

KINGDOM OF CAMBODIA

NATION RELIGION KING

RESETTLEMENT POLICY FRAMEWORK

FOR

**WATER SUPPLY AND SANITATION ACCELERATION
PROJECT
CAMBODIA**

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Prepared by the Ministry of Industry, Science, Technology & Innovation (MISTI) and the Ministry of Public Works and Transport (MPWT) 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 World Bank



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ABBREVIATIONS

AH	Affected Household
AP	Affected Person/People
COD	Cut-off Date
COI	Corridor Of Impact
DMS	Detailed Measurement Survey
DRP	Detailed Resettlement Plan
ESF	Environmental and social Framework
ESO	Environmental and Social Officers
ESS5	Environmental and Social Standard
GDR	General Department of Resettlement
GRM	Grievance Redress Mechanism
IOL	Inventory of Losses
IRC	Inter-Ministerial Resettlement Committee
IRC-WG	Inter-Ministerial Resettlement Committee-Working Group
LAR	Land Acquisition and Involuntary Resettlement
MEF	Ministry of Economy and Finance
MISTI	Ministry of Industry, Science, Technology & Innovation
MPWT	Ministry of Public Works and Transport
PRSC	Provincial Resettlement Sub-Committee
PRSC-WG	Provincial Resettlement Sub-Committee-Working Group
PWO	Private Water Operator
RCS	Replacement Cost Study
RGC	Royal Government of Cambodia
RPF	Resettlement Policy Framework
SEP	Stakeholder Engagement Plan
SOP-LAR	Standard Operating Procedures for Land Acquisition and Involuntary Resettlement
WASAC	Water Supply and Sanitation Acceleration Project
WB	World Bank
WTP	Water Treatment Plant
WWTP	Wastewater Treatment Plant

DEFINITIONS AND TERMS

Affected Households (AHs)/Affected People (AP): 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 AHs, it includes all members residing under one roof and operating as a single economic unit, who are adversely affected by a project or any of its components. In this Resettlement Policy Framework (RPF) the term used will be "AP"

Consultation: A process that (i) begins early in the project preparation stage and is carried out at different stages of the project and land acquisition cycle; (ii) provides timely disclosure of relevant and adequate information in Khmer language that is understandable and readily accessible to AP; (iii) is undertaken in an atmosphere free of intimidation or coercion with due regard to cultural norms; and (iv) is gender inclusive and responsive, and tailored to the needs of disadvantaged and vulnerable groups.

Corridor of Impact: It is the area which is required by civil works in the implementation of the Project, and it is agreed by the implementing agency and 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 for receiving compensation and the resettlement assistance by the project affected persons. As per WB ESSs para 20, the COD needs to be well-documented and communicated. Persons not covered can be eligible if they can show proof that they have been inadvertently missed during the census.

Detailed Measurement Survey (DMS): With the aid of detailed engineering design, this activity involves the finalization of the results of the inventory of losses, measurement of losses, 100% socio economic survey and 100% census of displaced persons.

Detailed Resettlement Plan (DRP): Prepared when detailed designs or land demarcation have been completed and the full impacts following a DMS are known.

Economic Loss: The 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.

Entitlement: Refers to a range of measures comprising compensation, assistance and income restoration, relocation support etc. which are due to the APs, depending on the type and severity of their losses, to restore their economic and social base.

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

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, for the purpose of constructing, rehabilitating, or expanding public physical infrastructure for the national and public interests with prior and just compensation.

Grievance Redress Mechanism (GRM): Refers to an established mechanism to receive and facilitate the resolution of affected persons' concerns and grievances/complaints about physical and economic displacement and other project impacts, paying particular attention to the impacts on vulnerable groups. As per WB ESS10, the grievance mechanism is expected to: (a) address concerns promptly

and effectively, in a transparent manner that is culturally appropriate and readily accessible to all project affected parties, at no cost and without retribution, and without preventing access to judicial processes. Affected people will be appropriately informed about the GRM and keep adequate records that are made publicly available, and (b) handling of grievances will be done in a culturally appropriate manner and be discreet, objective, sensitive and responsive to the needs and concerns of the project affected parties. The mechanism will also allow for anonymous complaints to be raised and addressed. In the context of this RPF, the GRM is for grievances/complaints arising from involuntary land acquisition and resettlement. The GRM for handling grievances/complaints related to other safeguard aspects like environment safeguard requirements labor and working conditions, etc. are stipulated in the Stakeholder Engagement Plan as per WB ESS10.

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

Income Support: Reestablishing the productive livelihood of the displaced persons to enable income generation equal to or, if possible, better than that earned by the displaced persons before the resettlement.

Indigenous Peoples: According to the World Bank's Environmental and Social Framework, the term "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:

- a) Self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by others; and
- b) Collective attachment to geographically distinct habitats, ancestral territories, or areas of seasonal use or occupation, as well as to the natural resources in these areas; and
- c) Customary cultural, economic, social, or political institutions that are distinct or separate from those of the mainstream society or culture, and
- d) 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. Information disclosure should be in line with the project's Stakeholder Engagement Plan and the requirements of ESS10, which require the disclosure of project information including: (a) the purpose, nature and scale of the project; (b) the duration of proposed project activities; (c) potential risks and impacts of the project on local communities, and the proposals for mitigating these, highlighting potential risks and impacts that might disproportionately affect vulnerable and disadvantaged groups and describing the differentiated measures taken to avoid and minimize these; (d) the proposed stakeholder engagement process highlighting the ways in which stakeholders can participate; (e) the time and venue of any proposed public consultation meetings, and the process by which meetings will be notified, summarized, and reported; and (f) the process and means by which grievances can be raised and will be addressed.

Inventory of Losses (IOL): 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 owners 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 all methods of obtaining land for project purposes, which 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 such land for income or livelihood purposes; (b) repossession of public land that is used or occupied by individuals or households; and (c) project impacts that result in land being submerged 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.



Meaningful Consultation: As per WB ESS10, is a two-way process that: (a) begins early in the project planning process to gather initial views on the 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 the prior disclosure and dissemination of relevant, transparent, objective, meaningful and easily accessible information in a timeframe that enables meaningful consultations with stakeholders in a culturally appropriate format, 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 Borrower. Under this RPF, which is specific for land acquisition and involuntary resettlement, the meaningful consultation refers to consultation in respect of land acquisition and involuntary resettlement (LAR) which is clearly stipulated in the Government's Standard Operating Procedures for LAR and incorporates all the above elements.

Physical Loss: The 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 a displaced person from her/his pre-project place of location and/or business to another location or shifting back.

Replacement Cost: Involves replacing an asset, including land, at a cost prevailing at the time of its acquisition. This includes fair market value, transaction costs, interest accrued, transitional and restoration costs, and any other applicable payments, if any. 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. Depreciation of assets and structures should not be considered for replacement cost. As per WB ESS, replacement market is the value as established through independent and competent real estate valuation, plus transaction costs. The valuation method for determining replacement cost should be documented. Transaction costs include administrative charges, registration or title fees, reasonable moving costs, and any similar costs imposed on APs.

Relocation Assistance: The support provided to persons who are physically displaced by a project. Relocation assistance may include transportation, food, shelter, and social services that are provided to the displaced persons during their relocation. It may also include cash allowances that compensate displaced persons for the inconvenience associated with resettlement and defray the expenses of a transition to a new location, such as moving expenses and lost workdays.

Resettlement Policy Framework: Prepared when project components are not known and therefore land acquisition needs cannot be identified. The RPF will guide the preparation of future DRPs if these become necessary.

Voluntary Donations: 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. Other conditions under WB ESS5, footnote 10, apply, including that the donor benefits directly from project activities. Under WB ESS5, paragraph 6, ESS5 does not apply to voluntary, legally recorded market transactions unless such voluntary land transactions may result in displacement of persons other than the seller.

Vulnerable Groups¹: Group of affected persons who are likely to be more adversely affected by land acquisition than others and who are likely to have limited ability to re-establish their livelihoods or improve their status. Vulnerable persons are categorized as: (i) households living below the poverty rate as established by the RGC; (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, and (v) indigenous peoples (who often have traditional land rights but no formal titles).

¹ The group is classified under Sub-decree No. 291 ANKr. BK on Identification of Poor 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 Resettlement Policy Framework (RPF). The Executive Summary should not be relied for full information; the full RPF should be read for this purpose.

2. This RPF has been prepared by the Ministry of Industry, Science, Technology & Innovation (MISTI) and the Ministry of Public Works and Transport (MPWT) and under the guidance and direction of the General Department of Resettlement (GDR) of the Ministry of Economy and Finance (MEF). The RPF is part of the Environmental and Social Management Framework. This RPF will be applied to all investments to be financed by the World Bank (WB) Group for technical and/or financial support for the Water Supply and Sanitation Acceleration (WASAC) Project. The RPF has been prepared in line with the Royal Government of Cambodia's (RGC's) Standard Operating Procedures (SOP) on Land Acquisition and Involuntary Resettlement (LAR) 2018, and the World Bank Environmental and Social Framework (ESF) 2016.

3. This RPF has been prepared for the proposed Water Supply and Sanitation Acceleration (WASAC) Project to be implemented in the two components, Component 1 under MISTI and Component 2 under MPWT. Component 1 will finance activities for provincial water supply in the proposed towns and districts such as the provincial towns in Pursat, Battambang and Mondul Kiri Provinces, and in some other districts in Battambang Province and other areas that will be identified during project implementation. Component 2 will finance activities for sanitation improvement in the proposed provincial towns and other areas such as Ta Khmau in Kandal Province, Battambang and Pursat cities.

4. 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 (DRP) will be developed when and if necessary, in close consultation with affected stakeholders and the WB. Clearance of future DRPs by the WB will be necessary.

5. The proposed WASAC Project aims are (i) to accelerate water supply infrastructure development which will support piped water supply development in selected provinces that will address service gaps in both the provincial municipalities and areas outside the provincial municipalities. This development will focus on the extension and densification of the water supply network in the service areas of public water supply utilities in the selected areas with surplus water production capacity by increasing the number of household connections (ii) to support the sectoral and regulatory capacity that will strengthen the implementation effectiveness of the regulatory framework at MISTI and it will also support the Government's proposal to transform public water utilities into autonomous utilities by supporting the development of necessary conditions and plan to achieve sustainable operations and institutional capacity buildings. As for Sanitation, to be carried out by MPWT, the project's aims are: (i) to support sanitation infrastructure development that will be able to extend wastewater collection networks and provide household connections to sewerage in selected provincial municipalities to deliver wastewater to the existing or planned wastewater treatment plants; (ii) to assist in sectoral and institutional support that will strengthen institutional capacity at national level in visioning, strategic planning and implementing regulations.

6. In Cambodia, the Expropriation law (2010) is the main legal framework that governs land acquisition and involuntary resettlement. Under Article 3 of the Expropriation Law that governs the provision for projects financed by development partners in Cambodia, the RGC issued in 2018 the Standard Operating Procedures (SOP) for Land Acquisition and Involuntary Resettlement (LAR). The General Department of Resettlement (GDR) of the Ministry of Economy and Finance (MEF) is responsible for providing guidance and clarification to users of the SOP-LAR. Given that the proposed WASAC Project will be financed through the International Development Association of the WB Group, the SOP-LAR is the guiding RGC sub decree for land acquisition and should be read together with this document. This RPF also complies with the WB's Environmental and Social Standard 5 (ESS5) on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement. There are some minor, but not significant, gaps between the policies of the SOP-LAR and ESS5, which are addressed and clarified in this RPF.

7. The proposed WASAC Project will need to apply appropriate approaches, if necessary, in order to manage the resettlement strategies to comply with the WB ESS5 by:

- a) Adjusting any designs to avoid impact on land and assets within the subproject areas.



- b) Minimizing the impacts if they cannot be avoided.
- c) Where land acquisition impacts occur, we need to deliver (i). compensation at market or full replacement value for land and lost assets or land-for-land replacement and (ii). compensation paid before the beginning of the construction works, with the resettlement framework/plan publicly disclosed and information provided about the grievance process.

8. This RPF covers resettlement where land, or assets, are involuntarily acquired. Voluntary contributions, with proper information and documentation as explained in this RPF and in compliance with requirements of the ESS5, can be justified because the water supply or sanitation systems will directly benefit the people who are living/operating in the areas of those systems, and the benefits from clean water or improved wastewater disposal may far outweigh the impact on the lost assets. Furthermore, those donating land must be informed of the choices available to them, including compensation, that they can refuse to donate, have confirmed in writing their willingness to donate, that no household relocation is involved, and that the amount of land being donated is minor and its loss will not affect the donor's livelihood. Besides the process for voluntary donation and involuntary land acquisition, the RPF also details the institutional arrangements and responsibilities, consultations, information disclosure, funding arrangements and monitoring.

9. The RPF applies to permanent or temporary physical and economic displacement as described in the SOP, and compliant with WB ESS5. All affected households (AHs) or other affected persons/people (APs) who have assets in the construction areas before the Cut-off Date (COD) will be eligible for compensation as described in this RPF, regardless of their legal status.² Eligibility will be determined with regards to the COD, which will be the last day of the first round of consultations, when the project/construction area and the impacted lands will be identified, and through announcement in the consultations and posting on commune/Sangkat/public boards and/or at pagodas. Those who encroach into/or occupy the project area after the COD will not be eligible for any compensation or any other assistance.

10. The RPF outlines the Grievance Redress Mechanism (GRM) to be established as an arrangement for receiving, recording, assessing and facilitating the resolution of complaints and grievances raised by the affected persons in relation to the proposed WASAC Project. The RPF also describes the process for consultation and information disclosure for land acquisition. This RPF was disclosed to the public prior to the WB's appraisal of the WASAC Project on the websites of the World Bank, MISTI and MPWT.

² For convenience, AH will be used to imply both affected households and other affected parties, such as businesses, in the rest of the document.

1 PROJECT DESCRIPTION

1.1 Project Objective

11. The Project Development Objective (PDO) is to increase access to safely managed water supply and sanitation services in selected areas, strengthen institutions for water supply and sanitation service delivery and in case of an eligible crisis or emergency, respond promptly and effectively to it.

12. The proposed WASAC Project has three components, (i) Province-wide Water Supply Development, (ii) Provincial Municipality Sanitation Development; (iii). Contingent Emergency Response Component (CERC). The first two components will comprise infrastructure development and support to address sector level issues to improve the enabling environment for acceleration of access and sustainability of clean piped water supply and the provision of safe wastewater disposal.

1.2 Project Components

1.2.1 Component 1: Province-wide Water Supply Development

13. Component 1 focuses on increasing access to safely managed water supply service through the development of piped water supply system across the selected provinces by supporting public provincial waterworks and private water operators to expand and improve their service, while at the same time bringing in professional water operators to the greenfield areas. Under this component, a "province-wide approach" will be adopted where investments to expand piped water supply³ in provincial municipalities and other potential districts outside provincial municipalities would be considered in totality and fostering an enabling environment at the sector level to accelerate progress, and at the operational level, to sustain long-lasting investment. Implementing such an approach would require clear financing framework to support private water operators, along with capacity building support and regulatory enforcement. This component is proposed to include three sub-components covering (i) the support to selected provincial waterworks (who operate within the provincial towns), (ii) the support to improve water supply systems owned and operated by the private operators outside provincial towns, and (iii) the sector-level governance support and project management support.

14. *Sub-component 1.1: Water Supply Expansion and Modernization of Public Water Utilities in the Battambang, Pursat and Mondul Kiri Provinces:* The support will be provided to extend water supply network and build water treatment plant in Battambang, Pursat and Mondul Kiri municipalities which are currently operated respectively by the provincial waterworks. The support will also be provided to the three waterworks to strengthen their operational performance and modernization, along with the support to help the government in transforming the waterworks, which are currently public entities, into state-owned corporatized waterworks. The additional role of provincial waterworks may also be developed and strengthened to expand their reach in offering continuous technical backstopping support to private water operators within the respective provinces.

15. *Sub-component 1.2: Water Supply System Development and Improvement Outside Service Areas of Public Water Utilities in the Battambang and Pursat Provinces:* A framework to support private water operators (PWOs) will be developed to enable water operators to professionalize their operation, to expand their service coverage within their licensed areas, and to densify their network within the existing service areas. The framework will be developed such that PWOs are classified into different categories based on their performance, whereby proposed project support will be tailored to each PWO based on the categorization and the specific characteristics of the PWO. The proposed project support options may consist of a mix of investment finance support (likely in the form of a range of viability gap financing and tailored debt options), and technical assistance support to PWOs including through enhanced and continuous technical backstopping. The above support options are proposed to be underpinned by regulatory measures aimed at exiting weak performers and non-starting PWOs that are unviable for support at the current scale or level of service. These may be complemented by incentives for aggregation of PWOs to facilitate improved operations and investment capacity. While the proposed framework is envisaged to be a country-wide framework, Sub-component 1.b will support initial

³ Note that there are two types of piped water supply in Cambodia: one run by operators (public or private) based on financial return on tariff, and another run by community. The project supports the former.

implementation in two provinces.⁴ Support will also be provided to attract stronger private operators to greenfield sites, where feasible, by strengthening the qualification- and selection criteria of the PWOs coupled with relevant financial support.

16. Sub-component 1.3: Water Supply Institutional Strengthening, Capacity Building, and Project Management: This sub-component is proposed to complement Sub-components 1.1 and 1.2, recognizing that effective regulation is essential to incentivize improved service quality and efficiency, as well as customer orientation. Support is envisaged for rationalization of reporting protocols; support to service providers in meeting regulatory requirements; improving monitoring architecture, including through greater delegation to sub-national entities and enhanced use of digital systems – including ensuring the Water Supply Monitoring System⁵ is functional and effectively used; and strengthening customer feedback. Support will also be provided to foster joint planning and coordination in water resource management in close collaboration with the proposed Bank-financed Cambodia Water Security Improvement Project. Support will also be provided to MISTI in undertaking project management of Component 1,

1.2.2 Component 2: Provincial Municipality Sanitation Development

17. This component is proposed to consist of two sub-components including (i) provincial town sanitation system development, and (ii) national sector support and project management.

18. Sub-component 2.1: Sanitation system development in Battambang, Pursat and Ta Khmau municipalities: Activities will support extension of wastewater collection networks and provision of household connections to the sewerage network in selected provincial municipalities to deliver wastewater to existing (or planned) wastewater treatment plants developed under other projects. Support will also be provided to develop new wastewater treatment plants, including fecal sludge treatment facilities, wastewater collection networks and house connections in areas of selected provincial municipalities where services are currently not available. Adopting the concept of City-Wide Inclusive Sanitation (CWIS), support will be provided for city-wide planning for sanitation to guide investments in sanitation in selected municipalities, to ensure that sanitation solutions are proposed for all parts of the municipalities. In turn, development of fecal sludge management services in selected provincial municipalities to complement network wastewater investments will be supported. Consideration will also be given to identify solutions that are suitable for the specific context of the selected municipalities, including decentralized systems, simplified sewerage, where possible. In tandem with wastewater investments, project funds will support investments in limited key drainage infrastructure in selected municipalities to reduce water logging or flooding that may damage wastewater infrastructure and/or affect performance of the wastewater system. Alongside infrastructure, support will also be provided for the establishment and development of institutional and operational capacity of a wastewater entity at municipality level to ensure sustainable operations, including option to engage private operator, where possible, for operation and maintenance. Application of a tariff framework for sanitation in municipalities will be supported with the objective to introduce a tariff system that may cover the operation and maintenance expenses of sanitation services, inclusive of fecal sludge management services.⁶ Implementation of sanitation uptake programs (sewer connections and pit emptying service) will be also supported.

19. Sub-component 2.2. National sector support and project management: Activities will support strengthening of institutional capacity of MPWT and relevant agencies for sector visioning, strategic planning, setting up benchmarking system for sanitation, coordinating with provinces to establish sustainable operational management of sanitation at the provincial level, and implementing relevant regulations including tariff framework. Support will also be provided to MPWT in undertaking project management of Component 2.

⁴ The number of provinces to be supported under Sub-component 1.2 will be reconfirmed closer to appraisal.

⁵ The Water Supply Monitoring System was developed by MISTI with the Bank's TA and is currently being revamped.

⁶ The work on development of tariff framework is ongoing under the current WaSSIP Project (P163876)

1.2.3 Component 3: Contingency Emergency Response Component

20. Under Component 3: Contingency emergency response component, this component is to enable response to unexpected crises and emergencies during the project implementation period. The contingency emergency response component will be established and managed in accordance with the provisions of the World Bank Policy and World Bank Directive on Investment Project Financing.

1.2.4 Project Locations

21. The project locations are tentatively identified in target provinces: Battambang, Pursat, Ta Khmau of Kandal province, and Mondul Kiri. While towns of these provinces are classified as urban areas, access to piped water and sanitation in these provinces remains a challenge. The selection of sites for investment in districts/towns outside the provincial municipality will be carried out taking into account measures to minimize E&S risks and impacts arising from the investment.

1.3 Land Acquisition Impacts and Rationale for Resettlement Policy Framework

22. The sites for construction works under the WASAC Project are yet to be identified and selected; therefore, it is not yet possible to determine the scope of land acquisition and resettlement impacts in the specific locations, even where tentative plans have been prepared. As recommended by GDR/MEF, priority will be given to using existing state lands for the sites of the main infrastructure: the water treatment plants and the sewage treatment plants, and any other major facilities. Other lands will be acquired only if state lands are not available.

23. If private lands are to be acquired, they can be obtained through several methods.

- 1) The land can be purchased through voluntary commercial land transactions, or willing-buyer/willing-seller arrangements. Such transactions require due diligence to be conducted to confirm the purchase was indeed voluntary, done without coercion, and at a fair market price.
- 2) The land can be obtained through involuntary acquisition, under the conditions of the Cambodian government's SOP-LAR and the World Bank ESS5, both described in Section 2 below.
- 3) The land can be obtained through voluntary donations, which the landowners are expected to benefit from the project, that no household resettlement is involved, and the donation is minor, without affecting the donor's livelihood. Voluntary land donations may be considered provided that they meet all the criteria under the WB ESS5, including the donors being informed of all options available, has the right to refuse to donate, is not coerced to do so, and confirms the donation in writing. The conditions under which such donations are permitted, including conditions if the land is considered community property, and the process for such donations is described in Section 3 below.

24. This RPF provides screening criteria for the subprojects where there will be construction activities, to determine if any land acquisition impacts will occur, and if so, the steps required to address and mitigate any of the land acquisition impacts. A screening form to determine the need and extent of land acquisition and resettlement is provided in Annex 1.

25. The sites for the water treatment plant (WTP) and intake for Battambang have been identified, and these belong to Battambang Waterworks Unit. The site for the WTP in Pursat remains to be identified and may require acquisition of private lands. Sites for the proposed wastewater treatment plants (WWTP) in Ta Khmau and Pursat and for pumping stations and other facilities for those subprojects and for Battambang also remain to be finalized, and thus could require acquisition of private lands.

26. Installation of water pipes and sewerage lines is planned to be within the right of way (ROW) of existing roads. There will be temporary disruption to those living or working on the sides of the roads as well as to access roads while construction takes place. This may lead to temporary losses to income or livelihoods by businesses along the roads and some assets may be impacted and lost, if fences or other structures have been built for their residence and businesses or trees planted within the

ROW by residents.

27. To the extent possible, water mains and sewage lines will avoid passing through private lands. However, if any pipelines need to be laid under private lands, whether along narrow roads or in any other part of the systems, those lands will be acquired in line with the requirements of SOP-LAR and the World Bank's ESS5 discussed below. This will ensure continuing and full access to those water pipes and sewage lines for future maintenance and repairs. As with the construction of water treatment plants, wastewater treatment plants, and other major infrastructure, the civil works to lay these pipelines can commence only after ownership of all the private lands through which they are to pass has been transferred to the subproject.



2 LEGAL FRAMEWORK

2.1 National Legal Framework

28. The Royal Government of Cambodia's (RGC's) Expropriation Law (2010) is the main legal framework that governs land acquisition and involuntary resettlement (LAR). The Expropriation Law (2010) listed the development of public infrastructure as one of its objectives. The Constitution (Article 44) states that expropriation shall be exercised only in the public interest. 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 in advance to the owner and/or holder of real right.

29. Key Articles include:

- Article 2: The law has the following purposes: (i) ensure reasonable and just deprivation of a legal right to ownership of private property; (ii) ensure payment of reasonable and just prior compensation; (iii) serve the public and national interests, and (iv) development of public physical infrastructure.
- Article 7: Only the State may carry out an expropriation for use in the public and national interests;
- Article 22: An amount of compensation to be paid to the owner of and/or holder of rights in the real property shall be based on the market value of the real property or the alternative value as of the date of the issuance of the Prakas on the expropriation scheme. The market value or the alternative value shall be determined by a11 independent commission or agent appointed by the expropriation committee.
- Article 29: For the expropriation of a location that is operating business activities, the owner of the immovable property shall be entitled to additional fair and just compensation for the value of the property actually affected by the expropriation as of the date of the issuance of the declaration on the expropriation project. 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.

30. Under the Article 3 of the Expropriation Law (2010) that governs the provision for projects financed by Development Partners in Cambodia, the RGC issued in 2018 the SOP-LAR. The SOP-LAR reflects the policies, regulations and procedures relating to the acquisitions of land and involuntary resettlement consistent with the safeguard policies and procedures of multilateral banks like ADB and the 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 provisions of latter will prevail.

31. The SOP-LAR has been promulgated under Sub Degree No22 ANK/BK on 22 February 2018 and applies to all externally financed projects in the Kingdom of Cambodia. The General Department of Resettlement (GDR) of the Ministry of Economy and Finance (MEF) is responsible for providing guidance and clarification to users of the SOP-LAR. Given that the proposed WASAC Project is a donor-funded, the provisions of SOP-LAR will apply to this proposed WASAC Project and therefore should be read together with this RPF.

2.2 World Bank ESS5 on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

32. The objectives of the World Bank policy on land acquisition, restrictions on land use, and voluntary resettlement are:

- To avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives.
- To avoid forced eviction.
- To 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 displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

- 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.
- To conceive and execute resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the project, as the nature of the project may warrant; and
- To ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.

33. According to ESS5, replacement cost is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, 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 and included in relevant resettlement planning documents. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, and any similar costs imposed on APs. To ensure compensation at replacement cost, planned compensation rates may require updating in subproject areas where inflation is high or the period between calculation of compensation rates and delivery of compensation is extensive.

34. The applicability of ESS5 is established during the environmental and social assessment stage. This ESS applies to permanent or temporary physical and economic displacement resulting from the following types of land acquisition or restrictions on land use undertaken or imposed in connection with project/subproject implementation:

- Land rights or land use rights acquired or restricted through expropriation or other compulsory procedures in accordance with national law.
- Land rights or land use rights acquired or restricted through negotiated settlements with property owners or those with legal rights to the land if failure to reach settlement would have resulted in expropriation or other compulsory procedures.
- Restrictions on land use and access to natural resources that cause a community or groups within a community to lose access to resource usage where they have traditional or customary tenure, or recognizable usage rights. This may include situations where legally designated protected areas, forests, biodiversity areas or buffer zones are established in connection with the project.
- Relocation of people without formal, traditional, or recognizable usage rights, who are occupying or utilizing land prior to a project specific cut-off date.
- Displacement of people because of project impacts that render their land unusable or inaccessible.
- Restriction on access to land or use of other resources including collective property and natural resources such as marine and aquatic resources, timber and non-timber forest products, fresh water, medicinal plants, hunting and gathering grounds and grazing and cropping areas.
- Land rights or claims to land, or resources relinquished by individuals or communities without full payment of compensation and
- Land acquisition or land use restrictions occurring prior to the project/subproject, but which were undertaken or initiated in anticipation of, or in preparation for, the project/subproject.

35. It should be noted that ESS5 on land acquisition, restrictions on land use, and voluntary resettlement does not apply to voluntary, legally recorded market transactions, also known as willing buyer-willing seller (WBWS), in which the seller is given a genuine opportunity to retain the land and to



refuse to sell it and is fully informed about available choices and their implications. However, if such voluntary land transactions would result in the displacement of any persons, other than the seller, who occupy, use or claim rights to the land in question, the conditions of ESS5 will apply to that land transaction as well.

2.3 Discrepancy Between WB's ESF and RGC's SOP-LAR

36. The WB's ESS5 recognizes that project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons. Therefore, the objectives and principles of LAR stipulated in the RGCs SOP-LAR are the same as those outlined in the WB's ESS5. The SOP-LAR is consistent with the specific requirements under the WB's ESS5 on consultation, grievance redress, social support, livelihood restoration, resettlement assistance, the 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, supervision and monitoring of implementation of resettlement plans. However, the key departure is on negotiated settlement and voluntary donations.

37. The procedures for negotiated settlement and voluntary donations are not described in the SOP-LAR. This does not prevent the acquisition of land through negotiated settlement as the GDR has a lot of experience in acquiring land through negotiated settlement particularly in ADB and WB financed projects. The RPF spells out the detailed procedures that the GDR will follow in case there is a need for involuntary acquisition of land and describes the procedures that will be followed in case of acquisition of land through negotiated settlement.

38. The key requirements under ESS5 and the corresponding provision in the SOP-LAR demonstrating the discrepancy in voluntary land donations is presented in Table 1, and the minor gaps are between the two are clarified in Table 2.

Table 1: Summary of Main Discrepancy Between RGC's SOP-LAR and WB's ESS5

Items with	RGC's SOP-LAR	WB's ESS5	Measures to Address Differences
Voluntary Donations	The SOP-LAR deals with land acquisition and involuntary resettlement and therefore does not provide guidance on voluntary donations.	WB ESS5 is also applicable to cases where affected people choose to voluntarily donate land or assets based on conditions set in footnote 10 of ESS5: (a) the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them; (b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation; (c) 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; (d) no household relocation is involved; (e) the donor is expected to benefit directly from the project; and (f) for community or collective land, donation can only occur with the consent of individuals using or occupying the land.	This RPF provides guidance in line with ESS5 on when voluntary donation would be appropriate and the process of carrying out the necessary due diligence for land donations, including documentation which will need to be followed by the clients.

Table 2: Summary of Clarifications Between RGC's SOP and WB's ESS5

Items for Clarification	RGC's SOP-LAR	WB's ESS5	Clarification
<ul style="list-style-type: none"> Livelihood Restoration and Assistance 	<ul style="list-style-type: none"> The SOP-LAR details specific measures to AHs who lose their source of livelihood permanently to restore their livelihood which are land-based, employment-based and business-based. Special assistance is provided to poor and vulnerable groups. 	<ul style="list-style-type: none"> Provision of livelihood restoration and assistance to achieve WB's ESS5 objectives in cases of significant loss of livelihood to assist displaced persons in their efforts to improve, or at least restore their livelihood and living standards. 	<ul style="list-style-type: none"> Based on SOP-LAR, an income restoration program would be provided to reestablish sources of livelihood for those AHs who have permanently lost their sources of livelihood. DRPs, if needed, will include provisions to ensure livelihood restoration programs are robust and can accurately meet the livelihood restoration objectives in line with WB's ESS5.
<ul style="list-style-type: none"> Grievance Redress Mechanism 	<ul style="list-style-type: none"> Appendix 8 of the SOP-LAR provides the structure and details on the operating guideline 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 each step are also provided in the SOP-LAR. 	<ul style="list-style-type: none"> Annex-1 of ESS10 includes details of administrative and judicial process on Grievance Redress Mechanisms to handle grievances/complaints under all ESS. Participation in resettlement planning and implementation, including in developing appropriate Grievance Redress Mechanisms that are useful and accessible to local people. 	<ul style="list-style-type: none"> The SOP-LAR ensures that there will be consultations with AHs at various stages including during the preparation and implementation of DRP. Prior to the preparation of DRP, consultation is carried out to confirm eligibility criteria and discuss entitlement matrix and to introduce the GRM. In addition, copies of the guidelines for GRM are translated in Khmer and provided and explained in detail to AHs during the public consultation process. There are clear mechanisms for grievance redress in the SOP-LAR and the GRM is made. While the mechanisms are clearly set out, GDR will ensure it is accessible to all AHs, in particular vulnerable AHs and women.
<ul style="list-style-type: none"> Consultations and Stakeholder Engagement 	<ul style="list-style-type: none"> The SOP-LAR details a number of steps to conduct consultations at various stages of the process and 	<ul style="list-style-type: none"> ESS1 & ESS10 are required for all the projects. The stakeholder engagement with affected and interested 	<ul style="list-style-type: none"> Meaningful consultations as per WB's ESS10 will be conducted, with particular attention to

	<p>compensation.</p> <ul style="list-style-type: none"> • Para 126 of SOP-LAR specifically mentions that the consultation is undertaken throughout the project cycle. • SOP-LAR provides a clear mechanism for stakeholder engagement for land acquisition and involuntary resettlement. • The SOP provides for disclosure of the RPF to the stakeholders and public before approval of the project. Similarly, the DRPs are also disclosed to stakeholders and public after approval by the development partner. 	<p>stakeholders will be involved throughout the project cycle in line with the project's Stakeholder Engagement Plan (SEP), including ongoing consultations and document disclosures.</p>	<p>ensure that it is a two-way process, that allows for feedback from AHs and they are informed how their feedback was incorporated.</p>
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3 PRINCIPLES AND OBJECTIVES

39. The key principle guiding this RPF is to ensure that any AH who might lose any portion of the land or structures they own or use, or anyone who might lose any part of their livelihood from that land/location, even on a temporary basis, are to be adequately compensated; and that their living standards will be at the same level, if not better, than if there had been no project. This includes those with "no formal legal rights nor recognizable claims to such land/such as squatters or encroachers on government land.

40. The situations under which this may occur involve physical works, such as construction of new WTPs and WWTPs and the installation of water pipes and sewerage lines.

41. The approach of the proposed WASAC Project will follow the WB's mitigation hierarchy by:

- Adjusting designs to avoid impacts on land and assets;
- When impacts cannot be avoided, minimize them by exploring subproject design alternatives;
- Where land acquisition impacts remain, compensate people as per guidelines in this RPF and in compliance with SOP-LAR and ESS5.

42. This RPF 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 RPF to ensure that the donor(s) will benefit directly from the proposed WASAC Project, and the donation meets other criteria required under ESS5, as detailed in Section 3.3 below.

43. However, as per the provision of ESS5, this RPF will apply to the acquisition of lands through the willing seller-willing buyer method, which is a voluntary commercial transaction, legally recorded market transactions in which the seller is given a genuine opportunity to retain the land and to refuse to sell it and is fully informed about available choices and their implications. Lands acquired for the WASAC Project through the willing seller-willing buyer method will still need to have proper documentation, as described in Section 3.2 below. Furthermore, if any such voluntary land transactions result in the displacement of persons, other than the seller, who occupy, use, or claim rights to the land in question, the ESS5 will apply to the rights of those displaced persons.

3.1 Principles and Objectives on Involuntary Land Acquisition

44. Specific principles that will guide the process of involuntary land acquisition under the proposed

WASAC Project will follow the SOP-LAR and ESS5, and will:

- Avoid involuntary land acquisition or, when unavoidable, minimize involuntary land acquisition by exploring subproject design alternatives;
- Avoid forced eviction;
- Improve living conditions of the poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure;
- 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 displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre displacement levels or to levels prevailing prior to the beginning of proposed WASAC Project implementation, whichever is higher;
- Ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected; and
- To conceive and execute resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the proposed project, as the nature of the proposed WASAC Project may warrant.

3.2 Principles and Requirements for Voluntary Purchases

45. Some lands may be acquired through voluntary purchases, or the WBWS method, before the Project/Subproject is implemented with the assistance of GDR. As noted earlier, this RPF does not apply to such voluntary, legally recorded market transactions, so long as they meet the following conditions:

- The seller is the legal owner of the land,
- The seller has a genuine opportunity to retain the land and to refuse to sell it, and
- The seller is fully informed about available choices or alternatives to selling the land.

46. For the WASAC Project, Due Diligence Reports will need to be prepared to document the process of such land acquisition. The reports should be concise (a few pages) and should include information related to:

- 1) background information about the land purchased (location, ownership status, type of land, basic sketch of the land);
- 2) if GDR is involved, GDR will be only involved in acquiring the land through voluntary purchases in consistence with WBWS.
- 3) documentation demonstrating how the purchase is fair, voluntary, with the owners' informed consent, and the owners of the land are well informed of their choices, (including the fact that they can choose not to sell the land, without any consequences or undue influences); and
- 4) the owner was paid a fair price based on prevailing market values.

These conditions also apply if a third party has purchased the land for voluntary donation to the subproject or otherwise done so as an agent for either of the implementing agencies of this subproject.

47. Although the RPF does not apply to such transactions, if they result in the displacement of persons, other than the seller, who occupy, use or claim rights to the land in question, the ESS5 will apply to their loss of assets and sources of livelihood.

3.3 Principles and Requirements on Voluntary Land Donation

48. ESS5 stipulates the following conditions for any voluntary land donations: In some circumstances, it may be proposed that part or all of the land to be used by the project is donated on a voluntary basis without payment of full compensation. Subject to prior Bank approval, this may be acceptable providing the Borrower demonstrates that:

- (1) the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them;
- (2) potential donors are aware that refusal is an option, and have confirmed in writing

- (3) their willingness to proceed with the donation;
- (3) 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;
- (4) no household relocation is involved;
- (5) the donor is expected to benefit directly from the project; and
- (6) for community or collective land, donation can only occur with the consent of individuals using or occupying the land. The Borrower will maintain a transparent record of all consultations and agreements reached.

3.4 Principles Covering Relocation/Relocation Site Preparation

49. The WASAC Project might require limited physical relocation in some of the subprojects. If that occurs, the following principles and relocation site preparation should be made available to govern the RPF, including principles for compensation, resettlement, and livelihoods restoration which are in accordance with the WB ESS5. It should also be noted that the WASAC Project's Environmental and Social Management Framework includes in its exclusion/ineligibility criteria that any subproject requiring physical relocation and/or demolition of residential structures of over 50 households will not be considered. Should any physical relocation be considered, the following principles will apply:

- Physical displacement, economic and physical adverse impacts should be avoided where feasible or, if not possible, minimized by examining all available design alternatives, technology, and/or site selection. Where avoidance is not possible, impacts have to be mitigated.
- If the need for resettlement is unavoidable, resettlement activities should be conceived and executed as an integral part of the project, providing sufficient investment resources to enable the persons displaced by the project to enjoy the project benefits.
- All project's affected people (APs) will be meaningfully consulted and have the opportunities to participate in planning and implementing resettlement programs.
- A new site that AHs will be relocated to, should be available with common public infrastructures such as water, electricity, school, hospital and local market and it is not flooded in the rainy season including the allowance for transport, business disruption or economic displacement.
- Fair compensation will need to be paid to the APs who choose not to be relocated but demand for compensation of the affected assets such as registered land, structures, fruit trees and crop.
- If possible, provide some flexibility where a party derived substantial income from multiple illegal rental units. It includes provisions to protect and support women and vulnerable groups including documentation, training, access to credit and jobs.
- Establish resettlement principles, organizational arrangements, funding mechanisms, eligible criteria, entitlements matrix, feedback and grievance redress mechanism and monitoring and evaluation process on the physical relocation that may be identified during project implementation.

3.5 Eligibility Criteria

50. This RPF applies to permanent or temporary physical and economic displacement directly caused by the proposed Project as described in the SOP-LAR, and compliant with WB's ESS5. All APs who have assets in any subproject site before the COD for that subproject will be eligible for compensation, regardless of their legal status. Eligibility will be determined with regards to the COD, which will be the last day of the first round of consultations with affected people, when the sites for construction of any civil works have been identified, and through announcement in the consultations and posting on commune/Sangkat/public boards and/or at pagodas in the community. Anyone who occupies any portion of the subproject area after the COD will not be eligible for any compensation or any other assistance. The landowners and/or others using the land who have been identified as eligible for compensation can continue to use their land until they are fully compensated for their affected land and the land is formally transferred to the project.

51. This RPF does not apply to impacts on incomes or livelihoods that are not a direct result of land acquisition or land use restrictions imposed by the proposed WASAC Project. These impacts would be addressed under ESS1 of the ESF (Assessment and Management of Environmental and Social Risks and Impacts) and the sub-component's Environmental and Social Code of Practice or, if required, Environmental and Social Management Plan

3.6 Entitlement Matrix

52. The types of compensation or assistance for which AH/APs are entitled, depending on the types of their losses and their eligibility, is presented in the Entitlement Matrix in Table 3 below:

Table 3: Entitlement Matrix

Category	Type of Loss	Application	Category of AH	Entitlements	Clarification
1a	Loss of Land	Agricultural, residential and commercial land	Legal owners and holders of real right of land, 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 stamp duties, land registration fees and other similar taxes, if applicable, for acquiring legal rights in case of replacement land (land for land swap) ➤ For customary ownership, replacement land to sustain livelihood and way of life. ➤ Includes option of compensation at same replacement cost for affected land that remains after acquisition if remaining land becomes unviable or unusable. 	<ul style="list-style-type: none"> ➤ If land for land is offered to a married couple, title will be made jointly to both husband and wife. ➤ If cash compensation is provided to a married couple, payment will be made jointly to both husband and wife. ➤ Applies to only partial loss of land
				<ul style="list-style-type: none"> ➤ No compensation for loss of land as not legal owners of land 	
				<ul style="list-style-type: none"> ➤ No compensation for land loss as not legal owners of land 	
1b	Loss of Land	Agricultural, residential, and commercial land	Tenants and Leaseholders		
1c	Loss of Land	Agricultural, residential, and commercial land	Illegal occupiers/squatters without legal titles or rights to land		
2a	Loss of crops and fruit trees	Agricultural Land	All AHs who are engaged in farming, including tenants and leaseholders, and illegal occupiers or squatters	<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 the standing crop. ➤ For fruit trees, replacement cost of loss based on the following formula: 	<ul style="list-style-type: none"> ➤ RCS will determine the amount. ➤ Market Price is based on Farm-Gate Price.

Category	Type of Loss	Application	Category of AH	Entitlements	Clarification
				<p>(Quantity Harvested per year) X (Market Price) X (Number of years it will bear fruit) + Cost of Seedling.</p> <p>Perennial trees that have a growth period of more than 5 years are classified as follows:</p> <ul style="list-style-type: none"> ➤ Sapling Trees under 1 year will not be compensated as it can be replanted. Cost of seedling will be provided. ➤ Young tree (1 to 3 years): Valued at 1/3 of its full price as it can be replanted plus cost of seedlings. ➤ Young tree (From 3 to 5 years) bearing some fruits: Valued at 2/3 of its full price plus cost of seedlings. ➤ Mature Tree (More than 5 years) full bearing fruits: Valued at full price plus cost of seedlings. 	<p>Full Price is amount calculated from the formula shown in (above) without cost of seedling.</p>
2b	Loss of Business	Commercial Land and Businesses	All AHs who are engaged in businesses	<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 2 months. ➤ For businesses relocated on-site (move back or same area), an amount equal to loss of projected net income for one month. ➤ For operating of illegal nature of businesses like gambling, prostitution, drugs and similar types will not be compensated. 	<ul style="list-style-type: none"> ➤ RCS will determine the amounts. ➤ Both registered and unregistered businesses are compensated except when the nature of business is illegal.
3a	Loss of Houses and Structures	Residential, Commercial Structure and other Assets	Owners of houses, Buildings and Structures	<ul style="list-style-type: none"> ➤ Cash compensation equivalent to replacement value of lost portion of the house/building/structure. 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 of loss of only part of the houses/buildings/structure and the remaining portion is not moveable or useable, compensation will be paid for complete structure at same replacement cost. ➤ 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 	<ul style="list-style-type: none"> ➤ RCS will determine the replacement cost. ➤ When loss is 75 % or more of the floor space.
3b	Loss of Houses and Structures	Residential, Commercial Structure	Tenants and Leaseholders	<ul style="list-style-type: none"> ➤ Cash compensation at replacement cost for any improvements or construction by the tenants or leaseholders ➤ In case of no improvements or construction, no compensation is paid. 	<ul style="list-style-type: none"> ➤ RCS will determine replacement cost. ➤ Documentary evidence is required

Category	Type of Loss	Application and other Assets	Category of AH	Entitlements	Clarification
3c	Loss of Houses and Structures	Residential, Commercial Structure and other Assets	Illegal Occupiers/Squatters	<ul style="list-style-type: none"> ➤ Transfer/Disturbance Allowance equivalent to 1 month of rental or lease amount ➤ Cash compensation equivalent to replacement value of loss of structures constructed by illegal occupier/squatter 	<ul style="list-style-type: none"> ➤ RCS will determine replacement value.
3d	Loss of Houses and Structures (Transport Allowance)	Transport Allowance for household and personal goods	AHs	<ul style="list-style-type: none"> ➤ Fixed Lump Sum allowance per AH based on average cost of transportation to new relocation place. ➤ Up to 5 km ➤ More than 5 km 	<ul style="list-style-type: none"> ➤ RCS will determine the lump sum amount for the 2 rates.
Loss of Income and Livelihood					
4a	Loss of Income during the transition period-Subsistence Allowance	Loss of Income	AHs who lose income during transitional period (other than those under 2a and 2b)	<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 AH is classified as poor vulnerable group, the above lump sum amount is doubled. 	<ul style="list-style-type: none"> ➤ Monthly Poverty Rate as established by RGC.
4b	Permanent Loss of Livelihood Source due to Physical Relocation	Income Restoration	AHs who lose their source of livelihood permanently	<ul style="list-style-type: none"> ➤ Entitled to participate in any one of the 3 types of Livelihood Restoration/Support Programs: ➤ Land Based Livelihood Restoration for AHs engaged in land-based livelihood, (i) Facilitate access to other land-based sources of income, if productive land is available, like vegetable gardening, fruit trees, livestock, and other similar land-based income generating sources, (ii). Providing in training of farming or livestock and (iii). Lump Sum cash grant of USD 200 to restart land-based livelihood ➤ In case of unavailability of suitable land, the AHs can opt for either employment or business based-livelihood program or ➤ Employment Based Livelihood Restoration for AHs who lose employment permanently, (i) provision of employment skills training, (ii) lump sum cash grant equivalent to 3 months of income based on official poverty rate to supplement income support during the training period. 	<ul style="list-style-type: none"> ➤ Employment based for AH who lose employment-based livelihood. ➤ Business-based livelihood program for AHs who lose business-based livelihood. ➤ Can be provided for the AHs who may opt for this. ➤ AHs will only be eligible for any one of the above three options.

Category	Type of Loss	Application	Category of AH	Entitlements	Clarification
5	Impact during construction			<p>or</p> <ul style="list-style-type: none"> ➤ Business Based Livelihood Restoration for AHs who lose businesses permanently or AHs who opt for this as an alternative livelihood source, (i) provision of business skills, (ii) a lump sum cash grant of USD 200 to assist in starting micro or home-based business. ➤ For Poor and Vulnerable AHs: In addition to skills training, (i) Lump sum cash grant will be doubled and (ii) priority in any employment opportunity under the project. ➤ Land outside the alignment that is adversely impacted by the construction activities will be compensated in cash or in-kind at replacement cost by the civil works contractor 	<ul style="list-style-type: none"> ➤ Classification will be carried out during the DMS and in accordance with the established criteria prescribed in Section IV.D (SOP). ➤ Impacts due to construction (for example, damages of structures restricted access to business/income sources resulting from construction activities) and compensation measures will be included in the project environmental management plan. ➤ Principles adopted for this RPF apply for calculation of compensation.
6	Loss of Private Land	Agricultural, residential, and commercial land	Legal owners and holders of real right of land, including those covered by customary rights	<ul style="list-style-type: none"> ➤ A full amount of compensation will be paid to the private landowners and the land rate will be based on the average market price to be conducted by an independent agent or a consulting firm in case the installation of water and sewer pipes, intake stations, pumping stations, WTP, WWTP need to acquire the private land. 	<ul style="list-style-type: none"> ➤ General Department of Resettlement (GDR) of MEF will be responsible for such a compensation based on the rates specified in the RCS Report and updated accordingly, if it has expired by the RCS consultant.
7	Unanticipated impact		Eligible displaced persons	<ul style="list-style-type: none"> ➤ New displaced persons that will be identified (i.e., those who will be included among the adversely affected because of changes in subproject design or alignment prior to or even during construction works) are entitled to the same entitlements as those of the other displaced persons. 	<ul style="list-style-type: none"> ➤ GDR shall ensure the conduct of a social assessment and update or formulate a new RPF or a DRP addendum depending on the extent of impact changes. Unanticipated impacts will be documented and mitigated based on the principles provided in this RPF.

3.7 Steps of Land Acquisition and Resettlement Process for Involuntary Resettlement

53. In line with requirements in ESS1 and ESS5, the project will adopt a mitigation hierarchy which will:

- Adjust designs to anticipate and avoid land acquisition impacts;
- Where avoidance is not possible, minimize or reduce land acquisition impacts;
- Inform stakeholders of their right to compensation as described in the Entitlement Matrix in the SOP-LAR and presented below;
- Where negotiated settlement is not accepted by the AHs or fails, land acquisition will follow the process defined in the SOP-LAR and the preparation of a DRP will be required; and
- Pay compensation to the AHs before civil works begin, with appropriate disclosure of information and available grievance mechanism as described in this RPF.

3.7.1 Involuntary Land Acquisition

54. In principle, use of public lands will be the first and foremost priority for any construction under both components as recommended by GDR/MEF. In case if the public land is not available even if the subproject is redesigned, and landowners are not willing or not able to donate their land, involuntary land acquisition will be required, and the process will need to be implemented by GDR/MEF, as stipulated in the SOP.

55. Under the proposed WASAC Project, land acquisition might be required for civil works under both PMUs as stated in item 1.3 above and it has been estimated that the large-scale resettlement activities involving many AHs or affected parties are not expected. Furthermore, one of the exclusion / ineligibility criteria for WASAC Project excludes the support of any project that would require the physical relocation and/or demolition of residential structures of over 50 AHs.

56. If the draft detailed construction drawings show the subproject's components do not lie on state property and alternative sites are not available to avoid acquisition of private lands, MISTI or MPWT will first determine if those lands can be obtained through voluntary land donations, using the criteria and process described above in Section 3.4.1. If there is then a need for involuntary land acquisition, MISTI or MPWT will inform GDR in writing and provide GDR with the DEDs and COIs.

57. The IRC-WG with the assistance of PRSC-WG and local authorities MISTI/MPWT will carry out census and survey of the affected assets and the extent of land acquisition impacts. The IRC-WG and PRSC-WG with the assistance of local authorities will conduct consultations with the community and the affected persons/people to present the findings of the census and survey and explain the option of negotiated settlement or mandatory involuntary acquisition of land and other assets. The GDR will present a public information booklet which will point out the key principles and the compensation package set out in the Entitlement Matrix.

58. If there are less than 20 AHs, they will be offered payment of compensation through a proper negotiated settlement route for consideration. If all agree with the negotiated settlement route, this will be documented in the Minutes and signed by all the AHs and confirmed by the Commune or Village Chief. The AHs will be informed that the COD is the date of the consultation meeting, and this will be recorded in the Minutes. A Due Diligence Report will be prepared for each case and shared with the WB for information. This RPF and ESS5 will apply to any negotiated settlement, including the eligibility of those who own or otherwise use the land, the compensation package in the Entitlement Matrix, and any other conditions set out in this RPF.

59. In case of negotiated settlement, the following process will be followed:

- a) The GDR will conduct the DMS, and the RCS consultant will undertake a replacement cost study to determine the inventory of losses (IOL) and the replacement costs, respectively.
- b) The RCS will calculate the market value of the land that will need to be acquired.
- c) If there is a loss of income, the RCS consultant will calculate the amounts of losses based on the Entitlement Matrix (Table 3) of this RPF.

- d) 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.
- e) If there is physical displacement, transitional allowances will be provided at the rate shown in the Entitlement Matrix.
- f) The total amount of compensation will be calculated and offered as a lump sum amount.
- g) A contract will be prepared showing the breakdown and the total amount of the compensation and negotiated with each AH. Minutes will be prepared and signed by the IRC-WG and the AHs and witnessed by the Commune or Village official.
- h) If all AHs agree with their lump sum compensation package, the lump sum amount will be paid upon signing of the contracts.
- i) In case any AH does not agree to the negotiated settlement, the offer of negotiated settlement for all the AHs will be withdrawn and GDR will proceed to prepare the DRP for submission to WB for review and approval.
- j) A due diligence report on any negotiated settlement will be prepared after the process is completed and submitted to the WB.

60. If any of the AHs does not agree with the negotiated settlement route or there are more than 20 AHs, the meeting will be informed that a detailed measurement survey (DMS) will be carried out by GDR to prepare the DRP. The COD will be the same as the date of the Meeting, recorded in the Minutes and the AHs attending the Meeting are advised that only those households identified in the census prior to the COD will be eligible to receive compensation.

61. Following the consultation meeting, GDR will plan the schedule for conducting the DMS and RCS and inform the commune and village authorities in advance through the PRSC-WG and Commune/Village Offices at the province level.

3.7.2 Relocation

62. If the WASAC Project requires the relocation of residences or businesses for the construction of water treatment plants, wastewater treatment plants, or other facilities in the water supply or sanitation systems, the area required, and the number of affected persons/people would be small. The exclusion / ineligibility criteria limit the number to no more than 50 AHs. The SOP states that relocation should be considered when displaced persons are determined to be entitled to physical relocation, rather than other alternatives such as financial compensation. In the event relocation of households is required, the following process should be used, based on the SOP-LAR and ESS5.

- 1) If the draft detailed construction drawings show the need for physical relocation and/or demolition of residential structures, MISTI or MPWT will inform GDR of the potential need for relocation of AHs.
- 2) GDR will determine the estimated number of physical relocations, and whether a new resettlement site is required.
- 3) If only a few households are to be relocated, and there is sufficient space available in the community, individual sites for each AH may be sought within the general vicinity of the original location.
- 4) If a new resettlement site is required for a larger number of AHs or there is no space available in the existing community, the following guiding principles provided in the SOP will be followed in selecting the site:
 - The new site should be sufficiently close to the existing location to preserve social networks, community ties, and sources of livelihoods.
 - Even with larger number of AHs, to the extent possible, relocation should be within the community of their original residence.
 - The new locations should be near schools, hospitals, and employment opportunities, as well as access to water, power, and transport facilities.
 - If possible, State Land should be used, to avoid needing to acquire other private lands.
 - Any host communities and local authorities should be consulted to determine their willingness to accept the relocated AHs.
- 5) A list of the displaced persons entitled to relocation will be prepared.
- 6) If a new resettlement site is required, more than one potential site should be identified, and the AHs consulted on their preferred option. If individual relocations are being made, the AHs should also

- be given options to the extent possible.
- 7) A survey should be made of access to basic services and utilities, and access to employment and other livelihood sources.
 - 8) The preference for relocation of the AHs should be documented.
 - 9) If moving a number of AHs to a new resettlement site, determine the size of the land required based on the number of displaced persons for group relocation to a new resettlement site and the infrastructure facilities (internal roads, community facilities, water ponds) to be provided.
 - 10) If preparing a new resettlement site, prepare site plans and cost estimates for site development.
 - 11) During the transition period to the new location, the relocated AHs will be provided a short-term subsistence living allowance to compensate for the loss of income or livelihood during this transition.
 - 12) Costs of transport of household and other immovable assets will be provided.
63. The AHs should also be consulted and given the option of self-relocation to the preferred site of their choice.

3.7.3 Voluntary Land Donations

64. Under WASAC Project for both PMUs, Voluntary Land Donations can only be applied in cases where APs choose to voluntarily donate land or assets based on conditions set out in section 3.1 above. The following procedures will be applied if any sub-projects involve the physical relocation or resettlement impacts:

- The subprojects causing physical relocation of more than 50 households will not be eligible.
- The subprojects causing any physical relocation, or any resettlement impacts are not eligible under PWO grants.
- This RPF still covers the whole project and provides guidelines for screening of all project activities.
- Subprojects that cause resettlement impacts of less than 50 households are allowed and, in such cases, DRPs will be prepared as per this RPF to compensate and mitigate impacts.

65. Once the construction area is defined, either MISTI or MPWT will conduct land acquisition screening to see if there are any assets in the COI that may be impacted, such as fruit trees or other economic trees, fences or other structures.

66. Those with assets in the COI, who fulfil the criteria for voluntary donations outlined in this RPF, will be consulted on the various options available to them, including their right to refusal, and advising them that they would be reneging on their right to compensation. Consultations should include anyone that may also be a user of the asset, such as a person leasing a business stall, and anyone else who might have claim to the land, such as other family members, to determine that they agree to the donation. MISTI or MPWT should make careful documentation of people with assets in the COI and set a COD, to ensure people do not further encroach on the WASAC's subproject locations. If anyone other than the donor is using the land, that person or persons may be eligible for compensation for the loss of their assets under this RPF.

67. At the stage of consultations, the client's officers or the consultants will need to check that those who plan to voluntarily donate their land meet the criteria under ESS5 as provided in Section 3.1 above.

68. If all people in a given COI meet the criteria as described above and agree to voluntary donation, MISTI and MPWT will continue the consultation process to inform people of procedures for voluntary donations and timelines. Consultations are expected to be ongoing before, during and after the civil works. MISTI and MPWT will conduct a detailed survey of assets to be donated.

69. MISTI and MPWT will be responsible for carefully documenting the voluntary donation process and compiling a report which will be submitted to the WB for approval and need to include:

- Project's name and location.
- Description of the construction area, the COI and the extent of impacts on assets.
- Description of consultation activities that take place to inform people of the project and their rights to compensation and donation.

- List of voluntary asset contribution.
- Amount of the affected land (must be less than 10% of the total land) and confirm it will not materially impact the livelihood of the donor.
- Assessing the vulnerability of the donors (poor, vulnerable/disadvantaged people, indigenous peoples).
- List of people donating, disaggregated by gender (each donor needs to sign/thumb-print to confirm their fully informed consent).
- Minutes of meetings disclosing the project, informing about rights and options in the project, and notes on house-to-house consultation activities on voluntary donations.

70. A Voluntary Asset Donation Form is provided in Annex 2, to be used at the start of any consultations and help document potential donations.

71. The GDR will not be involved in the voluntary land donation process. Voluntary land donation will be the sole responsibility of MISTI and MPWT and will require clearance by the W B.

3.8 Cut-off Dates

3.8.1 Voluntary Donations

72. For voluntary donations, the COD should be set by MISTI/MPWT at the end of the first round of consultations to ensure people do not encroach on the COI or within the proposed subproject sites. Detailed documentation of assets donated will be carried out as soon as possible after the COD.

3.8.2 Land Acquisition

73. For land acquisition, COD will be set and announced after the first round of consultations with the affected people once any WASAC's subproject locations are known. This is usually the last day of the consultations. COD should be accurately recorded in the minutes of the consultation meetings. Census of AHs will be carried out as soon as possible after setting the COD and the landowner still can continue to use their land until they are compensated for their affected land and the new land title is formally transferred. Persons who are not covered by COD can still be eligible if they can provide proof that they were inadvertently missed during the census.

3.9 Detailed Measurement Survey

3.9.1 Voluntary Donations of the Affected Assets

74. For voluntary donations, MISTI/MPWT will carefully record all assets voluntarily donated by people who are living near the construction area with assets in the COI which may be affected. MISTI/MPWT should ensure that people complete the Voluntary Land Donation Form at this stage to properly record donated assets.

3.9.2 Land Acquisition and Involuntary Affected Assets

75. A detailed measurement survey (DMS), which compiles information from the census, along with household socioeconomic data and the IOL, will be conducted by IRC-WG, with support from local authorities. The AHs are informed through the Commune and/or Village authorities in advance of the schedule for conducting the consultations and DMS. The measurement of the land, structures, and other productive assets of each AH is carried out during the DMS, which is the basis to determine the compensation package for each AH. The measurement is carried out with the full involvement of the AHs to avoid any disputes on incorrect measurements, calculations, or underpayment of compensation. The PMU detailed design team will install pegs or markers for the demarcation of the affected land in the presence of the AHs and carry out the calculation of the land area and other assets that will be lost. The land is also classified at this time based on actual

land use.

3.10 Replacement Cost Study and Asset Valuation

76. The RCS) does not apply to voluntary donations or voluntary sales. In parallel with the conduct of DMS, the RCS will be undertaken by an independent consultant/agent experienced in asset valuation as detailed in SOP-LAR. The RCS is the method of valuation of assets at full replacement cost yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Transaction costs include administrative charges, registration or title fees, and any similar costs imposed on AHs. The payment of compensation for lost assets is based on market value or at full replacement cost prevailing at the time of the DMS and is determined by an independent consultant/agent and confirmed by GDR following the criteria of WB ESS5.

77. The independent RCS consultant/agent (individual or firm) will be recruited by the GDR. The RCS will consider, among others, the type of trees and maturity of the tree; the type of materials, their quality and local market value; the costs to transport materials, etc. based on local conditions. The compensation amount for loss of assets for each AH is calculated based on the DMS of the affected assets in the IOL and applying the unit rates from the RCS report to their measurements to arrive at the replacement costs of the affected assets.

78. The IOL and the measurements will be recorded and signed by the IRC-WG and the AHs and witnessed by the Commune/Village Official, normally the Chief of commune or village.

79. The preparation of DRPs will follow the procedures above as described in the SOP-LAR and be consistent with and in compliance with the WB ESS5, including the concept of full replacement cost.

Table 4: Key Tasks by GDR on DRP Preparation

Task	Requirements
Institutional Arrangements	<ul style="list-style-type: none"> Establishment of the IRC and IRC-WG Establishment of the Provincial Resettlement Sub-Committee and the Provincial Resettlement Sub-Committee- Working Group
Detailed Measurement Survey (DMS)	<ul style="list-style-type: none"> Demarcation of land and DMS (100% household survey, 100% IOL, and full Census through DMS Questionnaire)
Gender	<ul style="list-style-type: none"> Gather gender information. Prepare plan for provision of social support, services, employment, and means of subsistence for income support for female headed households.
Poor and Vulnerable Groups	<ul style="list-style-type: none"> Update the database based on DMS. Determine different categories of the poor and vulnerable groups, and the eligibility of each to receive additional assistance package. Finalize the additional assistance package.
Replacement Cost Study (RCS)	<ul style="list-style-type: none"> Hire expert/agency to carry out RCS to determine prevailing market rates to replace lost assets. Methods of valuing affected assets and calculating compensation for each eligible AH or household will be at full replacement cost in line with ESS of the WB ESF
Compensation Package	<ul style="list-style-type: none"> Update the RPF 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 with the AHs.
Grievance Redress Mechanism (GRM)	<ul style="list-style-type: none"> Operationalize GRM at the Provincial level. Outline procedures for handling complaints in line with SOP. Provide details to AHs during the consultation process and ensure it is readily accessible and useful to the AHs.

Consultation	<ul style="list-style-type: none"> • Conduct meaningful consultation with AHs at the commune level based on WB ESS 10, to inform them of overall entitlements and the method of computation of compensations, as well as the GRM procedures. Seek their feedback on the resettlement process. • Meaningful consultation with AHs eligible for relocation on the Resettlement Site (if applicable) at commune/village level as per guidelines above. • House-to-house consultations to confirm measurement surveys using the DMS Questionnaire. • Consultations with AHs 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: SOP-LAR

3.11 Compensation and Other Resettlement Assistance

80. This section applies in cases of land acquisition only. All persons whose land or other assets are within the area where construction is planned will be eligible for compensation for those lost assets regardless of their legal status. In addition to the compensation for loss of assets, compensation is paid for loss of income from use of land, businesses, employment, and other income sources. Should there be significant loss of assets and livelihood, and the AHs opt for relocation, as noted in Section 3.5.3 above, the AHs would also be provided transportation allowances; subsistence allowances during the transition period to the new location; and income/livelihood restoration programs if needed. If any Poor or other Vulnerable AHs lose their lands, in addition to the above, a special assistance package is provided under which any cash grant for subsistence allowances and livelihood restoration program are doubled.

81. Fruit trees, other economic trees and standing crops will be compensated according to the principles of replacement cost in the SOP-LAR and the WB's ESS5. Where possible, AHs will be allowed to harvest crops before acquisition or temporary use of the land. For the crops harvested prior to construction of civil works, no compensation is paid.

82. Businesses affected by land acquisition will be compensated for loss of income, as well as transport allowances where relevant. Cash compensation based on the principles of replacement cost will be provided to AHs losing structures, or parts of structures, such as kiosks, roofs, concrete pavements, fences or houses. Transport allowances will be provided where relevant and as per the Entitlement Matrix.

83. 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. This is not considered the responsibility of GDR and will be handled by either PMU-1 or PMU-2 whenever this occurs.

3.12 Vulnerable Groups

84. If acquisition of land or other assets of vulnerable households cannot be avoided, additional assistance will be provided to those vulnerable households. If it is a poor household, the assistance will ensure their living conditions are improved and that they will have a standard of living above poverty level. Vulnerable persons are considered: (i) households below the poverty level established by the RGC; (ii) households headed by elderly with no means of support; (iii) female headed households with dependents, especially those below the poverty level; (4) households which include a disabled person; and (5) indigenous people (who often have traditional land rights but no formal titles).

3.13 Livelihood Restoration Program

85. Under the proposed WASAC, it is highly unlikely that AHs will suffer a permanent loss to their livelihood. Every effort will be made avoid or minimize such losses. However, in the event any AHs suffer a permanent loss of livelihood, a livelihood restoration support program will be prepared in consultation with the AHs, as stipulated in the SOP-LAR, and simultaneously implemented in parallel with the DRP to assist them in re-establishing their livelihoods. Depending upon their existing livelihood, the eligible AHs would be entitled to participate in any one of three types of programs as outlined in SOP-LAR:

- 1) Land-based Livelihood Restoration
- 2) Employment-based Livelihood Restoration
- 3) Business-based Livelihood Restoration

3.13.1 Land-based Livelihood Restoration

86. This would be offered to AHs who depend on and permanently lose land-based sources of livelihood like agriculture and livestock. They will be provided:

- Alternative agricultural land, if available, introduction of higher value, or of value added production, and training in farming and related skills specifically designed for their needs.
- Financial support as a lump sum amount of USD 200 cash grant per AH to assist in re-establishing their livelihood.
- If no alternative agricultural land is available, or if the AHs wish to undertake a new type of livelihood, they will be offered the option to participate in either an employment based or business-based livelihood restoration program.

3.13.2 Employment-based Livelihood Restoration

87. 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 sources of livelihood who opt for new livelihood, an employment-based livelihood restoration will be offered, which will 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 sets for the AHs and any AH's family member who is over 16 years of age.
- Additional financial support of three (3) months' income based on the official poverty rate to assist the displaced persons during their training period and their families until they are employed.
- Priority for construction jobs at the subproject site.

3.13.3 Business-based Livelihood Restoration

88. AHs who rely on business for their livelihood and have permanently lost that business, or for AHs who opt for this program, a business-based livelihood program will be offered, which will provide them with:

- Business skills training, focusing on micro or home-based businesses, based on business opportunities in the community. As very few AHs would require this training, a cash grant would be provided them to pursue the skills training of their choice.
- Additional financial support of lump sum cash grant of USD 200 will be provided to each AH for assisting them and their families until they establish their new business.

3.13.4 Contracts with AHs and Compensation Payments

89. The agreement on the compensation package is confirmed under a formal and binding contract between IRC-Working Group (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. On signing, the AH is paid compensation as a lump sum amount. If any errors are found during the meeting, they will be corrected on the spot.

90. In the case of the DRP, a meeting is held with the AHs and the contracts are offered and explained to the AH on 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 are informed in advance of the date of the meeting for the compensation payments through the Commune and/or Village Offices.

4 INSTITUTIONAL ARRANGEMENTS

4.1 MISTI and MPWT

91. MISTI and MPWT are the implementing agencies for the proposed WASAC Project and will implement the project activities through their existing component units using their existing institutional setup and departments.

4.1.1 Project Management and Implementation

92. At the highest level, MISTI and MPWT have already established their Project Steering Committees (PSC) to streamline policy development, strategic planning and implementation decision making processes. Each PSC is comprised of leaders including the secretary and under-secretary of both ministries. Both MISTI and MPWT have also established their Project Management Units (PMUs) chaired by Director General, General Department of Potable Water Supply (MISTI) and Deputy Director General, General Directorate of Sewerage and Wastewater Management (MPWT) to provide support to the PSC and bears a central role in project implementation.

93. The project implementation will be carried out by existing General Departments of both ministries including activities for provincial water supply in the proposed towns and districts of Pursat Battambang and Mondul Kiri and other areas that will be identified during project implementation under MISTI, and activities for sanitation improvement in the proposed provincial towns and other areas such as Ta Khmau (Kandal Province), Pursat and Battambang provincial town under MPWT.

94. Key members of the PMUs are the Project Directors (PDs), who provide overall guidance and policy advice, and the Project Managers, who provide day-to-day support to the PD. The Environmental and Social Officers (ESO), with support from individual Environmental and Social Consultants, are responsible for managing the environmental and social impacts and risks for the WASAC while technical aspects for both PMUs are supported by the individual engineer consultants and each PMU will also has the Project Support Team (PST) in the provinces where the proposed subprojects are located.

4.1.2 Institutional Arrangements for Land Acquisition and Resettlement

95. The key PMU members who are involved in the coordination of land acquisition and resettlement matters with GDR are the PDs, PMs, Environmental and Social Officers or Focal Persons and E&S Safeguards Consultants. However, either MISTI or MPWT will be solely responsible for any Voluntary Land Donations.

4.1.2.1 Project Directors

96. The Project Directors will be responsible for overall guidance and policy advice, internal coordination, discussion, and resolution of project matters with counterparts within the ministry and with other government agencies, as well as public disclosure and stakeholder involvement (including other donors and civil society).

4.1.2.2 Project Managers

97. The Project Managers will provide day-to-day support to the PD and be responsible for ensuring that the Project Operation Manual is followed, technical, environment and social activities are implemented. All consultants follow their terms of reference and delivery schedule, project activities are carried out on schedule and within the allocated budget, and FM reports are submitted on time.

4.1.2.3 Individual Environmental and Social Consultants

98. The Individual Environmental and Social Consultants of both PMUs will be responsible for screening of environmental and social impacts, which will include LAR at the targeted subproject sites. They will ensure each subproject is compliant with social and environmental regulations of the RGC and of the WB's ESF. E&S Safeguards Consultants report to the PM on the results of the screening process on environmental and social impacts and if it is found that any subproject that will impact on land acquisition, the PM will inform GDR/MEF.

4.1.2.4 Environmental & Social Safeguard Officers

99. The ESOs from both MISTI and MPWT will be coordinating with the E&S Safeguards Consultants for all relevant safeguards works including the safeguards work progress to be reported to PMs.

4.1.2.5 Role of E&S Safeguards Consultants in case of Voluntary Donations

100. In case where there are minor impacts on assets in the proposed subproject areas, and the criteria for voluntary donation outlined in this RPF applies, the E&S Safeguards Consultants, under the direction and guidance of the PM, will be responsible for carrying out the process of voluntary donations as described in this RPF. They will be responsible for adequately informing AHs of their rights to compensation and their option to forgo their rights and voluntarily donate assets. They will also be responsible for adequately documenting the process in line with this RPF and keep people informed about the voluntary donation process, schedule and grievance redress as outlined in this RPF.

4.1.2.6 Role of E&S Safeguards Consultants in case of Land Acquisition

101. If the upcoming civil works for both components lead to land acquisition, whether permanent or temporary, the PMs will inform GDR and the E&S Safeguards Consultants will assist GDR for the timely preparation of DRPs including the following tasks:

- Participating as members of the IRC-WG and assisting the Provincial Resettlement Sub-Committee Working Group in carrying out land acquisition tasks at the provincial level, including participating in the DMS and consultations with AHs;
- Informing GDR of proposed or forthcoming project review missions and facilitate participation in the project review missions and advising GDR of any resettlement problems or bottlenecks hampering or having the potential to delay the construction activities under the subprojects.

4.2 Ministry of Economy and Finance

4.2.1 *Inter-Ministerial Resettlement Committee*

102. The Inter-Ministerial Resettlement Committee (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 IRC is the approving authority for all Resettlement Policy Frameworks (RPF) and Detailed Resettlement Plans (DRP) prior to submission to the WB for its approval.

4.2.2 *General Department of Resettlement*

103. The General Department of Resettlement - (GDR) is the permanent Secretariat of the IRC and the lead agency for the preparation, implementation, and monitoring and reporting of land acquisition and resettlement activities, carried out through its Resettlement Department. The Resettlement Department is the first point of contact and interface with both MISTI and MPWT for the entire resettlement cycle. Preparation of this RPF is carried out by both MISTI and MPWT with the assistance of consultants, under the direction and guidance of GDR and will be reviewed and endorsed by the GDR before submission to the IRC for approval. The GDR is responsible for all other land acquisition and resettlement activities, including preparation of DRPs, its implementation, establishment, and function of the Grievance Redress Mechanism for LAR, and preparing the compliance report upon completing compensation payment and during implementation of the resettlement plans.

4.2.3 Inter-Ministerial Resettlement Committee Working Group

104. The Inter-Ministerial Resettlement Committee Working Group (IRC-WG) will carry out the day-to-day land acquisition activities under the project, led by the Deputy Director/Chief of the Department of Resettlement of the GDR and comprise technical staff of both MISTI and MPWT and staff of GDR. The IRC-WG will be responsible for all the fieldwork under the supervision of the Director of the Resettlement Department and overall guidance and direction of the Director General of the GDR.

4.2.4 Provincial Resettlement Sub-Committee

105. The Provincial Resettlement Sub-Committee (PRSC) is established by the Provincial Governor at the request of the IRC for each project 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 as members. The role of the PRSC is to:

- Provide coordination and support 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 the Provincial level; and
- Responsible and accountable for disbursements of the compensation payments at the provincial level.

4.2.5 Provincial Resettlement Sub-Committee Working Group

106. 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 land acquisition activities at the provincial level. In addition to supporting the PRSC, the PRSC-WG is to:

- Facilitate all public consultation and information disclosure meetings and maintain records.
- Cooperate with IRC-WG in carrying out OMS and IOL 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 to submit to the PRSC and GDR.

4.3 Cadastral Administration Office

107. The Cadastral Administration Offices under the Ministry of Land Management, Urban Planning and Construction (MLMUPC) 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 MRD.

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

108. The districts, communes, and villages where the Subproject is located will coordinate and work closely with the PRSC-WG and IRC 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 registering and resolving complaints filed 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.

5 GRIEVANCE REDRESS MECHANISM

109. A Grievance Redress Mechanism (GRM) will be established by the Provincial Governor in each province where the civil works of the subprojects are, specifically to resolve concerns relating to land acquisition, loss of livelihood assets, and the resettlement and livelihood restoration process. The GRM is to be easily understandable, culturally appropriate, and readily accessible to affected persons and others. Grievances can be submitted by affected persons if they believe the land acquisition, resettlement and livelihood restoration process are inadequate or otherwise having a detrimental impact on them. Affected persons and other stakeholders can also submit comments and suggestions relating to the land acquisition, resettlement and livelihood restoration process.

110. Grievances or concerns relating to issues other than land acquisition, or the resettlement and livelihood restoration process should be referred to the project's overall GRM, described in the Stakeholder Engagement Plan (SEP) prepared following the WB's ESS-10.

5.1 Provincial Grievance Redress Committee

111. In the provinces where the WASAC requires acquisition of land or loss of other livelihood assets, a GRM will be set up to handle complaints concerning unjust compensation, inadequate entitlements, inaccurate detailed measurements, errors in computing compensation payments, and other matters relating to the resettlement and livelihood restoration process. A Provincial Grievance Redress Committee (PGRC) will be established by the Provincial Governor in consultation with the IRC.

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

- Chairman: Provincial Governor, or person appointed by the Provincial Governor
- Vice Chairman: Director of Provincial Department of Land Management, Urban Planning and Construction
- Members: Director of Provincial Department of MEF, Chief of Provincial Office of Law and Public Security, District Governor and one Representative of a Local-Based Civil Society Organization

5.2 Steps in the Grievance Redress Mechanism

5.2.1 Informal /-Local Grievance Process PRCS-WG

113. Prior to submitting a formal complaint, aggrieved affected household (AH) with a grievance will be encouraged first seek the assistance of commune chief or community elder to discuss and find an amicable solution to the grievance with the leader of the PRSC-WG. The grievance can be made orally; the AH does not need to submit a formal written complaint at this stage. However, the complaint will be logged and how it was resolved (or not) will be recorded as part of the grievance records and project monitoring process. The PRSC-WG will consult with the IRC WG to ensure the grievance is properly addressed. However, if the grievance is not resolved to the satisfaction of the AHs or in case the AHs prefer, they may seek the formal route, described below, to lodge the grievance.

5.2.2 Formal Process

114. The formal GRM requires written complaints (or comments/suggestions). While the GRM will allow for anonymous complaints to be raised and addressed, AHs will be advised that anonymous complaints relating, for example, to specific entitlements may take longer to resolve without sufficient details. There may be instances, though, where anonymous complaints are appropriate and will be accepted. Such complaints will be addressed by the GDR directly, and if the matter is not resolved, the complaint will be forwarded to the third step of the GRM to the PGRC for resolution. The formal route for lodging the grievances as per SOP-LAR is explained below.

115. **Step 1:** The aggrieved AP can lodge a written complaint to the Head of the District Office where the subproject is located. The AH can bring a community's elder or representative to mediate the matter at the district level. The IRC-WG will appraise the Head of the District Office about the issue. A conciliation meeting must be held, and a decision taken within 15 working days after the date of registration of the complaint by the District Office. If the complaint is resolved at the district level to the satisfaction of the AH, the IRC-WG will inform the GDR Department of Internal Monitoring and Data Management (DIMDM), which will review and seek the approval of the Director General, GDR for appropriate remedial action. The AH will be informed in writing by the GDR of the decision and the remedial action that will be taken within 15 working days from the receipt of the letter from the District Office. If the complaint is rejected at this stage, the District Office will inform the AH in writing and if the AH is not satisfied with the result, he/she can proceed to the next step and lodge a written complaint to the GDR for resolution.

116. **Step 2:** The GDR through its DIMDM will carry out a holistic review of the complaint and submit a report on its findings with the relevant recommendations to the Director General of the GDR for a decision. It may also conduct a field visit to meet the aggrieved AH 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 and submitted to the Director General of the GDR for a decision within 5 working days of receipt of the final report. In the event that the subject matter requires policy level intervention, it will be referred to the IRC for a decision, and in this case, 10 more working days will be added to the deadline for the final decision by the Director General of the GDR.

117. It should be noted that in the case of an anonymous complaint, the matter will be taken up immediately by the GDR, omitting the First Step. If at this stage the AH continues to wish to be anonymous, he/she will have a representative to present the case.

118. **Step 3:** If the AH does not agree with the decision at the second step, he/she will submit a written complaint to the PGRC through the Provincial Governor's Office. The AH or a representative will be given an opportunity to present the case during the meeting, and the PGRC may consider any compelling and special circumstances of the AH when reaching a decision. The GDR will send a representative, as a non-voting member, to provide an explanation of the decision by the GDR in the second step.

119. The decision of the PGRC must be reached on a consensus basis and will be final and binding except when the matter relates to any policy of the Government. Decisions on Government 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 taking any remedial action.

120. The handling of the complaint under the GRM ends at the Third Step. There are no fees or charges levied on the AH for lodging the complaint or processing of the complaint under the First, Second and Third 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. The AH will be made fully aware that such actions will be at the cost of the AH. At this stage, the GDR, PRSC, and IRC WG will not be involved, unless there is a judicial order from the competent courts.

6 FUNDING AND IMPLEMENTATION ARRANGEMENTS

6.1 Budget and Financing

121. The budget for land acquisition and resettlement, as well as any livelihood restoration, will be prepared after the DMS and RCS are completed and included in the DRP. In case of negotiated settlement, it is included in a separate report on negotiated settlement. The budget is financed by the counterpart funds allocated through GDR from the national budget by the RGC. Lands obtained through the WBWS method will also be funded from the national budget through GDR. If land acquisition is obtained through the willing buyer-willing seller method, due diligence reports of such transactions should also be prepared and submitted to the Bank.

122. The GDR will be responsible and accountable for all FM 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 in the National Bank of Cambodia. Following an internal process, the funds are released from the project designated account, as and when necessary, and provided to the PRSC, which is responsible for making payments to the AHs.

6.2 Implementation Schedule

123. The civil works will commence once locations of subprojects have been finally selected and their detailed construction designs have been completed and submitted to GDR, the demarcation of land is completed by the technical teams for the IRC-WG to commence the DMS. In the event of any land acquisition and if there are AHs (depending on the number) impacted, the census and inventory of loss will be conducted within two- three months after the detailed construction designs are submitted to GDR and the demarcation of the COI are completed by the PMUs. The encoding of the DMS data into the database and preparation of the DRP and its approval by the IRC and the WB is expected within 3-4 months thereafter. After approval of the budget and release of funds, compensation payments should be completed in no later than 2 months.

124. Civil works can commence only after compensation payments at full replacement cost and other entitlements have been provided to the AHs, and an income restoration program, where applicable, supported by an adequate budget is in place. Thereafter, MISTI and MPWT will issue a notice of possession of the specific sites to the contractor for construction. However, construction can proceed on sections free from encumbrances, based on the agreement between MISTI and WB and MPWT and WB.

7 INFORMATION DISCLOSURE AND CONSULTATIONS

125. Consultations will begin early if the locations for each PMU's subproject are identified and prioritized and will be led by each PMU's Environmental and Social Officers (ESOs) or Focal Persons and supported by E&S consultants. All AHs will be informed of their right to compensation and their right to make a voluntary donation of their lands or assets, the conditions for such a donation and the option to refuse to donate will be clearly informed. The consultation process will be ongoing and will focus on informing people of their rights, the process for grievance redress, the process of land acquisition, and the schedule of civil works. The PMU and PMU's ESO or Focal Persons will visit the Subproject site regularly. At least once in a quarter, to meet with donors and discuss their feedback and in case of problems, to help find a solution. All meetings and consultations shall be adequately documented (Minutes, pictures, and video) and systematically filed.

126. Keeping AHs and the general public informed about the proposed WASAC Project, its expected benefits and potential impacts is crucial. Disclosure of relevant WASAC Project information helps the AHs and other stakeholders to understand the risks, impacts and opportunities of the development project. Meanwhile meaningful consultations can avoid the potential for conflicts, address the concerns of persons to the extent possible, avoid bottlenecks to minimize project delays and contribute towards mitigating adverse impacts. The consultation and disclosure activities are specified in the SOP-LAR and should be consistent with WB's ESS10 including requirements for meaningful consultation and two-

way process, and the requirements of the Stakeholder Engagement Plan (SEP).

7.1 Information Disclosure

127. This RPF will be disclosed at the national-level on the MISTI/MPWT's websites and WB's website. The RPF will also be consulted on and disclosed in national-level consultations and disclosed in Commune and Village offices and as per guidelines in the SEP, ahead of the WB's project appraisal.

128. Once sites for WTP and WWTP are identified and screened for land acquisition impacts, consultations and disclosure for components that do not entail land acquisition will follow guidance in the SEP.

129. In case there are land acquisition impacts because of construction, relevant stakeholders would be consulted, and the proposed WASAC's subproject information will be explained to them in details in Khmer language and a Project Information Brochure (PIB) will be distributed to them. The proposed WASAC's information in the PIB will cover the following:

- 1) The purpose, nature and the scale of the proposed project
- 2) The location of the proposed project and project components
- 3) The duration of proposed project activities
- 4) The corridor impacts, right of way, timing of DMS, eligibility, entitlements and compensation policy, replacement cost study, and the timing of the establishment of the grievance redress mechanism; The potential for voluntary land contribution, procedures, rejection of compensation, grievance redress and documentation; and
- 5) Names and contact details of key persons on land acquisition and resettlement.

7.1.1 Land Acquisition

130. In case of land acquisition, the RPF and the DRPs, approved by the WB, will be made available in a timely manner in places accessible to AHs and the communities. They will be posted at the Commune Office and the PRSC-WG will hold meetings to explain to them in the local language. There will be a continuous open line of communication between the commune and village chiefs and the Team leader of PRSC-WG which will facilitate the process of clarifications. The RPF and DRPs, without sensitive personal information, will also be disclosed at the websites of MISTI/MPWT and WB. DRPs will be amended to include any adjustments as a result of public consultations and re-disclosed together with the minutes of public consultations.

7.1.2 Voluntary Donation

131. In addition to the PIB explained and distributed to the stakeholders, in case of voluntary donation, people with assets in the selected sites for the civil works will be informed about the subproject and their opportunity to voluntarily donate assets or to seek compensation. The grievance mechanisms will be explained, and donors will be appropriately informed and consulted about the subproject and choices available to them and contact information of MISTI/MPWT's focal persons will also be disclosed during the consultation process. As described, when people chose to voluntarily donate their assets, the process will be adequately recorded and documented in English and Khmer and documentation will be publicly disclosed at the local level (such as commune offices) and national level (MISTI/MPWT's websites), with sensitive personal details removed to protect their privacy. Cases of voluntary donation are expected to occur on an exceptional basis and under selected circumstances. Such cases will be approved by the WB team prior to finalizing the donation.

7.2 Consultation and Participation

7.2.1 Initial Consultation

132. Consultations will begin early, when the sites for WTP and WWTP along with the water distribution lines and sewerage lines are identified which might require land acquisition, mostly for WTP/WWTP. These consultations will be led by the E&S Safeguards Consultants and the Engineer Consultants, who

will work with the community to determine if there are alternative sites available with reduced land acquisition impacts that were not yet considered during the initial site selection planning. Once it is determined that some land acquisition or loss of productive assets will occur, all AHs will be informed of their rights to compensation and the option for voluntary donation if the area to be donated is small, the donation does affect their livelihoods, they understand they can refuse to donate, and they are able to directly benefit from the project.

7.2.2 Voluntary Donation

133. The consultation process will be ongoing and will focus on informing people of their rights, the process for grievance redress, the process of voluntary donation, the documentation of the donation and the schedule of civil works, among others. The E&S Safeguards and Engineer Consultants will visit the project site regularly, at least once a quarter, to meet with the donors and discuss their feedback and in case of problems, to help find a solution.

7.2.3 Land Acquisition

134. When there is an involvement of the land acquisition, key stakeholders in the consultation process will include:

- AHs, with special attention to women, poor and vulnerable people, and Indigenous Peoples
- MISTI/MPWT and their Provincial and District Offices
- IRC and GDR, including IRC-WG and PRSC-WG
- Provincial and Local authorities (District/Khan, Commune/Sangkat Councils and Village Offices), including representatives of women's groups.
- Civil Society Organizations.

135. Consultations on land acquisition will be a continuous process and will consist of several rounds of consultations at various subproject locations, as described in the SOP-LAR. Consultations will start when the construction sites are identified and prioritized, through the identification of land acquisition impacts. At this stage of consultation key concerns and suggestions raised by AHs will be recorded in the minutes of the meeting in summary form and incorporated into resettlement and subproject planning as much as feasible. This will be followed by consultation at the stage of DMS, contract signing and compensation payment stages.

136. The aim of the first consultation will be to introduce the project, its aims, benefits, impacts and the land acquisition process. The option of a negotiated settlement will be explained in detail. The PIB prepared by safeguards consultants will be shared and made available at the commune/village council office in the subproject area. It will also be distributed to all the attendees and explained in detail during the meeting to ensure all attendees are properly informed about the subproject. The GRM procedures and processes will be introduced to AHs and their views sought. The major concerns raised by AHs will be recorded in the Minutes of the meeting in summary form. If the AHs agree to a negotiated settlement, this will also be recorded in the Minutes.

137. The second round of consultation will be undertaken jointly by IRC-WG and PRSC-WG at the DMS stage. This consultation will take place with AHs and relevant authorities, such as village/commune leaders or village elders before the start of the DMS. The purpose of DMS process, the DMS Questionnaires and the IOL will be explained to all the AHs in a common meeting. Thereafter the DMS team will meet AHs on one-on one basis and explain the purposes of DMS process before proceeding to filling out the DMS Questionnaires 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 assets and the measurements. The AH will sign the completed DMS Questionnaire and the IOL and witnessed by a community elder or official. This process is followed by both the negotiated settlement and the mandatory involuntary land acquisition route. The PIB will have been updated by GDR with information on entitlements and the GRM process will be made available and explained in detail to all attendees. The GRM will be operationalized and fully functional.

138. A third public consultative meeting will be held prior to the signing of the agreement or contract for the compensation package and is 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 will explain about the compensation package, schedule, procedures, entitlements and GRM, among others. AHs will be provided with the options to sign the contract during this consultation stage or given 3 working days to submit the signed contract to the IRC-WG through the village council office. If any AHs are unable to participate in the meeting, best efforts will be made to visit them at their homes or seek the assistance of the village office to contact them. In the case of a negotiated settlement, the compensation package will be negotiated with the aim to reach an amicable lump sum amount.

139. The next consultative meeting will be conducted when the compensation payments will be ready to be disbursed. This consultation will be undertaken jointly by the IRC-WG and PRSC-WG. The schedule for compensation payments will be informed to the APs at least one week in advance through the commune/village office. The consultation will be on a one-on one basis where each AH will be explained about the composition of its compensation payment before the payment is made.

8 MONITORING AND REPORTING

140. MISTI/MPWT will be responsible for monitoring the overall implementation of the proposed WASAC Project as well as all aspects relating to voluntary donations except the safeguards matters related to land acquisition through negotiated settlement and implementation of the DRP. MISTI/MPWT will be assisted in the monitoring by the E&S Officers and Safeguards Consultants. The GDR will be responsible for monitoring and reporting of the implementation of the land acquisition and resettlement activities, if any.

8.1 Internal Monitoring

141. The role of internal monitoring and evaluation is to ensure that resettlement institutions are well functioning during the course of project implementation, and that resettlement activities are undertaken in accordance with the implementation schedule described in the DRP. In this way, the protection of AHs' interests and the schedule for civil works can be assured.

142. Primary responsibility for internal monitoring lies with MISTI/MPWT as the project implementing agencies and will be coordinated by their component management units. Each component will be responsible for overseeing the formation, function, and activities of each of the subprojects, and through quarterly monitoring reports, summarize this progress. All monitoring data will be collected to ensure gender and ethnicity disaggregation.

8.1.1 Voluntary Donations

143. In case of voluntary donations, MISTI/MPWT will be responsible for keeping adequate records of donations and ensuring they meet the provisions outlined in this RPF. As part of internal monitoring, the PMs will be responsible for reviewing the reports submitted by the consultants on voluntary donations and any grievances.

144. It is expected that the E&S Safeguards Consultants will conduct due diligence on the voluntary land contributions and report on the following:

- 1) Validation and documentation that assets required for the project are given voluntarily and are free from any dispute on ownership or any other encumbrances;
- 2) Validation that donated asset is within COI and person(s) donating directly benefit from the subproject;
- 3) Validation that donated asset does not cause any significant impact on livelihoods;
- 4) Validation that no relocation or displacement of persons is involved (Over 50 households will not be considered);
- 5) Validation that meaningful consultation has been conducted in good faith with all potential donors, including those donors are aware that they were entitled to compensation. Separate discussions to be held with women as required to facilitate meaningful participation;
- 6) Validation that a grievance redress mechanism is in place, if relevant, and
- 7) In the case of community donation, there should be a consent of individuals from that

community.

145. The PMU(s) will prepare a report detailing the voluntary donations when these are completed for any sub-projects for each contract package and submit to WB with all the relevant supporting documents. In addition, PMU(s) will report on all aspects of voluntary donations in the quarterly progress reports and submit to WB.

8.1.2 Land Acquisition

146. The objective of internal monitoring by GDR is to: (i) measure and report on the progress in the preparation and implementation of the DRP; (ii) identify problems and risks, if any, and the measures to mitigate them; and (iii) assess if the compensation and rehabilitation assistance are in accordance with the provisions under the DRP.

147. GDR's Department of Internal Monitoring and data Management (DIMDM) will be responsible for carrying out the internal monitoring which will review the quarterly progress reports provided by the relevant Resettlement Department, including fielding its own missions to verify the progress and the validity of the data and information, where necessary. The DIMDM will validate that the (i) entitlements and the corresponding compensation are paid in accordance with the Entitlement Matrix in the DRP; and (ii) the GRM is functioning according to guidelines. The GDR's DIMDM will prepare and submit a semi-annual monitoring report on the implementation of the DRP.

148. The internal monitoring reports will include the status of the following:

- 1) Set up of institutional arrangements;
- 2) Compensation payments for entitlements
- 3) Relocation
- 4) Grievance Redress Mechanism;
- 5) Public Consultations;
- 6) Budget Expenditures;
- 7) Livelihood Support Program, where applicable;
- 8) Overall progress against agreed implementation schedule;
- 9) Major problem and issues; and
- 10) Proposed remedial actions.

149. The DIMDM will also validate that the (i) entitlements and the corresponding compensation are paid in accordance with the entitlement matrix in the approved DRP; and (ii) GRM is functioning as per the guidelines.

150. During subsequent monitoring periods, the DIMDM will look into whether or not corrective actions agreed to address land acquisition and resettlement issues in the past monitoring period (i.e., outstanding resettlement issues) have been resolved.

151. As long as there is land acquisition and resettlement activities, the GDR will provide MISTI/MPWT a quarterly progress report and submit a semi-annual monitoring report to the WB. There will be one monitoring report covering all subprojects requiring land acquisition and resettlement under the proposed WASAC Project.

8.2 External Monitoring

152. Given that no significant involuntary resettlement impacts are expected, and no displacement of more than 50 AHs permitted under the subproject, external monitoring will not be required for the DRPs.

ANNEX 1: SCREENING FORM FOR LAND ACQUISITION AND RESETTLEMENT

Name of Commune / Village _____

District _____

Province _____

Name of person completing form: _____

Position of person completing form: _____

Section 1:

Is the land to be used for WTP/WWTP owned entirely by MISTI/MPWT or by another government agency?

Yes. _____ No _____

If Yes, Skip Section 2. Go directly to Section 3. If No, Proceed to Section 2

Section 2:

Is any of the land owned by individuals or households? Yes _____ No _____

[note: the land does not need to have official ownership deeds, but can be recognized by the community as owned by individuals or households]

If yes, about how many individuals or households own the land at this site? _____

What is the size of the land area owned by individuals or households (m²)? _____

Is any of the land considered community property? Yes _____ No _____

If yes, what is the size of the land area considered as community property (m²)? _____

If answered 'Yes' to any of the questions in Section 2, please discuss this with WASAC Project Director/Manager

Section 3:

Is anyone living on the land (even if it is not their property)? Yes _____ No _____

If Yes, how many individuals _____ or households _____?

Is anyone using the land for agriculture (even if it is not their property)? Yes ___ No _____

If Yes, how many individuals _____ or households _____?

Is anyone using the land for another non-agricultural type of livelihood, such as food stall, drinks shop, or grocery stall, Yes ___ No _____

If yes, what type of use(s)? _____

how many individuals _____ or households _____?

Is anyone using the land for any other purpose(s)? Yes ___ No _____

If Yes, what type of use(s)? _____

how many individuals _____ or households _____?

If answered 'Yes' to any of the questions in Section 3, please discuss this with WASAC Project Director/Manager

Section 4

Will anyone have his/her land use temporarily impacted? Yes _____ No _____

If Yes, what types of impact(s)?.....

Will there be any fruit trees impacted? Yes _____ No _____

If Yes, what type of trees? _____ and how many?.....

Will there be any structures impacted? Yes _____ No _____

If Yes, what types of structures?.....

Is there any business disrupted on the impacted land use? Yes _____ No _____

If Yes, what type(s) of the impacted business(es)?.....

Will there be other temporary livelihood disruption during the construction? Yes _____ No _____

If Yes, Pls specify.....

If answered 'Yes' to any of the questions in Section 4, please discuss this with WASAC Project Director/Manager

ANNEX 2: VOLUNTARY ASSET DONATION FORM

Two copies of the form are to be completed and signed. One copy to be kept by the project, the other by the donor.

Province:		
District:		
Commune/ Sankat:		
Villages:		
Name of Persons Donating, Age and Sex:	ID Number(s):	Living/Operating/with structure or tree on COI Y / N
Does anyone else have a claim to the land (relatives, others)? Give names and relationship.		
If so, have they given their consent to the donation?		
Is asset being donated used by anyone other than the owner? Please detail.		
How does the donor and/or person using the land directly benefit from the subproject? Please provide detail.		
What is the approximate annual income of the donor?		
Does the donor's household have the ID-Poor Card?		
Is any member of the donor's household disabled or otherwise considered vulnerable? Please describe.		
	Details (number, etc.)	What the donor has remaining
Area of land being donated (m ²) and type of land use		
Trees that will be donated (including fruit, timber, medicinal trees, shade trees, etc.)		
Assets that will be donated (including parts of structures, wells, fences, etc.)		
Others Assets		
If asset being donated is used by someone other than the owner, a description on the remaining assets of that person, and/or description of why their livelihoods are not made worse by the donation.		
During the project implementation, if you are not satisfied or happy with the contractor's work performance or any issues arise or any complaints you might want to lodge, please reach out the following phone contacts: (1). Mr.....(Position.....), (2) Ms.....(Position.....), (3). Mr.....(Position.....), (4). Ms....(Position....)		

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

Date:

Date:

District MISTI/MPWT representative signature

Donating person signature
(Both husband and wife if applicable
and any other co-owners)

Witnessed by village/commune authority: