EXECUTIVE SUMMARY

A. Introduction

- 1. This Resettlement Plan (RP) has been prepared for the Akhaura-Laksam Double Track Project (the Project). Bangladesh Railway (BR) under the Ministry of Railways is the executing agency (EA) of the Project. The Project will be jointly financed by the Asian Development Bank (ADB), European Investment Bank (EIB) and the Government of Bangladesh (GoB). The Project is developed under the Regional Cooperation and Integration Project (RCIP) Rail Component for sub regional and Trans-Asian Railway (TAR) connectivity.
- 2. The RP approach incorporates (i) Compensation for land and structures at full replacement cost prior to relocation; (ii) Moving assistance; (iii) Income-restoration measures including a Livelihood Restoration Programme (LRP); (iii) Special assistance measures for women and vulnerable groups; and (iv) Assistance measures to secure housing and rental spaces.

B. Scope of Land Acquisition

- 3. Overall, a total of 2,180 households/units (titled and non-titled included) for a total population of 10,408 will be physically and economically impacted by the project. The doubling of the track will require a total of 303 ha of land. Of this, only 58.43 ha will require private land acquisition the rest of the land (244.57 ha) already belongs to BR. However, a number of households who have assets on BR land will have to be relocated.
- 4. A total of 701 title owners will lose their land, representing 30% of affected households. Out of these, 48% use this land for agricultural purposes, 21.5% as fishing ponds and 16.2% for homesteads. Moreover, a total of 1358 households (64%) will have to relocate their homesteads or business structure: these include 390 title-holders households, 676informal settlers households (i.e. squatters) and 321 tenants. Finally, 721 employees will also lose their jobs due to impacts associated with the relocation of businesses. The Project will also require the removal of trees of various sizes and species.

Table A: Summary of Key Project Impacts

SI. No.	Project Impacts	Total
1	Amount of land to be acquired	58.43 ha
	Total number of households requiring relocation	1358
	Number of titled hhs losing res/com and other structures requiring relocation	390
2	Number of squatters losing res/com and other structures requiring relocation	676
	Number of renters (from titled owners) losing res/com structure requiring relocation	101
	Number of renters (from squatters on BR land) losing res/com structure requiring relocation	191
4	Number of hh losing other structures	48
3	Number of hh losing land, trees and fish ponds only – no relocation required	715
4	Number of hh losing over 10% of their income from land	317
5	Number of PCRs(3) and CPRs (56)	59

SI. No.	Project Impacts	Total
6	Total number of persons affected	10408
7	Number of trees affected	56933

5. The proposed Project interventions will also affect common property resources (CPRs) such as community schools, mosques, club house and physical cultural resources (PCRs) – for example, *mazar sharif* (shrine) and *moth* (age-old temple).

C. Impacts and Socioeconomic Profiles

- 6. Among the affected households, the male-female ratio is 120:100. The average household size is five. The census findings show that about 30% of the affected persons have up to 10 grade education, 11% have schooling up to secondary school, and about 10% are only capable to sign their names. Although only 31% of affected households are directly engaged in income generating activities, they belong to diverse occupational groups, the most important of which are businesses (23%) and farming (7%).
- 7. It is expected that 15% of the households (or 317) will be losing 10% or more of their income from land. 24% households (524) will have to relocate their business. Finally, 13% of households (274) households have been identified as vulnerable, defined as earning below the poverty line (BDT 60,000/year) as well as headed by disabled, female and elderly people.
- 8. As for the squatters, most of those losing homesteads live in rural areas while those losing businesses live close to the stations in urban centres. 61% of informal shops/business owners have residences in town and even own land and house in outside villages. Most of them (76%) earn an income above the average for the district (average of BDT 10,000/month. In sum, these informal settlers living in urban areas are relatively well off and do not qualify as vulnerable.

D. Information Disclosure, Consultation and Responses

- 9. The primary stakeholders of the Project are land owners, traders, farmers, service holders, day labourers, and rickshaw/van pullers, as well as small shop/kiosk owners, largely on BR land as informal settlers. Stakeholder consultation meetings were held during (i) social surveys (e.g., census, SES, land market survey, and video filming), followed by formal community-wide Stakeholder Consultation Meeting (SCM), and (iii) Focus Group Discussion (FGD). The cut-off dates (a) for land and (b) eligibility for resettlement benefits were discussed during the surveys and local consultation meetings/FGDs. The affected people support the project that they see will enable faster transportation as well as improve the connection with other parts of the country and neighbouring countries. However, they raised concerns over timely and fair compensation as well as availability to relocate their businesses in proximity to the stations. Most of these concerns have been integrated into the compensations and resettlement measures outlined in the RP.
- 10. A project information brochure, which described key expected environmental and social impacts was distributed to the communities in the project's zone of influence during the environmental and social impact assessment. In addition, a RP disclosure brochure, with specific information on entitlements has been prepared in Bangla. These will be distributed in

the concerned DC and Upazilla on or before 31 May 2014 as part of the disclosure requirements. These brochures will also be distributed to every affected household unit prior to RP implementation. The RP policy will also be uploaded on the ADB and BR websites after getting concurrence from the ADB/EIB and approval from the Ministry of Railways. A Grievance Redress Mechanism (GRM) will be put in place prior to the implementation of the RP to ensure complaints and feedbacks from affected people are adequately and timely addressed (see section H below).

E. Legal and Policy Framework

- 11. The principal legal instrument governing land acquisition in Bangladesh is the Acquisition and Requisition of Immovable Property Ordinance, 1982 (Ordinance II of 1982 including amendments up to 1994 ARIPO 1982) and other land laws and administrative manuals which requires that compensation be paid at "fair value" for (i) land and assets permanently acquired (including standing crops, trees, houses); and (ii) any other damages caused by such acquisition. The Deputy Commissioners (DC) in all the cases, determine the market value of acquired land based on the assessment of transacted deeds of the 12 months prior to the date of notice under Section 3. However, the value provided is generally lower than the true "market value" as owners customarily report lower rates in land transaction prices to avoid duties and taxes.
- 12. ADB SPS/Involuntary Resettlement Safeguards (2009) as well as EIB/Standard 6 Involuntary Resettlement require payments of replacement cost (RC) of the affected land and other assets. There are evident gaps in the Land Acquisition Law of Bangladesh to address ADB/EIB Safeguards requirements. These gaps have been spelled out in the RP through a comparative assessment between ADB SPS/Involuntary Resettlement Safeguards (2009), EIB/Standard 6 Involuntary Resettlement (2014) and GoB Ordinance II (1982). To ensure fair compensation and comply with the donors' policies, this RP has adopted policy measures to address the losses at full replacement cost (RC) in addition to other resettlement assistance measures further detailed below.
- 13. Additional surveys and studies have also been undertaken under the Project to assess current market value of land and other assets for payments at replacement cost. These have been synthesised in the Land and Property Valuation Report, which is summarised in Chapter 11 and detailed in Annex 2. The values of the Land and Property Valuation Report will be reviewed and verified by the Property Valuation Advisory Committee (PVAC), which will be set up for the implementation of the RP. More information on the role of the PVAC is provided in Annex 8.

F. Entitlements, Assistance and Income-Restoration Measures

- 14. Both titled and non-titled affected households to be compensated at full replacement costs for their assets.
- 15. In addition to compensation measures for land, structures and other assets at full replacement costs, the following income restoration measures have been be proposed. It is expected that these additional mechanisms will ensure improvement or restoration to preproject standards of living of Affected Households and that those of poor and vulnerable households at least meet minimum national standards.

- i. *Moving assistance*: This includes transfer grants and reconstruction grants for structure owners and moving grants for tenants.
- ii. *Income-restoration measures:* This includes allowance for loss of income for business owners, allowance for loss of income for employees/wage earners, allowance for loss of income from agricultural land, pond and fruit trees and participation to the Livelihood Restoration Programme.
- iii. Assistance measures to secure housing and rental space: This includes assistance to all affected households losing homesteads, business structures or rental space in identifying and securing an alternative space to rent or buy.
- iv. Special assistance measures: This includes special cash grants to vulnerable households and female-headed households.
- 16. The Project has devised a comprehensive entitlement matrix covering both titled and non-titled affected households to be compensated at full replacement costs for their assets and assisted in relocation (see Table B).

Table B: Entitlements, Assistance and Benefits under the RP - Summary

Category of Losses	Persons Entitled	Entitlements
1. Loss of agricultural land	Legal owner/ titleholders as identified by Deputy Commissioner (DC)	CCL by DC as per 1982 Ordinance The difference between CCL and Replacement value (RV) of land (to be determined by PVAC) paid by the Project as additional payments. Stamp duty and updated registration cost will be paid once the EP purchases new land and submits proper records. The value for stamp duty will be limited to CCL and/replacement value paid. Assistance from INGO in re-titling plot.
2. Loss of homestead, commercial, industrial land and common property resources	Legal owner/ titleholders as identified by DC	CCL by DC as per 1982 Ordinance The difference between CCL and Replacement value (RV) of land (to be determined by PVAC) paid by the Project as additional payments. Stamp duty and registration cost will be paid once the EP purchases new land and submits proper records. The value for stamp duty will be limited to CCL and/replacement value paid. Assistance from INGO in re-titling structure.
3. Loss of water bodies (ponds, both cultivated and non-cultivated)	Legal owner/ titleholders as identified by DC	CCL by DC as per 1982 Ordinance The difference between CCL and Replacement value (RV) of land (to be determined by PVAC) paid by the Project as additional payments. Stamp duty and registration cost will be paid once the EP purchases new land and submits proper records. The value for stamp duty will be limited to CCL and/replacement value paid. Assistance from INGO in re-titling asset.
4. Loss of residential structures with title to land	Legal owner/ titleholders as identified by DC	CCL by DC for residential structures The difference between CCL and Replacement Cost (RC) for structures as determined by PVAC Transfer and reconstruction grants respectively of BDT 8000 and BDT 9800 Owner allowed to take all salvageable materials free of cost.

Category of Losses	Persons Entitled	Entitlements
5. Loss of commercial/industrial structures with title to land	Legal owner/ titleholders as identified by DC	CCL by DC for commercial/industrial structures The difference between CCL and Replacement Cost (RC) for structures as determined by PVAC Transfer and reconstruction grants respectively of BDT 8000 and BDT 9800 Owner allowed to take all salvageable materials free of cost
6. Loss of residential and other physical structures without title to land (squatters/informal settlers)	Socially recognised owners of structures built on the RoW as identified during census.	Compensation for the structures as per PWD rates, plus 50% (as per law). The difference between compensation above and RC for structure as determined by PVAC. Transfer and reconstruction grants respectively of BDT 8000 and BDT 9800 Owner allowed to take all salvageable materials free of cost
7. Loss of physical cultural resources (PCR)) and common property resources (CPRs) structures (a) with or (b) without title to land	(a) Legal owners (or registered committees) identified by DC in the process of CCL payment. (b) Socially recognised owners of structures built on the RoW as identified during census and verified by JVC	 (a) CCL by DC to legal owners, plus the difference between CCL and RC of structure as determined by PVAC. Transfer grant of BDT 16,000 for the relocation of structure. Dismantling and reconstruction cash assistance as per assessed value by PVAC. Allowed to take all salvageable materials free of cost OR (b) RC for structure as determined by PVAC •Transfer grant to be determined by PVAC Transfer grant of BDT 16,000 for the relocation of structure. In both cases, owner(s) allowed to take all salvageable materials free of cost
8. (a) Loss of trees with title to land; and (b) owner of trees on public land or lessees	Legal owner as identified by DC. Socially recognised owners of trees grown on public or other land, as identified by census. Owners of trees such as Forest Department, Zilla Parishad, Society, Union Parishad, Lessee on public land.	 (a) Timber trees and bamboos: CCL by DC for those with title to land and difference between CCL and RC as determined by PVAC. For fruit trees: CCL by DC for those with title to land and difference between CCL and RC as determined by PVAC. In addition, market value of fruits for average 3 annual year production. OR (b) Timber trees and bamboos: Compensation for lost trees as per DOF rates to be determined by PVAC at RC for those w/o title to land. For fruit trees: compensation for lost trees as per DOF rates to be determined by PVAC at RC for those w/o title to land. In addition, market value of fruits for average 3 annual year production. Owner of trees (in both cases) will be allowed to fell and take the trees free of cost
9. Loss of standing crops/fish stock with (a) title to land and (b) without title to land.	(a)Legal owner/cultivators as identified in joint verification by DC and BR. (b) socially recognised users of land identified during census and validated by JVC	 (a) CCL for crops by DC for those with titles and difference between CCL and RC as determined by PVAC; OR (b) compensations for crops/fish stock at RC to be determined by PVAC for those without title. • In both cases, owners/Users will be allowed to take crops and fish stock (within BR declared deadline)

Category of Losses	Persons Entitled	Entitlements
10. Loss of fruit production (due to loss of fruit trees).	(a) Legal owner/cultivators as identified in joint verification by DC and BR. (b) socially recognised users of land identified during census and validated by JVC	As mentioned in entitlement measure # 8, RC of fruit production for 3 years.
11. Loss of leased or mortgaged agricultural land or ponds and commercial land	Agricultural and commercial plot owner(s) on the Project RoW. Titled and non-titled leaseholders/licensees/ share croppers	CCL as per law for those with registered contracts/lease OR Cash grant of BDT 5200 and BDT 4600 will be paid to the non-titled share croppers, licensees and lessees of agricultural land, and pond respectively by the Project thru INGO. In both cases, the cultivator will be allowed to take the crops/fish free of costs within the BR declared deadline
12. Loss of income from dismantled commercial and business premises	Any proprietor or businessman or artisan operating in premises, at the time of issuance of notice and/or identified by census.	Cash grant of BDT 30,000 for loss of business income by affected trader (based on average monthly income of BDT10,000 for 3 months)
13. Loss of income (wage earners in agricultural, small business and industry; excluding owners or employers)	•Regular employees/wage earners affected by the acquisition as identified by census.	Cash grant of BDT 19,500 (equivalent to 3 months average income
14. Loss of income from rented-out residential and commercial premises	Legal owner of the rented-out premises as identified by census.	 Grant for loss of rental income equivalent to Rental assistance for rented residential and commercial structures of BDT 3,000 (equivalent to 2 months rental income.
15. Rental assistance for renters in order to support them finding alternative place to rent	Tenants in rented structures as identified by census.	 Rental assistance for both residential and commercial tenantsof BDT 6,000 (equivalent to 4 month rent). Moving grant of 1500
16. Reconnection of utilities (gas, electricity, telephone, water, sewage, etc)	Legal subscriber as identified by DC (Eligible only when the affected households can submit evidence of past connections/bills/receipt)	Cash grant for new utilities connection will be provided by BR: (a) Gas connection = BDT 12000; (b) Electricity connection = BDT 7000; (c) Telephone connection = BDT 5000; (d) Water connection = BDT 6000; (e) Sewage connection = BDT 6000.
17. Assistance to vulnerable households	Households under the poverty level and whose head of household are elderly, disabled and very poor	BDT 8200 as one time grant in addition to other compensations
18. Assistance to poor female-headed households	Households headed by women and under the poverty level.	BDT 10000 as one time grant in addition to other compensations

Category of Losses	Persons Entitled	Entitlements
19. Livelihood improvement programme	One member of each vulnerable household as well as households losing 10% over of their total income.	 Cost of program implementation (as separate line in budget summary Table 10.1). BDT 16000 to be provided as "seed grant" to each trained member with a business plan reviewed and approved by PMU/Resettlement Unit.
20. Personal finance management program	All households losing structure/trees/crops/land.	 Cost of program implementation (estimated at BDT 3,000/household).
21. Assistance in identifying available land/space/structure to rent or buy	All households losing their homestead or business structure or rented structure.	•Cost of program implementation (as separate line in budget summary Table 10.1).
22. Unforeseen adverse impacts	Households/ persons affected by any unforeseen impact identified during RP implementation - for instance, any Project induced impacts	Compensations /allowance and assistance depending on type of loss will follow entitlement matrix
23. Temporary impact during construction	Households/ persons and/or community affected by construction impacts	 The contractor shall bear the cost of any impact on structure or land due to movement of machinery and in connection with collection and transportation of borrow materials as per entitlement matrix (see entitlement measure # 11). All temporary use of lands outside proposed RoW to be through written approval of the land owner and contractor. Land will be returned to owner rehabilitated to original preferably better standard.

G. Relocation of Housing and Settlements

- 17. The households who will be physically relocated are either titled homestead/business owners, informal settlers (squatters) on BR land and renters. Most of the affected structures in urban centres tend to be businesses and in rural areas homesteads.
- 18. Most of these households (95%) stated their preference to remain in their current location in order to continue their present occupations. When asked about modalities for compensation, the survey shows that 75% of households would opt for cash compensation. 23% of them (mostly private land owners) said that they would rather get land for land.
- 19. The relocation of scattered homesteads in rural areas along a 72 km linear stretch is not pragmatic as it would imply concentrating the households in a few identified locations that would be away from their existing source of livelihood (farming). Most of the land owners will not lose a substantial amount of land and will be able to relocate on their residual land. Land title holders will receive on average BDT 6,301,383 (USD 81,098.88) per household as compensation, which is believed to be sufficient to rent or buy alternative plots. Non-title holders losing a homestead in rural sections will either relocate on residual land or rent within proximity. According to the rental availability and affordability survey, space and structures to rent in rural areas are readily affordable and accessible.
- 20. There is limited availability of BR land close to the stations in urban areas that would be sufficient to relocate affected households. Acquiring land from private owners to provide as compensation is not a pragmatic option, as this would entail affecting a new set of people in a cyclical way. Moreover, the rental availability and affordability survey confirmed that most

squatters in urban areas, who represent over 50% of the affected business owners, will not lose their homesteads, as they already own a house (60%) or are renting in town. Their income depends on being in the city and close to the stations. The survey also indicates that while rent from private individuals is affordable in urban centres (from BDT 750-1500/month) it is not widely available.

- 21. It is believed that the compensations, allowances and assistance measures proposed under this RP are sufficient to enable affected households to secure alternative spaces for their homesteads and businesses. The cash option for titled owners as well as informal settlers is very attractive. Firstly, households losing a primary structure (both titled and non-titled holders) will receive an estimated BDT 781,209 (USD 10,054.17), which represents 13 times the average annual income and is more than sufficient to cover several years of rent. As for renters, who will not be compensated for the structure, they will receive the equivalent of 4 month rent, which is sufficient time for them to find an alternative option. This should address the question of affordability of renting space in urban centres.
- 22. As for the availability issue, the INGO will assist all affected households losing land or structure (or rented structure) in identifying and securing an alternative space to rent or buy. One of its tasks will be to establish a list of available plots and structures to rent or buy and support the affected household with legal documentation and in negotiations. Assistance from the INGO was explicitly sought by the affected households as demonstrated by the survey (requested by over 80% of those surveyed). Furthermore, under the RP, BR will consider giving priority in re-allocating leases to former lease holders and affected businesses after modernisation of the station areas.

H. Grievance Redress Mechanism

23. Grievance redress mechanism (GRM) is a locally based, formalised way of accepting, assessing, and resolving community complaints concerning the performance or behavior of the Project. A two-tier Grievance Redress Committees (GRCs) has been established in this project to deal with all complaints related to RP implementation. The affected persons will be informed through consultations and FGDs during project implementation. This will also be clearly outlined in the public information booklet, APs will be informed that they have a right to resolve any land acquisition related grievance or complaints they may have. Grievances will be settled with their full representation in GRCs constituted by the Ministry of Railways with representatives from the Executing Agency (BR), the Implementing NGO (INGO) engaged for RP implementation, LGI representative (2) including one representative of the affected community. The APs will call upon the support of INGO to assist them in presenting their grievances to the GRCs. GRCs will review grievances involving all social, resettlement and environmental issues related to Project implementation. Grievances will be redressed within a month from the date of lodging the complaints.

I. Resettlement Cost and Budget

24. The total estimated budget for implementation of the Resettlement Plan is BDT 6,558.36 million (USD 84.41 million). Table C provides a summary of the LAR costs. Details are available in Chapter 10.

Table C: Costs and Budget - Summary

SI. No.	Head of Budget	Million BDT	Million USD
1. Land Acquisition Cost			
Α	Price of Land	1,305.04	16.80
В	Price of Structure	1,352.93	17.41
С	Price of Trees	59.97	0.77
D	Price of Crops	26.52	0.34
Е	Compensation for Fish Stock	2.00	0.03
F	Business Loss & Others	5.31	0.07
G	Premium of Total Property Cost	1,374.88	17.69
Н	Contingency	398.22	5.13
Sub-Total of Land Acquisition Cost 4,524.87 5			58.24
2. Resett	ement/Rehabilitation Cost		
I	Resettlement Allowance and Grants	1,853.56	23.86
J	Income Generation and Restoration	19.44	0.25
K	Cost of NGO for carry out Income Generation and Livelihood Restoration Programme (ILRP)	12.60	0.16
L	Assistance in identifying space to rent/buy	5.50	0.07
М	Relocation of three PCRs	4.70	0.06
N	RP Implementing NGO including Capacity Building & Training of officials of EA	47.50	0.61
0	RP External Monitoring NGO/Agency	7.00	0.09
Р	Contingency	83.19	1.07
	Sub-Total of Resettlement/Rehabilitation Cost	2,033.49	26.17
Total Estimated Budget 6,558.36 84.			84.41

25. This budget includes compensation for land, structures, trees, standing crops and fish, along with other resettlement benefits. Provision of contingency costs (10%) has also been calculated and incorporated in this budget to meet unforeseen expenses during RP implementation. The RP budget further includes capacity building of the Executive Agency (BR), the operational cost for the INGO and training cost of income generating activities for vulnerable households. INGO will review and adjust the budget further in consultation with BR prior to Project implementation. This budget is indicative of outlays for different expenditure categories assessed by census and IoL survey (May-June 2013 and February 2014) for physical assets and estimates of land for acquisition. These costs will be updated and adjusted once the land acquisition boundaries will be finalised and the Government adopts a price of land and other assets based on recommendations of the PVAC for replacement cost prior to implementation.

J. Institutional Arrangements for RP Implementation

26. BR will establish a Project Implementation Unit (PIU) for the implementation of the Project in which a resettlement unit (RU) will be set up for RP implementation. The PIU will be headed by the General Manager/Project Director (PD) and the RU by an Additional Chief Engineer (ACE). PD will engage a non-governmental organisation (INGO) to assist the RU in the implementation of the RP. The INGO will assist the RU in disbursing compensation and resettlement benefits to the Project affected persons as will be responsible for elaborating and

conducting the livelihood restoration programme, as well as key activities related to the implementation of the gender action plan that has been designed for the project and which purpose goes beyond this RP. BR will ensure land acquisition with assistance from Deputy Commissioners of Brahmanbaria and Comilla. The Construction Supervision Consultant (CSC) will act as external monitor (EM) and will have among its team of experts an international and national Resettlement Specialist. Besides, the Ministry of Railways will form various teams/committees such as Property Valuation Advisory Committee (PVAC), and Grievance Redress Committee (GRC) with representatives of BR, DC, LGI and APs for ensuring stakeholder participation and upholding the interest of the vulnerable APs.

K. Monitoring and Evaluation

27. BR will set up a Monitoring and Evaluation (M&E) system for collecting and analysing information on RP implementation in a systematic and continuous process and for identifying the constraint of the process. A multi-level monitoring system has been established that includes both internal and external members to provide feedback to the PIU as well as to assess the effectiveness of the RP implementation. Internal monitoring will be carried out by the RU and while external monitoring will be carried out by the Project Supervision Consultants. ADB will also monitor RP implementation activities during periodic mission. The monitoring reports will be accessible to stakeholders and posted in Project website.