposed CAISARP, efforts will be made to avoid any adverse impact on land collectively owned by Indigenous Peoples (IP) communities through alternative project designs. Meaningful consultation will be conducted with IPs, if applicable, and it should be noted that Free, Prior, and Informed Consultation and Free, Prior and Informed Consent are not required in this specific context.

4.2 Eligibility Criteria

48. People whose assets such as houses, structures, business, crops, etc. are in a subproject area before the COD for the subproject is announced will be eligible for compensation for their affected assets, loss of livelihoods, and livelihood restoration support – regardless of the legal status of the affected land⁴. People who occupy any land portion of the subproject area after the COD is publicly announced will not be eligible for any compensation or any other resettlement assistance. Ideally COD should be established at the DMS stage when the full census will be conducted.

4.2.1. Category of Project Affected Persons

49. All AHs who have assets in the COI before the COD will be eligible for compensation and resettlement assistance, regardless of their legal status – as follows:

- a) Those who have formal legal rights to land, including customary and traditional rights recognized under the national laws, will be entitled to compensation for the land they lose, all assets affixed to the land, as well as livelihood restoration measures;
- b) Those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets—provided that such claims are recognized under the national laws or become recognized through a process identified in the resettlement plan, will be entitled to compensation for the land they lose, all assets affixed to the land, as well as income restoration measures; and

⁴ With formal legal rights to land or assets; without formal legal rights but with recognized or recognizable claim under national law; with no recognizable legal right or claim to land or assets they occupy and use.

- c) Those who have no recognizable legal right or claim to the land they are occupying will be entitled to all assets affixed to the land, as well as income restoration measures.

50. Persons covered under a) and b) are provided compensation for the land they lose, and other assistance in accordance with paragraph 6. Persons covered under c) are provided financial assistance *in lieu of* compensation for the land they occupy, and other assistance, as necessary, to ensure they could restore that livelihoods to pre-project level – if they occupy the subproject area prior to a cut-off date established by the borrower and acceptable to the Bank.

4.2.2 Cut-Off-Date

51. The COD for this CAISARP is defined as the date that establishes for receiving the compensation and resettlement assistance by the project AHs. The COD for each subproject financed under the Project will be the date of the completion of the census undertaken during the DMS stage. The COD will be announced in the consultation meeting prior to the DMS. Any persons who encroach upon the subproject's corridor of impact (COI) after the COD will not be eligible for any compensation or assistance. Persons not covered in the census result can be eligible for compensation if they can show proof that they have been inadvertently missed during the census survey.

4.3 Process for Land Acquisition

52. If the survey of the subproject or DED shows that there will be a need for land acquisition and resettlement, MoWRAM will inform GDR after the completion of the survey. In case where there are a small number of AHs or less than 20 AHs, the GDR will acquire the land through **negotiated settlement** outlined in this LARPF. Where there are more than 20 AHs, the GDR will prepare an abbreviated RP (ARP) or a DRP and submit to the AIIB for review and approval.

53. For **negotiated settlement**, the GDR will develop procedures in a transparent, consistent, and equitable manner if land acquisition or changes in land use rights are acquired through negotiated settlement for a subproject, to ensure that the AHs who enter into negotiated settlements maintain the same or better income and livelihood status. To achieve this, GDR will engage an independent external party to validate and document the negotiation and settlement process.

54. If the failure of negotiated settlement results in expropriation, then there is still a need for the preparation of a DRP. Under the provisions of the AIIB ESS2, where impacts on the entire displaced population are minor, or fewer than 200 people are displaced, the GDR may, with the prior approval of the Bank, prepare an ARP, covering such elements as the Bank may specify. Impacts are considered "minor" if the AHs are not physically displaced and less than 10 percent of their productive assets are lost.

4.3.1 Principles of Land Acquisition and Resettlement

55. Under CAISARP, the following specific principles will be applied to guide the whole process of land acquisition and resettlement.

- Avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives and prepare a timebound Resettlement Plan.
- Mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by: (a) providing timely compensation for loss of assets at replacement cost; and (b) assisting AHs in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-project levels.
- Improve living conditions of poor or vulnerable persons who are physically and economically displaced to at least the national minimum standards including access to social protection systems. Provide legal and affordable access to land and resources. Non-titled AHs will be provided livelihood allowance and will be fully compensated at replacement cost on assets other than land.
- Legalizable AHs will be legalized and fully compensated at replacement cost for land losses.

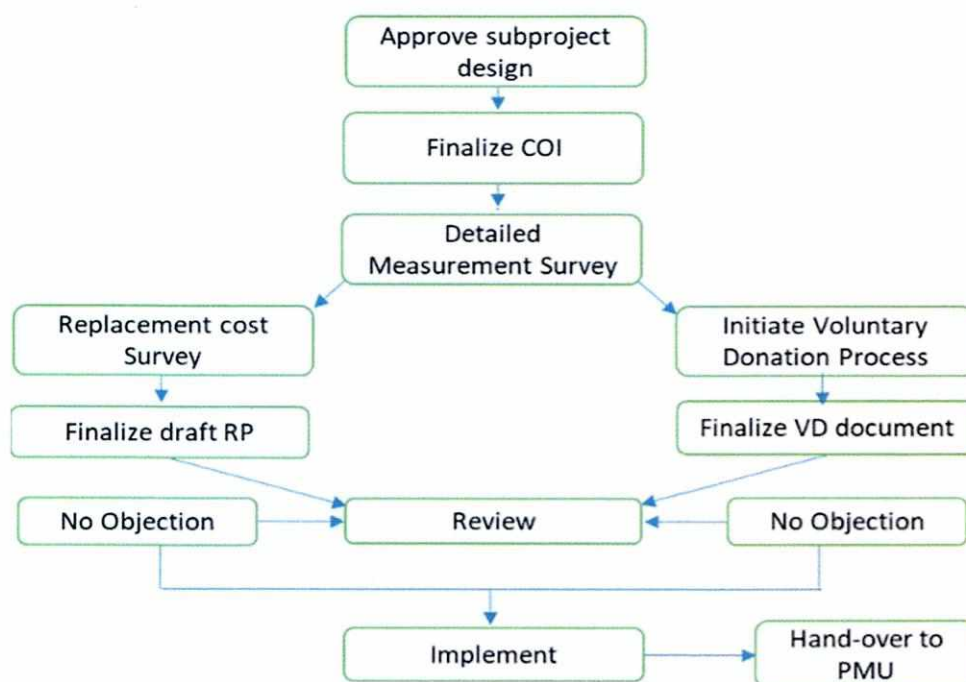
- Establish a transparent, fair, and equitable procedure of land acquisition through negotiated settlement. An independent external party shall be engaged to validate and document the negotiation and settlement process;
- Conceive and execute resettlement activities as sustainable development programs, providing sufficient investment resources to AHs to benefit directly from the project, as the nature of the project may warrant;
- Ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.
- Ensure conduct of meaningful consultations with AHs on social impact assessment, entitlements, disclosure of resettlement information to AHs, and participation of AHs in planning and implementing subprojects. The social impact assessment and Resettlement Plan will be disclosed to the AHs in the local language; and
- Establish a grievance redress mechanism for AHs and stakeholders to address grievances and concerns.
- Pay full compensation to all the AHs who are physically displaced before their relocation.

4.3.2 Key Tasks during Resettlement Process

Once subprojects' detailed engineering designs (DED) are finalized/approved and the need for involuntary land acquisition is confirmed for the subproject, MoWRAM will inform the GDR of the need for land acquisition under the subproject and will share with the GDR the DED and information on the COI. However, before the finalization DED, MoWRAM will invite GDR for a joint site visit to inspect and assess the resettlement impacts and seek GDR's advice on avoidance and minimization of the impacts. MoWRAM will then finalize the DED and COI and submit it to GDR. Based on the DED and COI, GDR will conduct consultation meeting with the AHs, distribute the updated project information booklet (PIB), explain the DMS/SES processes and GRM procedures and then conduct the house-to-house DMS jointly with the AHs. The GRM will be functional prior to the DMS and the updated PIB will include the COD. If the analysis of DMS data shows that AHs have lost their livelihood source permanently, the IRC-WG and PRSC-WG will carry out consultations with the AHs and prepare the livelihood restoration program and include it in the draft DRP.

56. The key tasks in the resettlement process to be undertaken by MoWRAM/GDR are summarized in the flow chart in Figure 4.

Figure 4 – Summary of Key Task in the Resettlement Process



4.3.3.1 Corridor of Impact

Based on the final DED, a field trip will be conducted for land demarcation. The output of land demarcation process is the land areas that are identified as subproject's corridor of impact (COI) within which any assets such as land, houses, structures, crops, fruit and non-fruit trees etc. that are owned by the AH, private sector, or government, local community are considered as affected under the subproject.

57. Once the preliminary design of a subproject is defined, MoWRAM will prepare a PIB prior to feasibility study stage, to be endorsed by GDR. Thereafter MoWRAM with its feasibility study consultants and GDR will conduct the first round of consultations with potential AHs and local authorities to discuss project/subproject information, the benefits potential impacts, anticipated land requirements, compensation policy, entitlements and eligibility. The PIB will be distributed and explained during the consultations.

4.3.3.2 Detailed Measurement Survey

58. Based on the final DED and COI, GDR will make arrangements for establishing the Inter-ministerial Resettlement Committee (IRC) and its Working Group (IRC-WG) and Provincial Resettlement Sub-Committee (PRSC) and its Working Group (PRSC-WG) for conducting the DMS/SES and the replacement cost study (RCS) and liaise with the Commune and Village Offices to inform the AHs and commune/village authorities of this survey exercise before the survey is carried out. The PIB will be updated by GDR which will include the entitlements, GRM processes and procedures and GRM focal contact persons at Commune, District, GDR and PGRC levels. A consultation meeting will be undertaken prior to DMS to explain the DMS process, GRM procedures and its operationalization, PPM and the updated PIB will be distributed and explained.

59. DMS will be undertaken as soon as the COI is demarcated. The measurement of the affected land, structures, and other productive assets of each AH or of public facilities to be acquired will be carried out during the DMS to record of the impact at household level, and to prepare corresponding compensation package for each household. The DMS shall be carried out with the full participation of the AHs to ensure agreement from affected people and avoid potential dispute over incorrect measurements or calculations of compensation payment package. In particular, the DMS team will install pegs/markers to demarcate the affected land and identify assets affected within the COI in the presence of the AHs. This demarcated area

will be measured the for calculation of the land area and other assets that will be lost. The affected land will also be classified by type of land at this time based on actual land use.

60. The DMS will be conducted by the IRC-WG assisted by the PRSC-WG and relevant local authorities. The RCS will be conducted in parallel with the DMS by an independent agency hired by IRC⁵. Based on the results of DMS and RCS, GDR with the assistance of project consultants will jointly update the subproject Basic Resettlement Plans, if any, into draft DRPs or prepare the draft DRPs. The draft DRP will be submitted to AIIB for review and comments. GDR will finalize the draft DRP in liaison with AIIB project team for approval by IRC and will then submit it to AIIB for clearance and disclosure. After the disclosure of the approved DRP, GDR will calculate the compensation amount and subsequently request resettlement budget from RGC.

4.3.3.4 Replacement Cost Study (RCS) and Asset Valuation

61. The RCS will be conducted by a local independent consultant qualified and experienced in asset valuation. The RCS consultant will be hired by GDR. RCS results will be used as the basis for calculating compensation package. The rates will be valid for one year from the date of the approval the RCS Report by the IRC.⁶ In case compensation payment to AHs is late and the compensation unit rates are no longer valid before commencing compensation, the RCS results will be updated by the RCS consultant to reflect the current market prices of the affected assets.

62. The RCS aims to assess the values of affected assets to propose compensation rates for various affected assets – at full replacement cost. Full replacement compensation includes affair market value that is sufficient to replace the affected assets (without depreciation), plus all necessary transaction costs, interest accrued, transitional and restoration costs, and administrative charges related to new land title, construction permits, reasonable moving (relocation) expenses and any similar additional costs potentially borne by AHs. The compensation payment for the lost assets is based on replacement cost for affected assets such as lands, houses, structures, crops and trees prevailing at the time of the DMS. Their proposed asset valuation methods and results will be subject to confirmation and approval of the GDR.

63. The compensation payment package proposed for each AH will be calculated based on the results of the DMS and RCS. The agreement of AHs as to the proposed compensation package for them is confirmed in an official and binding contract between the IRC-WG and the AH. Any errors that are found will be corrected during a one-to-one consultation process of the compensation package with each AH.

64. A binding legal instrument recording all affected assets of each AH which will be signed by the AH and IRC-WG, and witnessed by local authority (normally by the Commune or Village Chief). The compensation and support to be provided to the AHs will be based on the entitlement matrix, final DMS and RCS results as outlined in the ARP/DRP and agreed with AHs.

65. The following procedures will be applied to determine the replacement costs of affected assets:

- a) For replacement costs of land, the RCS Consultant will directly interview households that have recently bought or sold land to collect the evidence of the rate of land transaction, and interview households who are looking for properties to sell or buy within and around the subproject area. The RCS Consultant will also find out from local residents, subject to confirmation/validation through official records of local authorities, the price of various types of land that have been the subject of transactions in the past six months to one year in the community or nearby areas and the prices of various types of land local residents are willing to buy or sell as well as collects data from government offices on recent land transactions and land market assessment.

⁵ An independent local consulting firm qualified and experienced in asset valuation will be recruited by GDR to carry out the RCS. The resettlement budget will include the estimate costs of RCS consultancy services.

⁶ Ministry of Economy and Finance. Land Acquisition and Involuntary Resettlement para.186 of the Standard Operating Procedure for Externally Funded Projects in Cambodia, 22 February 2018. Phnom Penh, Cambodia.

- b) For structures, the RCS Consultant will interview owners of structures to determine the construction materials usually used in the locality for each type of building following existing government categories or standards; sources of construction materials used and the unit costs of said materials, including the costs of transporting the same to the locality; and the cost of labour for constructing each type of building found in the locality. In the survey, interviews will also be conducted with building contractors to determine the cost of construction materials for each type of structures in the subproject area following existing government categories; the cost of transporting construction materials to the subproject area (community); the cost of labour for constructing each type of building; and the unit cost per meter square of each type of building in the subproject area following existing government categories. The replacement cost will be based on the latest item rates for construction within the subproject area.
- c) For the crops and trees, interviews will be conducted with owners, market vendors and seedling suppliers to determine the current selling farm gate price of fruits or crops in the area and compensated accordingly as described above. RCS will collect data from statistics offices on average yields per type of crop and/or tree identified during the DMS.

66. The inventory of loss (IOL) and the measurements will be recorded and signed by the IRC-WG and the AH and witnessed by the Commune/Village Official, normally the Chief.

4.3.3.5 Detailed Resettlement Plan

67. Table 2 summarizes the key tasks on the preparation of DRP as per the SOP-LAR and compliance with the AIIB's ESS2.

Table 2 – Key Tasks on the Preparation of Detailed Resettlement Plan

Tasks	Requirements
Institutional Arrangements	<ul style="list-style-type: none"> Establishment of the IRC and IRC-WG. Establish the Provincial Resettlement Sub-Committee and the Provincial Resettlement Sub-Committee Working Group.
Detailed Measurement Survey	<ul style="list-style-type: none"> Conduct demarcation of land and DMS (100% survey, 100% Inventory of Losses, and full Census through DMS Questionnaire).
Gender	<ul style="list-style-type: none"> Gather gender information.
Poor and Vulnerable Groups	<ul style="list-style-type: none"> Update the database based on DMS. Determine different categories of poor and vulnerable groups, and the eligibility of each to receive additional assistance package. Finalize the additional assistance package
Replacement Cost Study	<ul style="list-style-type: none"> Hire external expert to carry out RCS to determine prevailing market rates to replace lost assets. Methods of valuing affected assets and calculating compensation for each eligible AP or household will be at full replacement cost in line with ESS2 of the AIIB's ESF.
Compensation Package	<ul style="list-style-type: none"> Update the LARPF Entitlement Matrix to show the full and complete compensation package that will be made available to the AHs.
Livelihood Support Plan (if applicable)	<ul style="list-style-type: none"> Prepare plan for Livelihood Support Program for permanent loss of sources of livelihood, in consultation and active participation with the AHs and include in the DRP.
Grievance Redress Mechanism	<ul style="list-style-type: none"> Operationalize GRM at the Provincial level⁷ Outline procedures for handling complaints in line with SOP-LAR, provide details to AHs during the consultation process and ensure it is readily accessible and useful to the AHs

⁸ The MEF will facilitate the establishment of a Provincial Grievance Redress Committee (PGRC) which will be responsible for addressing grievances for all externally financed projects located in the respective province/city. The PGRC will be established by the Provincial Governor in consultation with the IRC.

Consultation	<ul style="list-style-type: none"> • Conduct meaningful consultation with AHs at the commune level based on AIIB ESS 2, to inform them of overall entitlements and the method of computation of compensations, as well as the GRM procedures. Seek their feedback of the resettlement process. • Meaningful consultation with AHs eligible for relocation on the Resettlement Sites (if applicable) at commune/village level as per guidelines above • House-to-house consultations to confirm measurement surveys during DMS. • Consultations with APs on compensation rates prior to signing of contracts.
Monitoring and Reporting	<ul style="list-style-type: none"> • Make arrangements, roles and responsibilities for monitoring and reporting of the implementation of the DRP, and the reporting requirements. • Determine scope of internal monitoring.
Formulation of Budget	<ul style="list-style-type: none"> • Prepare estimates of land acquisition costs by GDR.

Source: RGC's SOP-LAR, 2018

4.3.3 Approach for Negotiated Settlement

68. In case of negotiated settlement, the following will be adopted:

- The GDR will prepare an IOLs to pave the way for DMS and RCS which will be conducted to design compensation package for each AH;
- The RCS will help calculate the replacement value at current market price including transaction costs, interest accrued, transitional and restoration costs, and any other applicable payments, if any of affected land and assets such as houses, structures, and trees, etc. Where market rates for land are unavailable, the RCS unit rates will be developed in consultation with the AHs or land users to determine the compensation amounts for the land to be purchased and the assets attached to the land.⁸;
- If there is loss of income, the RCS consultant will calculate the number of losses based on the project's Entitlement Matrix (Annex 3 of this LARPF);
- In case of loss of fruit trees, the RCS consultant will calculate the economic loss based on maturity and formula shown in the Entitlement Matrix;
- If there is physical displacement, transition allowances will be provided at the rates shown in the Entitlement Matrix;
- The total amount of compensation will be calculated and offered as a lump sum amount;
- Conduct consultation and negotiation with the landowner/land user, and negotiation to be conducted in good faith, and all relevant information has been provided to and understood by the landowner including project use of land, terms and conditions of the agreement. This will be adequately documented;
- A contract will be prepared, showing the total amount of compensation and the breakdown to facilitate negotiation with each AH. Once agreed, a Minutes will be prepared and signed by the AH, that both spouses or single heads of households will be required to sign and the IRC-WG with the witness of the Commune or Village official;
- If all AHs agree with their lump sum compensation package, the lump sum amount will be paid upon contract signing;
- A report on the process and results of the negotiated settlement will be prepared after completion of compensation payment and will be submitted to the AIIB;
- In case an AH does not agree on the proposed negotiated settlement option, the offer of negotiated settlement for all the AHs will be withdrawn and the GDR will prepare a DRP for submission to the AIIB for review and approval;

⁸ The cost of compensation equivalent to replacement cost will look at information on recent transactions, quality and type of land, crop cycles and production, and land availability.

- A report on a negotiated settlement will be prepared after the process is completed and submitted to the AIIB.
- GDR will engage an independent external party to validate and document the negotiation and settlement process.

4.3.4 Approach for Voluntary Donation

69. Voluntary land donation will be the sole responsibility of MoWRAM. The GDR will not be involved in the voluntary land donation process.

70. The Voluntary Donation (VD) process should be initiated only when census survey/IOL, DMS, are completed (See Figure 3 above). When VD is the case, an AR) or a DRP will not be prepared. MoWRAM will ensure that only potential donors who meet pre-requisite are approached to tender VD as an option (See Eligibility Criteria at Section 4.3.4.2 below). The potential donors/AHs have the right to refuse to donate their affected assets if they don't wish to.

71. The VD process will be transparent. All potential donors will be informed of their choice for VD and will be consulted fully and appropriately. MoWRAM will be responsible for full and careful documentation of the entire VD process which will be subject to AIIB's prior review and approval.

4.3.4.1 Principles

72. Under CAISARP, the principles below will be adopted:
- a) The donor will be fully informed about the subproject and available choices regarding the land and their implications, including refusal to donate the land, and need to confirm in writing their willingness to proceed with the donation;
 - b) The amount of donated land is minor and will not reduce the donor's remaining land area below that which is required to maintain the donor's livelihood at current levels;
 - c) No physical household relocation is involved;
 - d) The donor is expected to benefit directly from the subproject; and
 - e) Donations from collective land owned by IPs, if any, are not accepted.

4.3.4.2 Eligibility Criteria

73. **For households who are willing to donate**, all conditions below must be met:
- Donating household must not be from any vulnerable households – as defined by the Project and must be direct beneficiary household of the planned subproject;
 - Donated land must be minor in nature, and must not exceed 5% of the land plot to be donated;
 - Affected assets (intended to be donated) should be lower than 400,000 Riels in value per household and donation of affected land or assets shall not reduce the donor's remaining area below that required to maintain the donor's livelihood at current level;
 - No physical or economic displacement of AH is involved except for minor shift back at same location which will be financed under the subproject budget to restore to pre-existing condition;
 - Donating person/people should have sole ownership to the land portion and is free from any legal land disputes;
 - Donated household bear no fees related to the transfer of the ownership of the donated plot of land. Any fees or taxes owed for processing or registration of the land transfer, if applicable, are paid in full by the Project; and
 - All AHs will be informed of project's grievance redress procedures.

For households who do not wish to donate.

- Technical design will be adjusted, if technically feasible, to avoid the land impact.
- If avoidance of land impact is not possible, compensation payment will be made to the affected people in accordance with the Entitlement Matrix of this LARPF.
- Eminent domain or other powers of the state shall not be used for those who refuse donating affected land or assets.

4.3.4.3 Key Steps in Conducting Voluntary Donation

Step 1. Conduct Initial Screening for VD Eligibility

For each subproject, based on the final COI, MoWRAM will:

- Collect key demographic data⁹ about affected individuals/households within the subproject COI;
- Collect information on the magnitude of land and/asset impacts based on the IOL;
- Screen to identify individuals/households who are potentially qualified for VD, using the Eligibility Criteria in Section 4.3.4.2 (above);
- Summarize this step using the form in **Annex 2**.

Step 2. Consult with Potential Donors

- In collaboration with Commune and village Council, convene meetings with potential donors qualified from Step 1;
- Explain to potential donors all the details of VD procedures (Section 4.3.4.3), highlighting the affected peoples' right to compensation. Donor could donate portion of affected land and/or other non-land assets if they wish;
- Provide potential donors with sufficient time to consider his or her disposition of the property and has knowingly rejected the right to renege on his or her decision.
- Identify if there are anyone who are using the part of land intended for donation; if there is, consult with them to obtain their consent related to planned donation;
- Finalize the list of donors who wish to donate affected assets;
- Establish a formal statement of donation which will be signed by each owner and user involved, if any, including obtaining donor's informed consent and confirmation there is no dispute associated with part of land that is being considered for donation. There are also no claims by renters, users, squatters, or encroachers (use Form in Annex 2);
- Submit VD documents to the AIIB for review and approval.

Step 3. Start Donation Process

- Proceed the formal procedures for donating the part of land/asset following the government's procedures;
- Hand over/transfer of land title of the donated land to the Project;
- MoWRAM will maintain all records of asset donations and ensure supporting documents are available for review in case where grievance arises;
- MoWRAM will document fully and carefully the entire VD process and compile a report which includes the followings:
- Subproject name, location, geographical area (including timing of the report and disclosure information);
- Description of the subproject's construction work site/section, the COI and the extent of impacts on assets (attach Annex 1);
- Description of consultation activities and procedures that have been undertaken to ensure donors are appropriately informed of the project's VD procedures and requirements, including their rights to choosing compensation payment or opting for VD;

⁹ Demographic data may include information about household members such as names, age, education, ethnicity, sex, etc.

- A detailed list of assets voluntarily donated and corresponding donors, disaggregated by gender (attach Annex 2);
- Minutes of consultation, including consultation process and consultation outcomes as to asset donation, and grievance redress mechanism;
- Ensure that VD process is regularly monitored as part of MoWRAM's internal monitoring arrangement.

4.3.4.4 Responsibilities

74. In collaboration with Commune Council, MoWRAM will:

- Develop fair and transparent procedures for VDs in consultation with affected households (AHs) and the communities;
- Provide guidance to and ensure that the Chief of the involved Commune prepares a Voluntary Land Donation Report, following the guidelines outlined in the Commune/Sangkat Fund Project Implementation Manual. This report should confirm that all affected households have been fully informed about the subproject and their right to refuse donating their land and/or other assets;
- Ensure the detailed design avoids impacts on land, houses, structures and other fixed assets. When avoidance is not possible, effort shall be made to minimize such impacts;
- Screen for eligible donating household(s) who meet the donation prerequisite (See Section 4.3.4.1 – Principles) to explore they wish to make voluntary contribution based on the VD principle;
- Ensure eligible potential donating household(s) are appropriately informed¹⁰ that by donating their affected land and/or asset for the subproject purpose, they are reneging on their right to compensation;
- Ensure donating households are those who receive direct benefit from the planned subproject (e.g., access to irrigation, flood protection, etc.)
- Ensure that donated assets are owned and used by the owner, and that if others are using the asset, land or asset users are fully consulted on the potential donation by the asset owner¹¹;
- Ensure that the person donating land/asset pays no fee associated with their donation. Any fees or taxes incurred to land donation and any update of land ownership documents are covered by MoWRAM;
- Obtain the consent of the community involved, including individuals who are using or occupying the land in case where community or collective land is proposed for donation;
- Keep AHs informed timely and appropriately about the VD process, including their rights and project's grievance redress procedure (See Section 6 of this document);
- Inform potential donors of their right in deciding the extent of their VD (out of the total impact that the project may cause to them);
- Attention shall be paid to vulnerable/ disadvantaged group, such as Indigenous Peoples, women, the elderly, where relevant;
- Resolve any grievances that may occur in relation to VD process; and
- Ensure that the entire VD process and its outcome is fully and timely documented by MoWRAM and submitted to the AIIB for review.

¹⁰ "Appropriately informed" means that the potential donor has all available information regarding the proposed project activity and its impacts, its land requirements, and its alternative activity sites, as well as the potential donors' rights to compensation as per this LARPF. The potential donor has also been provided with sufficient time to consider his or her disposition of the affected assets and has knowingly rejected the right to renege on his or her decision.

¹¹ For instance, if part of a business stall is leased and is being donated by the owner, the person leasing the stall should also be consulted.

4.4 Project's Compensation, Livelihood Restoration Program and Relocation

4.4.1 Compensation and other Resettlement Assistance

75. This section applies in cases of LAR activities only. All persons with assets in the COI before COD will be eligible for compensation for lost assets regardless of their legal status. Given that irrigation infrastructure rehabilitation is expected to be conducted in the Riparian Land, which is state-owned land, there would be no compensation for land but loss of income from loss of use of land, land improvements, businesses affected by land, employment, and other income sources; transportation allowances; subsistence allowances during the transition period; and income/livelihood restoration programs. For the vulnerable group, in addition to the above, a special assistance package is provided thereby cash grant for subsistence allowances and livelihood restoration program are doubled.

76. Fruit and vegetable crops, rice, other economic trees and standing crops will be compensated according to the principles of replacement cost in the RGC's SOP-LAR and the AIIB's ESS2. Where possible, AHs will be allowed to harvest crops before acquisition or temporary use of the land.

77. Cash compensation based on the principles of replacement cost will be paid to AHs who lose structures or parts of structures, such as kiosks, roofs, concrete pavements, fences, shops, house-cum-shops and houses. Transport allowances will be provided where relevant.

78. For AH losing income during the transition period, allowances will be provided. If applicable, livelihood restoration programs will be provided for AHs who permanently lose their source of livelihoods.

79. AHs whose land is used temporarily during construction will be compensated for loss of income from crops or other assets during the period of construction.

80. A tenant of the immovable property who is operating a business shall be entitled to compensation for the impact on their business operation and to additional assistance at fair and just compensation to the capital value actually invested for the business operation activities as of the date of the issuance of the declaration on the expropriation project (Article 29 of the Expropriation Law, 2010).

81. Regarding the RGC's SOP-LAR, all AHs who lose their business from fixed structures whose businesses are relocated to a new site will be compensated with the projected loss of net income for 60 days. For those whose business is relocated on-site (move back or within the same area), compensation will be projected loss of net income for 30 days. The businesses may be registered or non-registered. The employees of those with loss of business will be provided with a transitional allowance as per the entitlement matrix.

82. The following types of displaced persons shall be eligible to compensation, but compensation would vary depending on their situation:

- Legal owners and holders of title or rights to land, including customary rights;
- Tenants and leaseholders, including employees, workers and hawkers;
- Those who have no formal title or rights to the land (illegal occupiers) who are engaged in farming or businesses, and
- Poor and vulnerable groups.

However, if the business is engaged in illegal activities like gambling, prostitution, drugs or similar nature, no compensation will be paid.

4.4.2 Vulnerable Groups

83. Poor and Vulnerable Persons/Groups, those who are perceived to be more vulnerable than others such as (i) households living below the poverty line, identified by the Ministry of Planning¹²; (ii) elderly people headed households with no means of support; (iii) female headed households with dependents living below the poverty rate; (iv) disabled headed households, , (v) landless poor living below the national poverty rate; and (vi) indigenous peoples (who often have traditional land rights but no formal titles).

84. To improve living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure, the poor or vulnerable persons who are classified as poor and vulnerable under the above criteria (para. 83) and hold ID Poor Cards lose any **livelihood source permanently** will participate in any one of the three programs and the corresponding skills training program. In addition, these AHs will be entitled to the following: (a) Double the financial support rate offered in the three different livelihood programs. (b) Priority access to employment opportunities under the Project.

85. In cases where Land Acquisition is required from vulnerable groups, the needs of the vulnerable groups need to be assessed and included in DRPs. Special attention should be paid to gender aspects. In cases where vulnerable groups are Indigenous Peoples, DRPs should be done concurrently and in coordination with the Indigenous Peoples Plans, which will be prepared by MoWRAM.

4.4.3 Livelihood Restoration Program

- Eligibility for Participation

86. The purpose of the Livelihood Restoration Program (LRP) is to assist households who lose their livelihood source permanently due to physical relocation to restore their livelihoods and income to the pre-project level, or better. To this end, households who lose their livelihood source permanently are eligible to receive benefit from the CAISARP's LRP. This may be either in the form of cash grants for them to seek new or upgrade their skills or through a LRP (land based, employment base, or business based) depending on the choice of the DPs. Eligible members of affected households, determined through the DMS and detailed in DRP, will have access to skill training tailored to their preferences and economic opportunities in the area at designated vocational centers. This initiative, to be facilitated by the Provincial Department of Labor and Vocational Training, aiming to enhance employability and match participants with potential employment or livelihood opportunities, ensuring a holistic approach to livelihood restoration. Details of the LRP such as types of vocational/skill training, number of APs eligible for LRP, institutional arrangements, enrolment procedure, etc. as well as the budget will be described in the DRP. Those APs who are classified as poor and vulnerable as per the category stipulated in the definition of Vulnerable Groups and will substantiate with ID Poor Cards will also be provided additional assistance to improve their living status.

87. Under the CAISARP, it is anticipated that part of the affected population would be affected significantly. The LRP will be prepared in close consultation and active participation with the AHs and simultaneously implemented in parallel with the DRP to assist AHs in restoring their livelihoods and income levels.

88. Depending upon their existing livelihood, eligible AHs would be entitled to participate in one of the support options as outlined in SOP-LAR: (i) Land-based Livelihood Restoration; (ii) Employment-based Livelihood Restoration; and (iii) Business-based Livelihood Restoration.

Option 1 – Land-based Livelihood Restoration:

¹² RGC, Sub-decree on Identification of Poor Households, No: 291 ANKr. BK (2011), Article 17: Relevant government ministries/institutions, non-governmental organizations and local communities which intend to provide services or assistance to poor households or individuals, including any appropriate emergency interventions, must primarily use valid national poor household data.

AHs who depend on and permanently lose land-based sources of livelihood such as agricultural and livestock will be provided with:

- Access to other land-based sources of income, like vegetable gardening, fruit trees and livestock, if alternate land is not available.
- Soft skill training will be provided such as introductory training on crops of higher value, or training that adds value to existing crops, and other related agricultural job skills that AHs may need. The content of training will be based on a training need assessment to be conducted for AHs.
- Financial support - as a lump sum grant of \$200, to assist AHs in re-establishing their livelihood.

If no alternative agricultural land is available, or if the AHs prefer to undertake an alternate type of livelihood, they will be offered the option to participate in either an employment-based or business-based livelihood restoration program.

Option 2 – Employment-based Livelihood Restoration

89. For AHs who rely primarily on employment for their livelihood and have permanently lost that employment as a result of LAR, or for AHs with land-based livelihood who opt for new livelihood, an employment-based livelihood restoration support will be offered to provide them with:

- Employment skills training, based on employment opportunities in the community. A survey of the employment opportunities in the proximity of the relocation sites would be carried out as part of the preparation of the DRP which would be analyzed to determine the types of jobs available, and the skills set requirements. The training program would be developed to help build these skills set for the AHs.
- Financial support as a form of cash grant equivalent to 3 months income based on the official poverty rate prescribed by the RGC to support to the affected family members of the AHs during the training period. The amount will be the monthly poverty rate x number of members in the AH x 3.
- The subproject may also provide temporary job opportunities at the construction site, at the office or other places. For jobs in offices or those requiring higher levels of skills, skill training will be provided to the APs to access those jobs.

Option 3 – Business-based Livelihood Restoration

90. For households (AHs) whose livelihoods are based on business activities and have suffered permanent loss of their businesses, or for those AHs who choose to participate in this program, a business-oriented livelihood program will be available. This program will include the following support:

- Business Skills Training: AHs will receive training in essential business skills, with a specific focus on small or home-based businesses. The training will be tailored to the business opportunities that may exist within their local community.
- Financial Assistance: Given that a limited number of AHs may require this training, a cash grant will be provided to enable them to pursue skills training of their choice.
- Financial support as a lump sum cash grant of \$200, to assist them and their families in re-establishing their micro or home-based businesses.

4.4.4 Contracts with AHs and Compensation Payments

91. The agreement on the compensation package is confirmed under a formal and binding contract between IRC-WG and each of the AH. In the case of negotiated settlement, a meeting is held at the commune or village office or community hall where the contracts are offered and explained to the AHs on an individual basis before negotiation and signing. Upon signing, compensation will be paid to AH as a lump sum. If errors are identified during the meeting, they will be corrected on the spot.

92. In the case of the DRP, a meeting will be held with the AHs and the contracts are offered and explained to the AHs on a one-to-one basis. The AH can sign the Contract at that time or within the next three (3) days. The compensation payments are not made at this stage and a separate meeting is scheduled for

making the compensation payments at a later date. The AHs will be informed in advance of the date of the meeting for the compensation payments through the Commune and/or Village Offices.

93. Payment of compensation and rehabilitation assistance to the AHs is central to the implementation of SOP-LAR. The GDR must ensure transparency and integrity of the budget disbursement and compensation payments process which will be governed by the following principles:

- Full payment of the compensation shall be offered and made to all AHs prior to land acquisition;
- Payments for all allowances must be completed prior to relocation to the new sites or self-relocation. In case of AHs who dispute or refuse to accept the offer or payment, the payment will deem to have been made at the same time as payments are made to the other AHs;
- Payments will be made in the joint names of both spouses or the single head of the AH, where applicable or a designated adult member of the AH in case where both spouses are unable to receive the payments;
- Payments should preferably be made by cheque. However, where access to banking facilities is not available or difficult, cash payments can be made with the necessary safeguard protection for the AHs to verify that payments have been actually received by the AHs;
- All payments should be made in a public place as far as possible and witnessed by a representative of the local authorities; and
- On completion of the payments, a proper and due notice shall be issued to AHs to vacate the land/occupation within one month from date of issuance of the notice.

4.4.5 Relocation

94. Relocation of displaced persons to a new site resulting from involuntary resettlement is not envisaged under the CAISARP. However, in the event of relocation of persons displaced by the CAISARP to another new site, all physical relocation will be verified during the DMS and included in the DRP. For the physically relocated AHs, the DRP will include option for self-relocation. Under this option, the displaced persons will be provided cash assistance towards purchase of an affordable land, including site development and transitional allowances, to their preferred choice of self-relocation. The displaced persons can do this for economic reasons, including employment opportunities and availability of employment, or due to social consideration such as proximity of kin. The RCS will determine the costs for self-relocation which will be included in the budget estimates in the DRP.

95. The physically relocated AHs are also entitled to transportation allowance to cover both relocation of AHs from their place of residence, material transport for relocating businesses and temporary relocation or rental allowance. The physical relocation will not commence until full compensation has been paid to the AHs. Monitoring will follow up that the physically relocated AHs have a permanent residence after relocation. Subprojects having a large number of AHs for relocation to another site will not be financed under the CAISARP.

5. INSTITUTIONAL AND IMPLEMENTATION ARRANGEMENTS

5.1 Ministry of Water Resource and Meteorology

96. The Ministry of Water Resources and Meteorology (MoWRAM) is a lead project implementation agency, responsible for public irrigation infrastructure, through its Project Management Project (PMU) and Project Implement Unit (PIU) of PDWRAM. If there is any involuntary resettlement impacts and LAR activities the MoWRAM will request GDR to address them in accordance with the policies and procedures in this LARPF.

5.2 Inter-Ministerial Resettlement Committee

97. The Inter-Ministerial Resettlement Committee (IRC) is the decision making and oversight body for LAR activities. The IRC has the mandate to review and evaluate resettlement impacts and land acquisition for public physical infrastructure projects in the Kingdom of Cambodia. The IRC is a collective entity, permanently chaired and led by the Ministry of Economy and Finance (MEF), with members of other line Ministries. The IRC carries out its responsibilities through a Working Group (IRC-WG) which is established by the MEF for each public investment project. The powers of the IRC are delegated to its permanent Chairman. The key responsibilities of IRC include:

- Provide effective oversight and ensure LAR complies with the laws and implementing rules and regulations.
- Ensure effective coordination between line ministries, provincial/local authorities and GDR in carrying out LAR.
- Provide overall guidance on implementing rules and regulations for LAR and propose updates; as necessary;
- Initiate the establishment of PGRC; and
- Approve of LARPF, RPFs, RFs, BRPs, ARPs, DRPs and any updated ARPs/DRPs.

5.3 General Department of Resettlement

98. The General Department of Resettlement (GDR) is the permanent Secretariat of the IRC and is the lead agency for LAR activities for public investment projects. It is directly responsible for the preparation, implementation, and monitoring and reporting of DRPs in accordance with the laws and implementing rules and regulations related to LAR and the mandatory requirements of the safeguard policies of the development partners. The GDR carries out these activities through its Resettlement Departments (RD). For this project, the Resettlement Department 2 (RD2) of GDR will be the first point of contact and interface with MoWRAM for the entire project and resettlement cycle. Key responsibilities of GDR include:

- Coordinate and collaborate with line ministries and other agencies involved in LAR activities;
- Conduct public consultations and focus group discussions with the affected peoples and vulnerable groups (if any);
- Prepare the ARP/DRP for the subprojects and submit to the AIIB for review and concurrence;
- Develop terms of reference and recruit the replacement cost appraiser;
- Prepare and secure the necessary budget for the implementation of the ARP/DRP;
- Calculate, prepare contracts, and make payments for compensation for each AH based on the entitlement matrix in the ARP/DRP;
- Implement all LAR activities in compliance with the ARP/DRP;
- Ensure proper functioning of the GRM, including training/refresher training for GRC members, adequate record keeping, etc.;
- Supervise, monitor, and report on implementation progress of the ARP/DRP;
- Prepare and submit to MoWRAM and copy to the AIIB a handover letter for AIIB's no objection to commencement of civil works;
- Prepare and submit to AIIB semi-annual monitoring reports;
- Prepare, agree with AIIB and implement corrective action plan, if any, during implementation; and submit the corrective action plan implementation report to AIIB for concurrence and disclosure;

- Conduct awareness workshops for MoWRAM, line ministries, local authorities, and construction contractor on the implementing rules and regulations as specified in the ARP/DRP;
- Acquire the land and provide land handover letter to MoWRAM with a copy to AIB; and
- Serve as the focal knowledge center for resettlement of the project.

99. The Department of Internal Monitoring and Data Management (DIMDM) of GDR is responsible for carrying out the internal monitoring of the implementation of the ARP/DRP. Its role extends to internal verification of all LAR activities for compliance with the provisions under the agreed ARP/DRP and reports directly to the Director General of GDR. In addition, it records and reviews all complaints and grievances submitted by affected people; investigates them and makes recommendations on compliance to the Director General of GDR.

5.4 Inter-Ministerial Resettlement Committee Working Group

100. The Inter-Ministerial Resettlement Committee Working Group (IRC-WG) is established by the GDR and will carry out the day-to-day land acquisition activities under the project/subproject, led by the Deputy Director/Chief of the Resettlement Department 2 (RD2) of GDR. The IRC-WG comprises technical staff of MoWARM, staff of GDR and staff of the Ministry of Land Management, Urban Planning and Construction. The IRC-WG will be responsible for all the fieldwork under the supervision of the Director of the RD2 and overall guidance and direction of the Director General of the GDR.

5.5 Provincial Resettlement Sub-Committee

101. The Provincial Resettlement Sub-Committee (PRSC) is established by the Provincial Governor at the request of the IRC for each project/subproject and comprises (i) the Provincial Governor or the Deputy Provincial Governor as the Head, (ii) Provincial Department Directors of the Line Ministries represented in the IRC, and (iii) the respective chiefs of the Districts and Communes of the locations affected by the project/subproject as Members.

The role of the PRSC is as follows:

- Provide the coordination and supporting role to the GDR, IRC and IRC-WG for land acquisition activities at the local level;
- Ensure all relevant provincial and local government authorities provide the necessary support for land acquisition;
- Manage the public consultation meetings at Provincial Level;
- Oversee and monitor the work of the PRSC-Work Group;
- Responsible and accountable for the disbursements of the compensation payments at the provincial level; and
- Assist the IRC-WG in developing measures to assist vulnerable households by the project.

5.6 Provincial Resettlement Sub-Committee Working Group

102. The Provincial Resettlement Sub-Committee Working Group (PRSC-WG) is established by the Provincial Governor and is mainly responsible for technical functions of the PRSC and works with the IRC-WG in carrying out the LAR activities at the provincial level. In addition to supporting the PRSC, the PRSC-WG has the following specific functions:

- Facilitate all public consultation and information disclosure meetings and maintain records;
- Cooperate with IRC-WG in carrying out DMS and IOLs and in the implementation of the approved DRP;
- Lead the payments of compensation; and
- Prepare monthly progress reports on all land acquisition activities at the provincial level and submit them to PRSC and GDR.

5.7 Cadastral Administration Office

103. The Cadastral Administration Offices under the Ministry of Land Management, Urban Planning and Construction is responsible for issuing titling documents, including the certificate of land use rights, hard titles, and social land concession as part of securing tenure for landless and issuing title documents for the land plots acquired in favor of MoWRAM.

5.8 The concerned local administrative authorities (district, commune and village)

104. The districts, communes, and villages where the Subproject is located will coordinate and work closely with the PRSC-WG and IRC-WG on the DRP preparation and implementation. Their roles and responsibilities include:

- (i) Identify and coordinate the venue for the public consultation meetings and invite AHs to participate in the consultation activities, such as DMS, SES, RCS and other resettlement related activities;
- (ii) Assist in the resolving of grievances/complaints lodged by the AHs; and
- (iii) Assist the IRC-WG, PRSC-WG, and GDR in developing suitable measures to assist the vulnerable AHs by the Subproject.

6. GRIEVANCE REDRESS MECHANISM

6.1 Overview of Grievance Redress Mechanism

105. The Grievance Redress Mechanism (GRM) seeks to resolve concerns promptly, using an understandable process that is culturally appropriate and readily accessible at no cost. Grievances can be submitted if an AH or any person believes the Project/Subproject is having a direct detrimental impact on them as a result of land acquisition impacts.

106. In provinces where the CAISARP requires acquisition of land or loss of other livelihood assets, a GRM will be set up or activated to handle complaints and concerns of local people on all land acquisition and involuntary resettlement aspects of the project/subproject. The MEF will facilitate the establishment of the Provincial Grievance Redress Committee (PGRC) for addressing grievances of the project/subproject. The PGRC will be established by the Provincial Governors in consultation with the IRC. The Expropriation Law of the RGC provides for a GRC to handle complaints with the additional provision for the AHs to seek judicial redress in case they dispute the decision of the grievance redress committee.

6.1.1 Provincial Grievance Redress Committee

107. The PGRC will consist of representatives from relevant provincial authorities and the MEF as follows:

- Chair: Provincial Governor, or person appointed by the Provincial Governor
- Vice Chair: Director of Provincial Department of Land Management, Urban Planning and Construction or representative
- Member: Director of Provincial Department of Economy and Finance or representative
- Member: Director of Provincial Department of Water Resource and Meteorology or representative
- Member: Chief of Provincial Office of Law and Public Security or representative
- Member: District Governor or representative
- Member: One Representative of a Local-Based Civil Society Organization.

108. The GRC functions at three levels or tiers to handle LAR grievances:

1. The first level will be at the district level by the concerned District Head;
2. The second level will be at the GDR level by the Director General of GDR; and
3. The third level will be at PGRC level by PGRC before going to the judicial system.

6.2 Grievance Redress Procedure

6.2.1 Types of Complaints

109. Complaints can be categorized as either an individual or an anonymous or a group or complaints:

1. **Individual Complaint:** Lodged by a single affected person (AP) facing a grievance. The complainant has access to all three steps in the process.
2. **Anonymous Complaint:** Complaint lodged in written or oral, received by the GDR, in which the identity of the complainant is not revealed.
3. **Group Complaint:** Filed by a group of APs with the same grievance(s) based on the same facts. If the group consists of fewer than five APs, they can follow the same procedures as individual complaints. However, if the complaint contains different grievances that don't apply to all group members, separate complaints are requested. Group complaints skip Step 1 and proceed directly to Steps 2, 3, and 4, similar to individual complaints.

110. GRM requires that complaints (or comments/suggestions) should be made in writing. As such, the head of aggrieved affected households must lodge a complaint in writing to the Head of the District Office. In case the aggrieved person has difficulties writing, the Administration Officer at the District Office will assist the aggrieved person to fill in the Individual Complaint Form based on the verbal complaint of aggrieved person. While anonymous complaints are accepted, potential APs will be advised that anonymous complaints related to specific entitlements, for example, may take longer time to resolve, if necessary, details are not provided in anonymous grievance letter to allow appropriate investigation and resolution. As such, response to anonymous grievance cannot be provided. However, where sufficient information is provided (in anonymous grievance letter), anonymous complaints will be resolved. Anonymous complaints will be addressed directly by the GDR, and if the grievance cannot be resolved, it will be forwarded to the PGRC (the third step of the GRM) for resolution. The grievance will be handled thorough a 3-step formal approach as outlined in the SOP-LAR and detailed below.

111. However, prior to the First Step, the AH may informally seek the assistance of the commune chief or a community elder to discuss and find an amicable solution to his/her complaint or grievance with the leader of the PRSC-WG. This is done verbally and informally and moreover; its aim is to resolve the matter to avoid lodging formal written complaints. If this verbal process of problem solving does not resolve the complaint to the satisfaction of the AH, s/he can seek the formal route for lodging the grievance. Formal lodging can be done verbally (to community elder or representative who will record the complaint) or in writing. The GRM process is detailed below:

- **Step 1 – District level.** AH can lodge a written complaint to the Head of the District Office (where the subproject is located). The AH can bring a community elderly or their representative to discuss their grievance at the District Office. A conciliation meeting shall be held, and a decision be made within **15 working days** from the date of complaint is received by the District Office. If the complaint is resolved to the satisfaction of the AH, the IRC-WG will inform GDR's Department of Internal Monitoring and Data Management (DIMDM) who will review and seek the approval of the Director General of GDR for appropriate remedial action. GDR will inform the AP of the decision/ remedial action within **15 working days** from the receipt of the grievance by the District Office. If the complaint is rejected at this step, District Office will inform the AH of the rejection in writing. If the complainant is not satisfied with the decision/resolution result, s/he can proceed to step 2 (below).

- **Step 2 – GDR level.** The complainant who is not satisfied with proposed resolution from Step 1 shall lodge a written complaint to the GDR for resolution. GDR, through its DIMDM, will carry out a holistic review of the complaint and submit a report on its findings with the relevant recommendations, if any, to the Director General of GDR for review and decision. GDR may conduct a field visit to meet the complainant and the IRC-WG to gather relevant information. The final report must be completed within **30 working days** from the date of receipt of the complaint by GDR for submission to the Director General of GDR who will make a final decision within **5 working days** of receipt of the final report. In the event that the subject matter requires a policy level intervention, it will be referred to the IRC for a decision which may require that an additional **10 working days** be extended from the original deadline for final decision.
- **Step 3 – Provincial level.** AH will submit a written complaint to the PGRC through the Provincial Governor's Office. The complainant or a representative will be given an opportunity to present its case during a meeting and the PGRC may consider any compelling and special circumstances of the AH to inform their decision. The GDR will send a representative, as a non-voting member, to provide an explanation to the rejection of the complaint at Step 3 with the GDR. The decision of the PGRC must be made on a consensus basis and will be final and binding except when the matter relates to government's policy. Decisions related to government's policy matters on land acquisition and resettlement are decided by the IRC. The PGRC will have **40 working days** from the date of receipt of the complaint to reach a final decision. The decision of the PGRC will be sent to the IRC (through the GDR) for endorsement before any remedial action is taken.

112. The handling of the complaint at the administrative stage ends at the Third Step. There are no fees or charges levied on the AH for their lodgment of complaint and for complaint resolution for the above 3 steps. However, as provided for in the Expropriation Law, the aggrieved AH at any step can file a suit at the Provincial/Municipal Courts, as applicable, to seek a resolution. At this stage, there is no involvement of the GDR, PRSC or IRC-WG unless there is a judicial order from the competent court.

113. However, if the aggrieved person prefers filing a lawsuit at the Provincial/Municipal Courts, as applicable, to seek a resolution, AH can do so but will bear cost related to the lawsuit as per the Expropriation Law. When the case is brought to a Court of Law, there is no involvement of the GDR, PRSC or IRC-WG unless there is a judicial order from the competent courts.

114. **Project Affected People's Mechanism (PPM).** People who believe they have been or are likely to be adversely affected by a failure of the Bank (Asia Infrastructure Investment Bank) to implement the Bank's Environment and Social Policy may submit complaints to the Bank's PPM in accordance with the Policy on the PPM, when their Project-related concerns cannot be addressed satisfactorily through the above Project-level GRMs or the Bank's management processes. Similarly, for alleged Non-Compliance with IFAD's SECAP (Complaints Procedure), the stakeholders are fully aware that they can also raise their concerns directly with IFAD if they believe that they have been, or are likely to be, adversely affected by an IFAD-supported project, and have found the lead agency to be unresponsive to their concerns, or if they fear retaliation as a result of raising their concerns directly with the Executing Agency or PMU/PIU.

115. Information on the availability of the PPM and IFAD's Complaint's Procedure will be provided in the Khmer language and in English and disclosed in the PIB and the Project's Website.

116. The GRM details and guidelines on LAR will be circulated and explained in detail to the AHs during consultations during the ARP/DRP preparation and implementation. These guidelines outline each of the above Steps and include the administrative procedures for receiving and addressing complaints during the consultative meetings. The GRM procedures, focal person and their contact details will be included the updated PIB and will be distributed and explained in detail to all AHs during the preparation and implementation of the DRP.

6.3 Recording and Documentation of Grievances

117. The RGC's SOP-LAR details the GRM process, registers, records, and documentation. The forms for individual complaint form, register of complaint and Letter from Head of District-Khan to be used for grievance documentation will be included in the updated PIB and distributed and explained to the AHs.

7. FUNDING AND IMPLEMENTATION ARRANGEMENTS

7.1 Budget and Financing

118. The budget for land acquisition and resettlement is prepared after the DMS and RCS are completed and is included in the DRP. In the case of negotiated settlement, it is included in a separate report on negotiated settlement. The budget is financed by the counterpart funds allocated from the national budget by the RGC and no CAISARP loan funds from AIIB and IFAD will be required. The budget will include the estimate costs of all the affected/items such as land, buildings, structures, crops and trees, relocation, vulnerable, transitional and transport allowances, income and livelihood support etc. for compensation payments that are due to any AHs that will be in the DRP. The field surveys, consultation meetings, GRM, etc. will be financed from GDR's and Provincial Administration's budget.

119. The GDR will be responsible and accountable for all financial management functions relating to the use of the budgeted funds. The funds for land acquisition are provided to the GDR from the Counterpart Funds Account. Once the budget is approved by the MEF, the funds are released by the General Department of Treasury and deposited into a project designated account established by the GDR for the Project/Subproject in the National Bank of Cambodia. Following an internal process, the funds are released from the project/subproject designated account, as and when necessary, and provided to the PRSC which is responsible for making payments to the AHs.

7.2 Implementation Plan

120. The Project is expected to be implemented from 2024 to 2031. Land acquisition for six schemes is expected to take place from 2024-2026.

7.2.1 Voluntary Donations

121. It is expected that priority irrigation infrastructure will be identified in Year 1 and screened for involuntary resettlement impacts as detailed in this LARPF. In cases of VDs, the implementation process will consist of iterative consultation to ensure affected people are adequately informed of options available for their choices and of the donation process, COI, COD, and time when the civil works is scheduled to start. The donation of assets will be fully and carefully documented by MoWRAM, as described in this LARPF.

122. The MOWRAM-PMU's ESOs will work closely with the DED team to identify any potential land acquisition and will lead the consultation process on VDs, including COD, as detailed in this LARPF. The process for documenting VDs shall be completed before the civil works contractor commences works on that construction work site/section. During civil works, the contractor will work with Commune and PDWRAM-PIU to remove donated assets at contractors' costs. The removed assets will be provided to donating households if they wish. The contractors will restore the affected area and the area next to the affected area to a good condition, if needed, to the satisfaction of the donating person. For instance, if part of a concrete driveway is donated, the contractor will assist to ensure the rest of the driveway is in good condition.

7.2.2 Land Acquisition

123. In the case of Land Acquisition, the procurement of civil works will commence after the DEDs have been finalized, the demarcation of land is completed jointly by MoWRAM and GDR, and the COD has been announced and relevant project/subproject information is disseminated as described in this LARPF. It is expected that the census survey, IOL and DMS will commence after the DEDs for a construction component is submitted to GDR. The preparation of the DRP/ARP and its approval by the IRC and the AIIB is expected

within 90 days thereafter if the number of AHs is minimal (less than 100). After the approval of the budget and release of funds, the payment of the compensation will take about 30 days to 45 days depending on the number of AHs.

124. Civil works can commence only in sections where the payment of compensation and other entitlements have been paid in full to the AHs in that section and a comprehensive income restoration program, where applicable, is in place and supported by an adequate budget. In case AH refuses the compensation payment, or where complaints have been lodged for resolution under the GRM, these cannot prevent the commencement of civil works and funds should be put in a separate special account on hold for the AH. In the event if any assets outside the COI are damaged during construction by the civil works contractor, the contractor will be required to restore/repair them to the original or better standard.

8. INFORMATION DISCLOSURE AND STAKEHOLDER CONSULTATION

8.1 Information Disclosure

125. For public consultation, the draft LARPF (in English) and its Executive Summary (in Khmer) was disclosed on MoWRAM's website on <http://www.mowram.gov.kh/>. The Executive Summary (in Khmer) was also disclosed in hard copy at MoWRAM's public library in Phnom Penh, and in the offices of PDWRAM in the commune offices of the all-subproject provinces. Once the LARPF is finalized and approved, it will be again disclosed through the above channels. The final approved LARPF will be disclosed in English on the AIIB's website.

126. Once the subprojects are identified and selected, the proposed subproject information will be explained in detail to the subproject stakeholders in Khmer language with translation into the language spoken by IPs for those locations where IPs are identified in the subproject areas, and the PIB will be distributed to them. The proposed project/subproject information in the PIB covers the following:

- (i) The purpose, nature, and the scale of the proposed project/subproject.
- (ii) The location of the proposed project/subproject, project/subproject components and activities.
- (iii) The duration of proposed project/subproject activities.
- (iv) The COIs, timing of census, IOL, DMS/SES, eligibility criteria, compensation policy, RCS, the timing of the establishment of the GRM, and contact details for the GRM focal persons.
- (v) The options for voluntary land contribution and relevant procedures.
- (vi) Potential risks and impacts of the proposed project/subproject on local communities, and proposed mitigation measures, highlighting potential risks and impacts that might disproportionately affect vulnerable and disadvantaged groups and describes the differentiated measures taken to avoid or minimize them; and
- (vii) Names and contact details of key persons on LAR technical matters on the project/subproject.

8.2.1 Voluntary Donation

127. In addition to the PIB explained and distributed to the stakeholders, in cases of VDs, affected people with assets in the riparian corridor will be informed about the subproject and their options for them to receive compensation or to voluntarily donate their affected assets. The GRM will be explained in detail and donors will be appropriately informed and consulted about the sub-project and choices available to them. The contact information of MoWRAM's SEOs will also be disclosed during the consultation process. As described, when people choose to voluntarily donate, the process of land VD will be adequately recorded and documented in English and Khmer. In the case IPs are identified to be present in the subproject area by MoWRAM, documentation will be translated into the language used by IPs. Documentation will be publicly disclosed at the local level (such as commune/Sangkat halls) and at national level (MoWRAM's website). Personal details and sensitive information of donating people will be removed to protect their privacy.

8.2.2 Land Acquisition

128. In cases of Land Acquisition, the relevant information will be disclosed timely in Khmer language and translated in the language used by IPs in the case IPs are identified to be in the sub-project area, and in places easily accessible to AHs and the communities. Information disclosed to AHs relevant to land acquisition will be done through PIB at the first consultation stage during Basic Resettlement Plan (BRP) preparation, and through updated PIBs at a second consultation stage prior to DMS and at third consultation stage upon contract offer. The BRPs and ARPs/DRPs, without sensitive personal information, will also be disclosed at MoWRAM's and the AIB's website.

8.2 Stakeholder Consultation

8.1.1 Consultation and Stakeholder Engagement for Voluntary Donation

129. Once project implementation begins, in cases of VDs, potentially AHs will be invited to consultation sessions to understand the project compensation processes as well as the availability of the VD option that affected people may consider. Special attention will be given to disadvantaged/vulnerable individuals/groups, Indigenous Peoples, if any, and women. Local authorities will also be invited to participate in these consultations.

130. As outlined in this LARPF, consultations will begin as early as subproject's design and location are identified and will be facilitated by the SEO at MoWRAM. The consultation will be an iterative process in which all AHs will be informed of their right to compensation and the option for a VD of assets, including VD procedures, and the subproject's benefits.

8.1.2 Consultation and Stakeholder Engagement for Land Acquisition and Involuntary Resettlement

131. In cases of Land Acquisition, key stakeholders participating in the consultation process will include:

- AHs, with special attention to women, Indigenous Peoples include their representative (if any), and disadvantaged/vulnerable people;
- MoWRAM and PDWRAM-PIU; its Provincial Departments;
- Provincial Department of Land Management, Urban Planning and Construction;
- Provincial Department of Agriculture, Forestry and Fisheries;
- Provincial River Basin Management Committee;
- IRC and GDR, including IRC-WG and PRSC-WG;
- Provincial and Local authorities (District/Khan, Commune Councils and Village Offices), including representatives of women's groups; and
- Civil Society Organizations, if relevant.

132. Consultations on land acquisition and involuntary resettlement will be an iterative process and will consist of various rounds taking place in various subproject locations, as described in the SOP-LAR. Consultations will start when subproject's construction work sites are identified. In addition to information disclosed as in in this Section above, concerns, questions and comments raised by AHs will be recorded and considered for incorporation into subproject planning, design and implementation.

133. The first consultation will aim to introduce the project/subproject, its goal, benefits, risks and impacts, including land acquisition and VD procedures. The option of a negotiated settlement will be explained in detail. The consultation will target both potential affected people and interested parties. The PIB prepared by MoWRAM and endorsed by GDR will be shared and made available at the commune/village council offices located in the subproject area. The GRM procedures and processes will be introduced to AHs and their views sought. If the subproject spans across a few provinces or multiple communes, then multiple consultative meetings will be held to cover all the affected communes. The major concerns and suggestions

raised by the AHs will be recorded in the Minutes of the Meeting in summary form. If AHs agree on a negotiated settlement, this will also be recorded in the Minutes.

134. The second round of consultations will be at DMS stage and will focus on DMS process, the DMS Questionnaire and the IOL which will be explained to the AHs. This consultation will be undertaken jointly by IRC-WG and PRSC-WG assisted by local authorities. The updated PIB by GDR reflecting the entitlements for AHs, including GRM procedures and GRM focal persons and their contact details at commune, district, GDR and provincial levels will be shared and explained in detail. The consultation will be conducted with participation of AHs and relevant authorities before DMS starts. Thereafter the DMS team will meet AHs on one-on-one basis and explain the purpose of the DMS process before proceeding to filling out the DMS Questionnaire and carrying out the measurements of the affected assets. The measurements will be taken in the presence of the AH and the AH will confirm the loss of the affected assets and measurements. This is to ensure AHs fully understand the basis on which the compensation will be paid for their lost assets, and other relevant entitlements. The DMS Questionnaire, which also includes the SES Questionnaire will also be shared and discussed so that the AHs know what information and data will be gathered during house-to-house DMS. The AH will sign the completed DMS Questionnaire and the IOL and witnessed by a community elder or official or commune chief. This process is also followed for a negotiated settlement.

135. The third public consultative meeting will be held prior to the signing of the agreement/contract for the compensation package and will be undertaken jointly by the IRC-WG and PRSC-WG. At this stage, the DMS and the RCS are completed, the compensation package for each AH is known and draft contracts will be prepared. The consultative meeting explains the compensation package, compensation schedule, procedures, entitlements and GRM, among others. The AHs will be provided with the option to sign the contract during this consultation stage or given 3 working days to submit the signed contract to the IRC-WG through the commune council office. For AHs who are unable to participate in the meeting, best efforts will be made to visit them at their home or seek the assistance of the village office to contact them. During the DMS the IRC-WG and PRSC-WG will obtain the mobile phone contact details from all AHs, and they will be outreached through mobile phones, when required.

136. Additional formal consultative meetings will be conducted when the compensation payment is ready to be disbursed. Details on consultation entitlements, schedule and process will be provided as well as the GRM. This consultation will be undertaken jointly by the IRC-WG and PRSC-WG. The schedule for compensation payments will be informed to AHs at least one week in advance through the commune and village offices.

137. The disclosure of relevant project/subproject information helps the AHs and other stakeholders to understand the risks, impacts and opportunities of the project/subproject. Meanwhile meaningful dialogue in consultations can avoid the potential for conflicts, address the concerns of APs to the extent possible, avoid bottlenecks to minimize project/subproject delays and contribute towards mitigating adverse impacts.

138. The consultation and disclosure activities associated with IFAD and AIIB-funded projects in Cambodia adhere to the principles of meaningful consultation, transparency, and alignment with local procedures, including the Royal Government of Cambodia's SOP-LAR, as well as any applicable Social and Environmental Plans or requirements. This ensures that projects funded in Cambodia prioritize community engagement and adhere to established standards for environmental and social risk management. The consultation and disclosure activities that are specified in the RGC's SOP-LAR and are consistent with that of AIIB's ESF (stakeholder engagement, para. 18) including requirements for meaningful consultation that begins early and is ongoing throughout the project/subproject.

9. MONITORING AND REPORTING

139. While the MoWRAM will be responsible for monitoring the overall implementation of the CAISARP, its process and outcomes of activities set forth in this LARPF, the DIMDM of GDR will be directly responsible

for the monitoring and reporting of the implementation of the DRP. MoWRAM will engage the Detailed Design Implementation and Supervision consultants under CAISARP to assist MoWRAM in the management, implementation and monitoring of CAISARP. The DIMDM of GDR remains responsible for the monitoring and reporting of the implementation of the land acquisition activities under the ARPs/DRPs.

9.1 Internal Monitoring

140. The role of internal monitoring of the LAR activities are to ensure that resettlement activities are implemented in accordance with the implementation schedule outlined in the subprojects' ARP/DRP. In this way, the protection of AHS' interests and the schedule for civil works can be assured. Primary responsibility for internal monitoring lies with MoWRAM as the project implementing agency and will be coordinated by its PMU. PMU will be responsible for overseeing the formation, function, and activities of each of the implementing agencies, and through quarterly monitoring reports, summarizing this progress. All monitoring data will be collected to ensure gender and ethnicity disaggregation.

9.1.1 Voluntary Donations

141. MoWRAM-PMU will be responsible for keeping adequate records of VD process and outcomes in accordance with the provisions outlined in this LARPF. As part of internal monitoring, the Project Manager (PM) will be responsible for reviewing the reports submitted by the SEO on VDs and grievances, if any. The files of record should be kept in the PMU office for at least five years after the project/subproject is completed.

142. It is expected that SEO will conduct due diligence on the voluntary land donations. The due diligence report provided by MoWRAM will cover the followings:

- Validation that donating assets is within the COI and the donors (individuals/households) are direct project beneficiaries;
- Validation and documentation that assets required for the subproject (within COI) were donated voluntarily and are free from any dispute on ownership or any other encumbrances;
- Validation that donated asset is minor and have not reduced the donor's remaining area below that required to maintain the donor's livelihood at current levels;
- Validation that no physical relocation or displacement of person is involved;
- Validation that meaningful consultation has been conducted in good faith with all potential donors, including that donors were aware that they were entitled to compensation. Separate discussions to be held with women as required to facilitate meaningful participation;
- Validation that a GRM is in place and a review and documentation of grievances, if relevant;
- In cases of community donation, that there is a consent of individuals using/occupying the land; and
- PMU will report will prepare a special report detailing the VDs when these are completed for subprojects for each contract package and submit to AIIB with all the relevant supporting documents. In addition, it will report on all aspects of VDs in the quarterly progress reports and submit them to AIIB.

9.1.2 Land Acquisition and Involuntary Resettlement

143. In case of Land Acquisition and Involuntary resettlement, the objective of internal monitoring is to (i) measure and report to keep MoWRAM informed on the progress in the preparation and implementation of the ARP/DRP; (ii) identify problems and risks, if any, and measures to mitigate them; and (iii) assess if the compensation and rehabilitation assistance are in accordance with the provisions under the ARP/DRP.

1. The GDR's DIMDM will be responsible for carrying out the internal monitoring which will review quarterly DRP progress reports provided by the RD2 including fielding its own missions to the fields to verify the progress made and the validity of the data and information, where necessary. The DIMDM will validate

that the (i) entitlements and the corresponding compensation are paid to AHs in accordance with the EM in the DRP; and (ii) GRM is functioning as per the guidelines. The GDR's DIMDM will prepare and submit a semi-annual monitoring report on the implementation of the DRP. A single monitoring report will be prepared covering all subprojects under DRP per province. An indicative list of internal monitoring indicators is provided in **Annex 4**.

2. The internal monitoring reports will include the followings:
 - (i) Set up of Institutional Arrangements;
 - (ii) Compensation Payments for Entitlements;
 - (iii) Relocation, if any;
 - (iv) Livelihood Restoration Program, where applicable;
 - (v) GRM;
 - (vi) Public Consultations;
 - (vii) Budget Expenditures;
 - (viii) Overall RP Implementation Progress against agreed Implementation Schedule in the DRP;
 - (ix) Problems and issues; and
 - (x) Proposed remedial actions.

144. In case of a negotiated settlement, when this is completed for the subprojects under each contract package, the GDR will submit a report detailing the negotiated settlement process together with the relevant supporting documents to the AIIB.

9.2 External Monitoring

145. In addition to internal monitoring, GDR will engage an Independent Monitoring Consultant (IMC) to conduct periodically independent monitoring on implementation of DRP where there is significant impact. The purpose of IMC is to monitor the implementation of the approved DRP to ensure the implementation complies with regulations and policies stipulated in the DRP. The IMC will prepare a completion report within 6 months of the completion of the resettlement activities under the DRP. The final report should include all findings from monitoring and evaluation and corrective action plan (if needed) and will be submitted to GDR. GDR will submit the final completion report to AIIB.

ANNEXES

Annex 1 – Screening Form for Land Acquisition and Resettlement

Initial Screening on Land Acquisition

Initial Screening is to be done during the feasibility study and confirmed during DED.

[illegible]

Annex 2 – Voluntary Asset/Land Donation Form

Province:	District:	Commune:	Villages:
Subproject ID:	Name of contractor:		
Names of Persons Donating:	Name of Husband:		ID Number:
	Name of Wife:		ID Number:
Address:			
Beneficiary of the project: Y/N			
Living/Operating/with land, structure or tree/crop on COI: Y/N			
How does the persons donating directly benefit from the project? Please detail:			
Is the asset being donated used by anyone other than the owners? Please detail:			
Description of land that will be taken for the subproject:	Area affected:	Total landholding area:	Ratio of land affected to total land held (%):
Map code, if available:			
Description of annual crops growing on the land now and subproject impact:			
	Details (number, etc.)		What the donating person is left with?
Trees/crops that will be donated			
Fruit trees/crops			
Mature non-fruit trees			
Trees/crops used for other economic or household purposes			
Describe any other assets that will be lost or must be moved to implement the subproject:			
Assets that will be donated (including parts of structures, wells, fences, etc.)			
Total value of donated assets:	Land*	Structures	Trees/crops
Other:			
If the asset being donated is used by someone other than the owner, a description of the remaining assets of that person, and/or description of why their livelihoods are not made worse by the donation.			

* VLD will be accepted when the land area does not exceed 5% of the total land area

By signing or providing thumbprint on this form the owner and/or user agrees to contribute assets for CAISAR's subprojects. The contribution is voluntary, and the person affected understands they could refuse or have the option to seek compensation, but they choose to donate. If the owner or user does not want to contribute his/her assets to the subproject, s/he should refuse to sign or provide thumbprint and ask for compensation instead.

Date:

District MoWRAM representative's signature

Date:

Donating person's signature

(both husband and wife if applicable)

Witnessed by village/commune authority:

Annex 3 – Entitlement Matrix

Category	Type of Loss	Application	Category of AH	Entitlements	Clarification
1. LOSS OF LAND					
1a	Land	Agricultural, residential and commercial land	Legal owners, including those covered by customary rights	<ul style="list-style-type: none"> • Cash compensation for land at full replacement cost or land swap of equal productive value. • Provision of all and full stamp duties, land registration fees and other similar taxes, if applicable by the time of compensation, for acquiring legal rights in case of replacement land (land for land swap). • Includes option of compensation at same replacement cost for affected land that remains after acquisition if remaining land becomes unviable or unusable. • For customary ownership, replacement land to sustain livelihood and way of life. Land registration, stamp duty and other fees to register land ownership or right to use will be reimbursed at cost 	<ul style="list-style-type: none"> • If land for land is offered, title will go to both husband and wife. • Applies only to partial loss of land.
1b	Land		Tenants and Leaseholders	<ul style="list-style-type: none"> • No compensation for loss of land as not legal owners of land (compensation made to landowner) 	
1c	Land		Illegal occupiers/squatters without legal titles or rights to land	<ul style="list-style-type: none"> • No compensation made for land loss as not legal owners of land. 	
2. LOSS OF USE OF LAND					
2a	Crops, Perennial trees, fruit trees, timber	Agricultural land	All AHs who are engaged in farming, irrespective of titled and non-titled	<ul style="list-style-type: none"> • For rice/crop farming: Net annual income X 1 year. In addition, AHs can harvest and retain income from standing crops. • For fruit trees, replacement cost of loss based on following formula: [Quantity Harvested per Year) X (Market Price) X (Number of years it will bear fruit)] + Cost of Seedling. 	<ul style="list-style-type: none"> • RCS will determine the amounts. • Market Price is based on Farm-Gate Price
				<ul style="list-style-type: none"> • Perennial trees that have a growth period of more than 5 years are classified as follows: + Sapling trees under 1 year: not compensated as it can be replanted. Cost of seedling will be provided. + Young trees (1 to 3 years): Valued at 1/3 of its full cost as it can be replanted plus cost of seedlings. • Young trees (More than 3 to 5 years) bearing some fruits: valued at 2/3 of its full cost plus cost of seedlings. 	<ul style="list-style-type: none"> • RCS will determine the value. • Full compensation price is the amount to be calculated from the formula shown in [] without cost of seedling.

Category	Type of Loss	Application	Category of AH	Entitlements	Clarification
				<ul style="list-style-type: none"> • Mature trees (more than 5 years): full bearing fruits valued at full cost plus cost of seedling. • Wood and other Productive Trees: based on age and wood value. 	
2b	Businesses	Commercial use and business use	All AHs who are engaged in businesses, irrespective of titled and non-titled	<ul style="list-style-type: none"> • For businesses which need to be relocated to a new site, an amount equal to loss of projected net income for two months. • For businesses relocated on-site (move back or same area), an amount equal to loss of projected net income for one month. • For illegal businesses such as gambling, prostitution, drugs and similar types, no compensation is paid. 	<ul style="list-style-type: none"> • RCS will determine the amounts. • Both registered and unregistered businesses are compensated except businesses that are not legal.
3. LOSS OF HOUSES AND STRUCTURES					
3a	Houses and Structures	Residential, commercial structures and other assets	Owners of houses, buildings and structures	<ul style="list-style-type: none"> • Cash compensation equivalent to full replacement cost of lost portion of the house/ building/ structure (without depreciation) • If the owner rents or leases, compensation for any improvements/ construction carried out by the renter/leaseholder will be deducted from the compensation payment to the owners. • In case houses/ buildings are rented/leased, any improvements/construction added by renters and leaseholders will be compensated at replacement cost and paid to renter or leaseholder. Owners will not get compensation for such improvements or construction. • In case of loss of only part of the houses/ buildings/ structure and the remaining portion is not usable, compensation will be paid for complete structure at full replacement cost. 	<ul style="list-style-type: none"> • RCS will determine the replacement cost. • When loss is 75 % or more of the floor space
3b	Houses and Structures	Residential, commercial structures and other assets	Tenants and Leaseholders	<ul style="list-style-type: none"> • Cash compensation at full replacement cost for any improvements or construction by the tenants or leaseholders • In the case of no improvements or construction, no compensation is paid. • Transfer/ Disturbance Allowance equivalent to 1 month of rental or lease amount 	<ul style="list-style-type: none"> • RCS will determine replacement cost. • Documentary evidence is required.
3c	Houses and Structures	Residential, commercial structures and other assets	Illegal occupiers/squatters	<ul style="list-style-type: none"> • Cash compensation at full replacement value of affected structures, including also cost of labor involved in rebuilding such structure) 	<ul style="list-style-type: none"> • RCS will determine replacement value.
3d	Transport Allowance	Transport allowance for household and personal goods	AHs (legal owners, tenants and Illegal occupiers/ squatters)	<ul style="list-style-type: none"> • Fixed Lump Sum allowance per AH based on average cost of transportation to new relocation place for: <ul style="list-style-type: none"> ○ Up to 5 km ○ More than 5 km 	<ul style="list-style-type: none"> • RCS will determine the lump sum amount for 2 cases.

Category	Type of Loss	Application	Category of AH	Entitlements	Clarification
3e	Tombs/ graveyard	Relocation of affected tombs	AHs	<ul style="list-style-type: none"> • Compensation payment for affected tombs includes full replacement costs associated with a) buying of land (if needed) for re-burial, b) excavation, c) relocation, d) reburial, e) construction of new tombs, and f) other reasonable costs for conducting rituals in accordance with local customs. • If affected people are from EM community, consultation with affected EM households and local EM leaders will be held to ensure the impact is addressed in a manner that is culturally appropriate to the affected EM households/community. 	<ul style="list-style-type: none"> • The relocation of tombs shall be carried out based on full consultation with affected households to meet local customs of affected households. • In case the owner of the affected tombs could not be identified, public announcement has to be made (through popular local media) to look for the tomb owners. Within a reasonable time, if the tomb owners could not be identified, relocation of tombs could be done by a specialized unit in consultation with local authorities and local people. Prior to relocation, photos of unknown tomb(s) shall be taken, and procedures of tomb relocation, and the new location of the tombs shall be documented carefully. • If affected households are from EM group, local EM leaders and community shall be consulted to ensure tomb relocation rituals are fully observed and proceeded in accordance with local EM tradition/practice
4. LOSS OF INCOME AND LIVELIHOOD					
4a	Loss of Income during transition Period (Subsistence Allowance)	Loss of Income	AHs who lose income during the transition period including employees of businesses	<ul style="list-style-type: none"> • Lump sum amount equivalent to 3 months of income based on the official monthly poverty rate established by RGC. Monthly Poverty Rate X Number of Members in AH X 3 • In case affected person is classified as poor and vulnerable group, the above lump sum amount is doubled. 	<ul style="list-style-type: none"> • Monthly Poverty Rate as established by the RGC

Category	Type of Loss	Application	Category of AH	Entitlements	Clarification
4b	Permanent Loss of Livelihood Source	Income Restoration	AHs who lose their source of livelihood permanently	<p>AHs can choose to participate in one of the following Livelihood Restoration options:</p> <p>+ Land-Based Livelihood Restoration for AHs engaged in land-based livelihood (i) facilitate <u>access to replacement land</u> (land-for-land if land is available) to enable AHs to continue their farming activities (rice cultivation, gardening, growing fruit trees, livestock, and other similar land-based farming activities; (ii) <u>access to trainings on farming or livestock</u>; and (iii) <u>lump sum cash of USD 200</u> to assisted affected households to start new income generation activity.</p> <p>OR</p> <p>+ Business-Based Livelihood Restoration for AHs who opt for alternative non-farm business, including: (i) <u>access to training on new business skills</u>; (ii) <u>a lump sum cash of USD 200</u> to assist in starting a new non-farm business.</p> <p>OR</p> <p>+ Employment-Based Livelihood Restoration for members of AHs who lose land-based employment permanently, and prefer to learn new job skills, including: (i) <u>access to employment skills training</u>; (ii) <u>lump sum cash equivalent to 3 months of income</u> based on official poverty rate to supplement income support during the training period.</p> <p>Affected household who are "Poor" and "Vulnerable" by project's definition will receive doubled lump sum cash (as mentioned above) and have priority in accessing suitable employment opportunity under the Project.</p>	AHs will be eligible for any one of the three options based on their preferred choice.
4c	Relocation	Self-relocation	AHs who will be permanently displaced and relocated	Cash compensation for self-relocation of the AHs to their preferred choice of site.	RCS will determine the cost of self-relocation.
5. TEMPORARY IMPACTS DURING CONSTRUCTION					
5.a	Damages to private and public assets, structures, properties		Local people, private sector and government	<ul style="list-style-type: none"> Damage to properties that are caused by civil works contractors during construction will be compensated for property owners by involved contractors. Compensation shall be at full replacement costs. Where public structures such as schools, health centers, recreational parks, public roads, water transmission pipelines, and electricity transmission lines (including electricity poles) are 	

Category	Type of Loss	Application	Category of AH	Entitlements	Clarification
				<p>affected, such affected works will be restored, and repaired, or compensated at full replacement cost to ensure normal operation is timely resumed at no cost to the local community, or private entities who own and operate such public facilities.</p> <ul style="list-style-type: none"> The principles adopted for this LARPF apply for calculation of compensation. 	
5.b	Unanticipated Impacts			<ul style="list-style-type: none"> Any unforeseen impacts or damage due to the Project will be properly assessed and compensated in accordance with the LARPF and AIIB's ESF. The Borrower will inform AIIB of the occurrence of the unanticipated impacts and actions to be undertaken to mitigate these. These shall also be included in the monitoring report to AIIB. 	

Source: Appendix 6 of SOP-LAR

Annex 4 – Indicative Internal Monitoring Indicators for Land Acquisition

Indicative Internal Monitoring Indicators for Land Acquisition

Purpose	Activities	Monitoring Indicators
Identification of compensation recipients	Verify list of compensation recipients against eligibility criteria for compensation	Number of persons in list of compensation recipients who do not meet eligibility criteria (included in error)
	Identification of persons who may claim eligibility for compensation but are not included in list of compensation recipients. Separate verification should be performed for each claim.	Number of persons who meet eligibility criteria but not included in list of compensation recipients (excluded in error)
Verification of affected area and assets	Confirmation of area of affected assets, but with legal ownership and without, against the RP / A-RP	Area of land subject to acquisition, for which compensation has been paid
		Area of other assets subject to acquisition, for which compensation has been paid
Verification of compensation amount, processing and payment	Examination of financial documents	Number of persons who received compensation in time and in full amount, disaggregated by compensation type
	Identification and analysis of reasons for compensation not being paid in full and in time	Number of persons who did not receive compensation in time and in full, disaggregated by compensation type
		Amount of funding allocated for payment of compensations
	Identification of reasons for which funds for compensation have been under- or overspent	Rate of spending of funds actually allocated for compensation, as % of amount envisioned in the RP/A-RP
Verification of compensation timeline	Identification of reasons payment of compensation is delayed (i.e., inheritance issues, court case)	Number of persons who received delayed compensation, disaggregated by compensation type and reason for delay; and any changes in amount of compensation (if any)
Verification of consultation and participation	Determine level of involvement and reasons for inadequate participation	Number of compensation recipients participating in consultations and coordination meetings at each stage of land acquisition / resettlement process, disaggregated by vulnerability status and IPs
		Number of IPs consulted in their own language through verbal translation
	Examination of grievance cases; analysis of disputes and complaints content and the resolution of conflicts	Number of complaints received disaggregated by grievance type and project activity
		Number of complaints resolved disaggregated by grievance type and project activity