

**THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA**  
**MINISTRY OF INNOVATION AND TECHNOLOGY**



**Eastern Africa Regional Digital Integration Project SOP-II**  
**(EA-RDIP SOP-II)**

**Resettlement Framework for Ethiopia**  
**based on the Updated PAD**

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## ACRONYMS AND ABBREVIATION

CAPP	Cluster Area Project Personnel
CRC	Community Resettlement Committee
CTM	Commercial Transaction Manual
DVGs	Disadvantaged and/or Vulnerable Groups
EA-RDIP	Eastern Africa Regional Digital Integration Project
E&S	Environmental and Social
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Standard
FDRE	Federal Democratic Republic of Ethiopia
GN	Guiding Note
GRM	Grievance Redress Mechanism
HUCs	Historically Underserved Communities
ICT	Information Communication Technology
KGMC	Kebele Grievance Management Committee
KII	Key Informant Interview
LRP	Livelihood Restoration Plan
MDAs	Ministries, Departments and Agencies
M&E	Monitoring and Evaluation
MInT	Ministry of Innovation and Technology
NPSC	National Project Steering Committee
NPTC	National Project Technical Committee
PAD	Project Appraisal Document
PAFP	Project Area Focal Person
PAPs	Project Affected Persons
PDO	Project Development Objective
PIU	Project Implementing Unit
PSGMC	Project Site Grievance Management Committee
PVC	Property Valuation Committee
RF	Resettlement Framework
RGMC	Regional Grievance Management Committee
RP	Resettlement Plan
RPSC	Regional Project Steering Committee
RPTC	Regional Project Technical Committee
SEP	Stakeholder Engagement Plan
SOP	Series of Project
WB	World Bank
W/CGMC	Woreda/City Grievance Management Committee
WGMC	Woreda Grievance Management Committee
WPTF	Woreda Project Task Force

## **0. EXECUTIVE SUMMARY**

The Eastern Africa Region, which ranges from Sudan to Tanzania, is a home to 384 million people, is characterized by poor digital infrastructure. Lack of affordable and accessible broadband connectivity seriously hampers the regional connectivity market. The region is home to countries with varying levels of connectivity infrastructure development, which explain spruce, performance, and broadband penetration differentials. This constitutes a fundamental barrier for beginning to develop a more digital regional market suggesting for solution. National and regional connectivity markets could be better served through the development of open access and interconnected national backbone networks as well as the deployment of new cross-border links that would be key to eliminating pricing and quality differentials between coastal and landlocked countries. Supporting universal digital connectivity access in the region will also require a push to expand service provision ('last mile' access networks) to underserved or unserved rural and borderland areas.

The regional data market is characterized by absence of effective, trusted, and secure data transmission, storage, and governance. Eastern Africa will require that data can flow freely and securely across borders. Allowing data to be processed, analyzed, stored, or used anywhere in the region is an essential enabler for the scale-up of online services, including regional e-commerce and cross-border exchange of digital payments, but also relies on a well-developed and harmonized connectivity and data market. However, the region's data frameworks and data infrastructure are underdeveloped to this end. Hence, the Ethiopia Regional Digital Integration Project (EARDIP SOP II) seeks to advance digital market integration in the Eastern Africa region by increasing affordable access to regional broadband connectivity, strengthening the enabling environment for cross-border digital trade and data flows, and developing digital skills.

**The project development objectives** are to advance digital market integration in the Eastern Africa region by increasing affordable access to regional broadband connectivity and strengthening the enabling environment for cross-border digital services.

As with SOP-I, SOP-II project is designed around three integrated and mutually reinforcing components, which reflect the distinct but interconnected layers of an integrated regional digital market. Components 1, 2 and 3 will support respectively Connectivity Market Development and Integration; Data Market Development and Integration; and Online Market Development and Integration. Further, Component 4 will support Project Management and Implementation Support (at regional and national level), while Component 5 will provide a Contingent Emergency Response Component (CERC). These components include a menu of activities from which the Borrowers (Djibouti and Ethiopia), will select activities to be implemented under SOP-II, based on their most pressing needs and their regional interaction.

Given the nature of project activities, this Resettlement Framework (RF) is developed to serve as a guideline to clarify resettlement principles, organizational arrangements, schedules, and arrangements for financing the resettlement and procedures that govern the project-related land acquisition, valuation principles, and compensation procedures.

### **The main objectives of this RF**

- To establish resettlement principles and institutional arrangements to be applied under EARDIP SOP II project activities.

- To provide guidelines for development of appropriate mitigation and compensation measures for resettlement related impacts resulting from the proposed Ethiopia EARDIP SOP II project activities.
- To provide guidelines for the preparation of Resettlement Action Plans (RAPs) and/or Livelihood Restoration Plans (LRPs) for Ethiopia EARDIP SOP II project activities that require land acquisition/permanent transfer of land or result in access restrictions on land use, involuntary resettlement or any impact on assets.

### **Scope of the Resettlement Framework**

This RF covers to all Ethiopia EARDIP SOP II project activities requiring land acquisition, restrictions on land use or involuntary resettlement. Where necessary, separate Resettlement Action Plans (RAPs) or Livelihood restoration Plans (LRPs) shall be prepared for each subproject, based on the guidelines and procedures provided in this RPF prior to the implementation of the respective planned subproject. This RF is based on the legal and institutional arrangements of the Government of Ethiopia on resettlement and compensation and the provisions of the World Bank ESS5 on land acquisition, restrictions on land use and involuntary resettlement.

The RF for EA-RDIP SOP II in Ethiopia is prepared for the project components that require land acquisition with potential resettlement impacts whose exact nature and locations are not yet known and the scope and scale of resettlement aspects cannot be determined as a result. The major scope of the RF includes:

- Reviewing relevant World Bank (WB) and Ethiopian policies,
- Identifying the key institutions and stakeholders authorized to carryout project-related land acquisition activities along with their respective mandates, roles and responsibilities,
- Developing an Entitlement Matrix (EM) to be adopted for subsequent site-specific Resettlement Plan (RP) and/or Livelihood Restoration Plan (LRP) procedure for the EA-RDIP SOP II in Ethiopia.
- Reviewing existing grievance redress mechanisms (GRM), community based and/or mandated by law and application of the same in practice in compliance with WB guidelines and Ethiopian legislative framework. Thus, designing Grievance Redress Mechanism (GRM) of the project that will be appropriate and accessible for all PAPs.

Identifying Historically Underserved Communities (HUCs), disadvantaged or vulnerable groups (DVGs) that might be disproportionately affected due to involuntary resettlement from project-related land acquisition and propose differential mitigation measures accordingly. In Ethiopian context, HUC include Afar, Gambella, Benishangul Gumuz, Ethiopian Somali Regions, and pastoralists in parts of Oromia and SNNPR.

### **Methodology employed for Resettlement Framework (RF)**

The preparation of the RF for EARDIP SOP II in Ethiopia depends on both primary and secondary methods of data collection. The desk review conducted on a profound consultation of relevant documents and studies. Consultations with various stakeholders were also used as part of the preparation of this RF. Key informant interviews (KII) have been conducted with relevant stakeholders from federal to woreda levels. Owing to security concerns for face-to-face interview with the stakeholders in Somali and Gambella regions, video conference and virtual consultations were held.

Overall, the level of resettlement expected under the program is minimal and may not be required at all. Nevertheless, this document has been prepared so that the project implementation unit (PIU) for the project is well-prepared in the unlikely event that resettlement is required. The PAD for EA-RDIP SOP-II rates the overall risk of the project as substantial so potential adverse resettlement impacts associating with project-related land acquisition is also rated as substantial. As a result, in line with the provisions in Proclamation No. 1161/2019 (Article 16) and ESS5 (paragraph 12), MInT requires to prepare Resettlement Plan (RP) for project Components 1, 2 and 3.

This RF will be implemented alongside with the project's Environmental and Social Management Framework (ESMF), Stakeholder Engagement Plan (SEP), GBV/SEA/SH Prevention and Response Action Plan, Security Management Plan (SMP) and other related E&S instruments. The RF pursues various dimensions to ensure a holistic approach and is structured in the following approach: Sections two to Sections five highlight the overarching background, while sections six to fifteen contextualize the details of the RF.

### **Comparison of the Ethiopian Legal Framework with World Bank ESS5**

The review of resettlement legislations shows that the Ethiopian and WB's legal frameworks complement each other on several grounds. For instance:

- Both have the provision stating that it is essential to determine the types of compensable properties and lost economic interests and the principles thereof and establish the methods of valuation in order to pay land holders whose landholdings and property are expropriated or damaged or lost their economic interests in the process of expropriation fair and equitable compensation.
- The provision in both underscores that information about compensation standards, formulas, and rates should be provided in a transparent and consistent manner. It is also important to ensure that rates are applied consistently.
- Both legal frameworks assert that compensation and resettlement assistance for the expropriated land shall sustainably restore and improve the livelihood of the displaced people.

Nevertheless, there are gaps between the GoE legal framework and WB's ESS5. This RF adheres to the Ethiopian legal framework as reviewed and the WB ESS5 and ESS7 in its recommendations. The gap filling measures are developed in this RF to ensure compliance within the two sets of laws and policies for the EA-RDIP SOP II. Where there are differences between the national laws and ESS5, the one that provides greatest benefit to the PAPs will prevail in the case of the EA-RDIP SOP II.

### **Implementation Arrangements for the RF**

The RF for the EARDIP SOP II proposes strong implementing arrangements with clearly defined roles and responsibilities and composed of the following actors.

- Project Implementing Unit (PIU) within the Ministry of Innovation and Technology,
- Regional States, including Regional Cabinets, Regional Grievance Management Committees (RGRMCs)



- City and Woreda level stakeholders, including Woreda Grievance Management Committees (WGMCs), Urban or Woreda Land Administration Offices
- Property Valuation Committees (PVCs)
- Woreda Project Task Forces (WPTF)
- Community Resettlement Committees (CRCs)
- Project-Affected Communities or Persons (PAPs) and
- Collaborative other Responsible Agencies or Sub-national Jurisdictions, responsible for any aspects of land acquisition, resettlement planning, or provision of necessary assistance.

### **Potential Resettlement Impacts of EARDIP SOP II in Ethiopia**

**Project's positive social impacts** indicated that it will promote the digital market within and among the target countries of the EARDIP SOP II, remove cross-border barriers, and create enabling environment. Specific potential positive socio-economic impacts of the project include:

- Single connectivity market created due to infrastructure (Terrestrial Fiber, Submarine Cables, Bulk Purchase) and services (Fixed and Mobile Broadband Internet) infrastructure development. Support connectivity to facilitate technical interoperability of systems, data portability and data provenance both within and among the target countries of the EARDIP SOP II.
- Single data market enhanced through implementing data protection and privacy, cybersecurity and content regulation. Thus, enabled cross-border trusted free flow, storage, and processing of data.
- Single online market created including digital ID, digital payments, E-transactions, consumer protection, digital public services, trade and customs, and logistics.
- E-commerce, digital services and the functions that support them ensured across the borders of the target countries of the EARDIP SOP II.
- Trade and customs barriers removed among the target countries of the EARDIP SOP II for goods purchased online.
- The data protection and privacy laws ensured among the target countries allow for cross-border data transfers and share cybersecurity resources in the region.
- Interoperability and mutual recognition encouraged for data protection, and data exchange flows through national and regional legal frameworks.
- Cross-border barriers removed among the target countries of the EARDIP SOP II to infrastructure and connectivity (wholesale and retail).
- Digital skills and innovative environment enhanced.

### **Potential Adverse Resettlement Impacts of the Project**

Components 1, 2 and 3 have potential adverse resettlement impacts associating with project-related land acquisition. The potential adverse resettlement impacts from the implementation of component 1 are likely to be wider in terms of geographical footprint. This is because both cross-border and backbone network connectivity and last mile connectivity including in borderland areas that involves linear construction demanding land acquisition. Despite the possible for using national electric grid, between the start and end of each route, the construction of the fiber networks traverses towns, villages, farmlands, rangelands and communal natural resources such as water sources. Besides, both sub-component 1.1 and sub-component 1.2 involves the construction of access roads to transmission towers

and other fixed connecting stations. These factors justify the potential physical and economic impacts of EARDIP SOP II in Ethiopia.

The potential adverse resettlement impacts from: i) component 2 (the construction of cyber security infrastructure (sub-component 2.1) and secure exchange and data storage infrastructure (sub-component 2.2) and ii) component 3 (construction of payment systems infrastructure (sub-component 3.1) are likely to be smaller in terms of area/land coverage in comparison to the resettlement impacts due to component 1. Backdrop to this, the assessment of the RF identifies the following potential adverse physical and economic resettlement impacts associating with the implementation of the EA-RDIP SOP II, resulting to potential impacts on physical displacement, loss of farmland, loss of private pastureland, loss of residential house, loss of crops, loss of fences and other building structures, etc. The RF also recognizes the disproportionate impacts on disadvantaged and vulnerable groups (DVGs) as well as on Historically Underserved Communities (HUCs) of Ethiopia where the project activities will take place. As per Article 89 of the Constitution of the FDRE, there are communities in all the three connectivity routes proposed in the EARDIP SOP II recognized as Historically Underserved Communities (HUCs) that meet a distinct social and cultural group identified in accordance with paragraphs 8 of the ESS7. Owing to this fact, there are good reasons that underline the disproportionate adverse resettlement impacts of the project to the HUCs:

### **Proposed Mitigation Measures**

The legal provision in both the Ethiopian Proclamation No. 1161/2019 and WB ESS5 follows a hierarchical mitigation measures. Mitigation measures for losses under ESS 5 are addressed in the entitlement matrix discussed as part of this RF.

### **Preparation of Resettlement Plan (RP)**

The overall risk of EARDIP SOP II is rated as substantial so potential adverse resettlement impacts associating with project-related land acquisition is also rated as substantial. As a result, in line with the provisions in Proclamation No. 1161/2019 (Article 16) and ESS5 (paragraph 12), MInT requires to prepare Resettlement Plan (RP) for project Components 1, 2 and 3. The scope and level of the RP varies with the magnitude of displacement and complexity of the measures required to mitigate the adverse impacts result from each project component.

- For project activities with minor land acquisition or restrictions on land use, as a result of which there will be no significant impact on incomes or livelihoods, the RP will establish eligibility criteria for affected persons, set out procedures and standards for compensation, and incorporate arrangements for consultations, monitoring, and addressing grievances.
- For project component causing physical displacement, the RP will set out the additional measures relevant to relocation of affected persons (see the proposed mitigation measures for details).
- For project component involving economic displacement with significant impacts on livelihoods or income generation, the RP will set out the additional measures relating to livelihood improvement or restoration (see the proposed mitigation measures for details).
- For project component that may impose changes in land use that restrict access to resources in legally designated parks or protected areas or other common property resources on which local people may depend for livelihood purposes, the RP will establish a participatory process for determining appropriate restrictions on use and set out the mitigation measures to address adverse impacts on livelihoods that may result from such restrictions.

- For access restrictions in relation to legally designated parks, protected areas, or other common property, the RP may take the form of a process framework. It is used to design project activities, determine eligibility criteria, reach agreement on access restrictions, identify measures to assist affected persons in improving or restoring their livelihoods, manage conflicts and grievances, and arrange for participatory implementation and monitoring.
- In all cases, the RP describes the manner in which the objectives of Proclamation No. 1161/2019 and ESS5 discussed earlier shall be achieved.

Once determined that RP is to be required, all potential PAPs will be identified, consulted on land acquisition and livelihood issues and informed about their rights to compensation at full replacement cost or restore them at pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. A key function of the preparation of the RP is to determine the anticipated costs of resettlement and arrangements for meeting those costs (including contingencies) in a timely manner to inform efforts to avoid or mitigate adverse impacts. It is important to ensure that the budget specifically allocated to meeting the costs of resettlement is adequate to implement the planned resettlement measures. It is also important to specify in the arrangements the commitments obtained from relevant institutions within government and any other parties to meet the resettlement costs. No forced evictions, as defined in ESS5, will be allowed under the project. In addition, the resettlement plan should provide an implementation schedule indicating how the resettlement activities are linked to the implementation of the overall project. No civil works will start prior to provision of full compensation to PAPs.

### **Method of Asset Valuation**

GoE Proclamation No. 1161/2019, Article 2(8) defines *valuation* as means of a common compensation valuation method used to calculate the value of property on expropriated land. The basic goal of property valuation in the RP for EARDIP SOP II is to provide a measure of the utility derived through the access to and control of property. Both the Ethiopian legal framework (Proclamation No. 1161/2019 and Regulation No. 472/2020), and WB ESS5, set out the same method of asset valuation to guide the RP for the EARDIP SOP II. That is, the *replacement cost*. It 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.

Replacement cost approach makes two basic guidelines. First, the compensation of lost assets and properties is based on the willingness of owners of a resource to give up their rights to that resource. Though serving public interest gets priority compared to group or individual interests; consensus and negotiation needs to be reached with the PAPs with regards the willing to give land for the required sub-components. Second, compensation standards for categories of land and fixed assets will be disclosed and applied consistently. Compensation rates may be subject to upward adjustment where negotiation strategies are employed. In all cases, a clear basis for calculation of compensation will be documented, and compensation distributed in accordance with transparent procedures. The process used for determining compensation values should be transparent and easily comprehensible to project-affected persons. Summary of the valuation method in Regulation No. 274/2020 is provided in **Annex 3**.

## Eligibility Criteria for Affected Persons

Avoidance is the preferred approach in accordance with the mitigation hierarchy in ESS1. It is especially important to avoid physical or economic displacement of those socially or economically vulnerable to hardship as a result. When land acquisition or restrictions on land use (whether permanent or temporary) cannot be avoided, the Borrower will offer affected persons compensation at replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living or livelihoods, subject to the provisions of paragraph 26 through 36 of ESS5. The purpose of deciding on eligibility requirements in the RF for EARDIP SOP II is to ensure that PAPs experiencing a complete or partial loss of land, crops, trees, and other properties or access to natural resources are specifically identified and recognized as eligible for any kind of assistance.

*Eligibility* is the definition of displaced persons and criteria for determining their inclusion or exclusion for compensation and other resettlement assistance, including relevant cut-off dates. The GoE has issued the legal frameworks. The eligibility for compensation is recognized in Article 44(2) of the 1995 Constitution. Further, the new Proclamation No. 1161/2019 is provided to address the public's concern on the previous Proclamation No. 455/2005. The new proclamation has included many changes in provisions including the provision of livelihood restoration of PAPs beyond compensation of the lost asset and property. According to Article 2 (3) and Article 12-14 of the proclamation, compensation is paid to those who have legally occupied the land and those who have property on such land developed through their labour and capital. As per these provisions, the lawful occupants are expected to produce evidence for their legal landholding. The most important evidence for this could be the landholding certificate. However, these GoE legal documents only have provisions for those who have legal title and do not give any legal entitlement for the squatters and informal settlers. As stated under paragraph 20 of ESS5 Where land acquisition or restrictions on land use are unavoidable, the Borrower will, as part of the environmental and social assessment, conduct a census to identify the persons who will be affected by the project, to establish an inventory of land and assets to be affected, to determine who will be eligible for compensation and assistance, and to discourage ineligible persons, such as opportunistic settlers, from claiming benefits. The social assessment will also address the claims of communities or groups who, for valid reasons, may not be present in the project area during the time of the census, such as seasonal resource users. In conjunction with the census, the Borrower will establish a cut-off date for eligibility. In this and other related discrepancies between the WB's Policy and National Legislations, the project will be implemented as per the ESS5. Paragraph 10 defines three categories of affected persons who are eligible for coverage under ESS5. While people in all three categories are entitled to assistance of some sort under ESS5, the nature of that assistance may vary, as subsequent paragraphs of ESS5 make clear.

**Category A:** Affected persons who have formal legal rights to land or assets are those who have formal documentation under national law to prove their rights, or are specifically recognized in national law as not requiring documentation. In the simplest case, an area is registered in the name of individuals or communities. In other cases, persons may have a lease on the land and therefore have legal rights. The implementation of the RP for EARDIP SOP II anticipates the affected persons in this category include farming households, urban households, and business owners.

**Category B:** Affected persons who do not have formal legal rights to land or assets, but who have a recognized or recognizable claim under national law can fall into a number of groups. They may have been using the land for generations without formal documentation under customary or traditional tenure arrangements that are accepted by the community and recognized by national law. In other cases, they

may have never been provided formal title or their documents may be incomplete or lost. They may have a claim for adverse possession if they have occupied land for a certain period of time as defined by national law, without the formal owner contesting the occupation. The RF for EARDIP SOP II classifies pastoral and agro-pastoral communities under this category.

**Category C:** Affected persons who have no recognizable legal right or claim to the land or assets they occupy or use are eligible for assistance under ESS5. These can be seasonal resource users, such as herders, grazers, fishers, or hunters (although if the rights of such users are recognized by national law, they may fall into category (a) or (b)). They can also be persons occupying land in violation of applicable laws. Affected persons in these groups are not eligible for compensation for land but are eligible for resettlement and livelihood assistance and compensation for assets.

As per ESS5, eligibility is also informed by the census of affected parties present in the project-affected areas before the cutoff date.

### **Grievance Redress Mechanism**

For projects such as EARDIP SOP II with high or substantial environmental and social impacts, grievances are a fact of life. How the project responds (or is perceived to be responding) when such grievances surface is important and can have significant implications for the overall implementation of the project. A grievance mechanism should be scaled to fit the level of risks and impacts of the project. It should flow from the project's broader process of stakeholder engagement and business integrity principles and integrate the various elements of engagement activities.

During the implementation of the EA-RDIP SOP II, grievances and dispute may arise in the course of the implementation of sub-components involving involuntary resettlement. The reasons, among others, may be related to the following issues:

- Targeting for project beneficiaries.
- Valuation of assets and compensation.
- Disagreement on plot boundaries, either between the affected person and the expropriation agency or between two neighbors.
- Disputed ownership of a given asset (two or more affected people claim that the affected asset is theirs);
- Successions, divorces, and other family issues resulting in disputed ownership or disputed shares between inheritors or family members.
- Where affected people opt for a resettlement-based option, disagreement on the resettlement package (the location of the resettlement site does not suit them, proposed housing or resettlement plot characteristics, or agricultural potential are not adequate in their view) may arise.
  - and
- Disputed ownership of businesses and business-related assets (quite usually, the owner and the operator of a business may be distinct individuals, which give rise to dispute in the event of compensation).
- Project-Specific Grievance Redress Mechanism (GRM)

Regardless of scale, involuntary resettlement from the implementation of the EARDIP SOP II may give rise to grievances among affected households and communities on issues ranging from rates of compensation and eligibility criteria to the location of resettlement sites and the quality of services at those sites. Hence, project-specific grievance redress mechanism will be established/strengthened to allow PAPs to complain about any decision or activities regarding inclusion in the census, eligibility and temporary or permanent loss of their

land, assets or sources of income and their compensation. To mitigate this, project-specific grievance mechanism shall be put in place from the beginning of the social and environmental assessment process and exist throughout construction and operations as well as resettlement planning, implementation, through to the end of project life.

### **Information Disclosure Plan**

In line with the requirements in ESS10, EARDIP II will continue to engage with, and provide enough information to, stakeholders throughout the life cycle of the project in a manner appropriate to the nature of their interests and the potential environmental and social risks and impacts of the project. Public disclosure of the RF/RPs will be made to PAPs and other stakeholders for review and comments on entitlement measures and other issues in the implementation of the RF. The purpose of the disclosure is to receive comments and suggestions from PAPs and incorporate appropriate suggestions accordingly.

This RF will be disclosed in a form, manner and language comprehensible to PAPs and at a place accessible to the potential PAPs and other stakeholders for review and comments on entitlement measures. The PIU in the MInT will disclose and post this RF in the websites of the MInT. The RF will also be disclosed at World Bank's external website. Comments and critiques made on the RF by affected communities and other stakeholders will be taken for consideration. Other disclosure mechanisms in the project implementation areas for potential PAPs, stakeholders, representatives of civil societies, local leaders will also be applied by EARDIP SOP II, Ethiopia.

### **Monitoring and Evaluation**

Resettlement planning and implementation processes would be monitored and evaluated at local, regional and national levels to ensure these are carried out in accordance with the relevant requirements of the RF, and for follow up remedial actions, where necessary. The provisions for monitoring and evaluation (M&E) will ensure the proposed actions are implemented as intended and within the timelines established, and that, the expected results are achieved. Where shortcomings or problems are found, M&E can initiate appropriate corrective actions.

The monitoring of project activities related to land acquisition, compensation and resettlement would fit into the overall project M&E framework. The objective of the monitoring plan will be to ensure that all stakeholders are provided with timely and updated information with regards to the implementation of a RP. The focus of the M&E will include an assessment of the following:

- RP implementation is in accordance with the schedule;
- Whether RP implementation has to be adjusted due to changes that have occurred;
- Whether complaints and grievances are being properly and effectively addressed; and
- Inform decisions to resolve problems encountered during RP implementation.

## 1. INTRODUCTION

### 1.1 General Background

1. The Eastern Africa region, spanning from Sudan to Tanzania, is home to some 384 million people, of which the majority reside in rural areas and over one third live below the poverty line. The region's population is growing rapidly at 2.4 percent annually,<sup>1</sup> and is expected to increase by 30 percent by 2030 and double by 2050. More importantly, the region is highly vulnerable to the effects of climate change and includes countries with a history of conflict, fragility, and is characterized by widespread disparities in relation to key socio-economic indicators. Approximately half the countries in the region are categorized as countries afflicted by fragility, conflict, and violence (FCV), on account of protracted periods of civil war, and characterized by weak political and governance capacity<sup>2</sup>.
2. For the aforesaid reasons, Eastern Africa Region is characterized by poor digital infrastructure. Lack of affordable and accessible broadband connectivity seriously hamper the regional connectivity market in the Eastern Africa. The region is home to countries with varying levels of connectivity infrastructure development, which explain spruce, performance, and broadband penetration differentials<sup>3</sup>. This constitutes a fundamental barrier for beginning to develop a more digital regional market suggesting for solution. National and regional connectivity markets could be better served through the development of open access and interconnected national backbone networks as well as the deployment of new cross-border links that would be key to eliminating pricing and quality differentials between coastal and landlocked countries. Supporting universal digital connectivity access in the region will also require a push to expand service provision ('last mile' access networks) to underserved or unserved rural and borderland areas.
3. The regional data market is characterized by absence of effective, trusted, and secure data transmission, storage, and governance. A data-EA-RDIP economy and development of an integrated data market in Eastern Africa will require that data can flow freely and securely across borders. Allowing data to be processed, analyzed, stored, or used anywhere in the region is an essential enabler for the scale-up of online services, including regional e-commerce and cross-border exchange of digital payments, but also relies on a well-developed and harmonized connectivity and data market. However, the region's data frameworks and data infrastructure are underdeveloped to this end.
4. The Eastern Africa region is set to benefit from increasing access to international connectivity capacity, however significant deficits in cross-border and national terrestrial fiber networks are limiting broadband adoption. Limited cross-border digital trade, payment, and e-services enablers seriously impacts on the regional online market. As a result, e-commerce and current levels of intra-regional trade within Eastern Africa are relatively low.
5. The Eastern Africa Regional Development Integration Project is a Series of Project (SOP) and will be implemented in two phases. At the country level, SOP-II would support the implementation of the World Bank Group Country Partnership Frameworks (CPFs) for Ethiopia and Djibouti. SOP-II will run parallel to, investments in SOP-I. The Ethiopia CPF (FY18-22, extended to FY23, Report No. 119576-ET), was discussed

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<sup>1</sup> Population growth estimates are based on 2019 World Bank staff calculations, World Bank Indicators, 2019

<sup>2</sup> UN World Population Prospects, 2022

<sup>3</sup> Eastn Africa Regional Digital Integration Project (EA-RDIP) Project Appraisal Document.

by the Board before the current, reforming government, took power in April 2018, and is dated<sup>4</sup> but nevertheless it recognizes the ICT sector as a key factor in advancing productivity and structural transformation. The Djibouti CPF (FY22-26; Report No. 147787-DJ) notes that the telecom sector remains uncompetitive and would benefit from entry of the private sector to boost innovation and efficiency. Since the two CPFs were published, both countries have gained new IDA lending programs: Digital Ethiopia (P171034, US\$200m) runs from 2021-2026 while Digital Djibouti (P174461, US\$10m) runs from 2022-27.

6. Against this backdrop, the proposed Eastern Africa Regional Digital Integration Project (EA-RDIP) aims to advance the regional integration of digital markets in Eastern Africa through supporting cross-border connectivity, harmonization of data and e-commerce regulations and policies, and removal of trade barriers, with the vision of establishing a Single Digital Market (SDM).

### **1.2 Objectives of the RF for EARDIP SOP II in Ethiopia**

7. The general objective of the RF is to serve as a guideline to clarify resettlement principles, organizational arrangements, schedules, and arrangements for financing the resettlement and procedures that govern the project-related land acquisition, valuation principles, and compensation procedures. To this end, the specific objectives of the RF for the EARDIP SOP II are to:
  - (i) establish the foundation to clarify resettlement principles, organizational arrangements, schedules, and arrangements for financing the involuntary resettlement;
  - (ii) provide the guidelines that govern project-related land acquisition and/or asset loss, valuation principles, compensation procedures, and grievance handling systems;
  - (iii) define the eligibility criteria for the identification of Project Affected Persons (PAPs) and entitlements for compensation and other resettlement assistance;
  - (iv) describe the consultation procedures and participatory approaches involving PAPs and other key stakeholders in the planning, implementation and follow-up of the resettlement project activities;
  - (v) describe implementation and monitoring arrangements; and
  - (vi) provide procedures for filing grievances and resolving disputes.

### **1.3 Principles of Resettlement Framework for EARDIP SOP II**

8. Obviously physical and economic displacement may give rise to severe economic, social, and environmental risks and adverse impacts to the PAPs. For this reason, the RF for EARDIP SOP II is guided by the following set of policy principles:
  - (i) Avoid involuntary resettlement and land acquisition where feasible.
  - (ii) If unavoidable, involuntary land acquisition or restrictions on land use are limited to direct project requirements for clearly specified project purposes within a clearly specified period of time to minimize excessive land acquisition (and unnecessary displacement), and discourages land speculation.
  - (iii) Where displacement is unavoidable, minimize adverse resettlement impacts on individuals and communities through adjustments in size, routing, or siting of project activities.

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<sup>4</sup>Several transformation changes have taken place in the digital sector between 2018-21 (after the CPF was completed) notably the passage of a new law, the establishment of a new regulatory authority and the introduction of a new full-service competitor to the incumbent.



- (iv) Once adverse impacts minimized, resettlement and compensation activities will be conceived and executed as sustainable development programs.
  - (v) The RF seeks to ensure that affected communities are meaningfully consulted, have participated in the planning and implementation process, adequately compensated to the extent that the pre-displacement incomes have been at least restored or improved and the process is fair and transparent.
9. The RF for EARDIP SOP II is therefore prepared to guide and govern the sub-components selected for financing and sets out the elements that will entail involuntary resettlement, which will not be known during the project appraisal. It ensures that any possible adverse impacts or proposed project activities are addressed through appropriate mitigation measures in particular, against potential resettlement risks and adverse impacts.

#### **1.4 Scope of the Resettlement Framework**

10. The RF for EARDIP SOP II in Ethiopia is prepared for the project Components 1, 2 and 3 highlighted under Section 2.3 that require land acquisition with potential resettlement impacts whose exact nature and locations are not yet known and the scope and scale of resettlement aspects cannot be determined as a result.
11. The major scope of work attained in this assignment includes:
- The relevant World Bank (WB) and Ethiopian policies have been thoroughly reviewed;
  - Identified the key institutions and stakeholders authorized to carryout project-related land acquisition activities along with their respective mandates, roles and responsibilities;
  - Prepared the Entitlement Matrix (EM) and outline of the Livelihood Restoration Plan (LRP) procedure for the EARDIP SOP II in Ethiopia. Also, the scope includes the preparation of the outline for site specific Resettlement Plan (RP);
  - Reviewed existing grievance redress mechanisms (GRM), community based and/or mandated by law and application of the same in practice and suggest improvements to be implemented to comply with WB guidelines and Ethiopian legislative framework;
  - Identified Historically Underserved Communities (HUCs) and disadvantaged or vulnerable groups (DVGs) that might be disproportionately affected due to involuntary resettlement from project-related land acquisition and propose differential mitigation measures accordingly; and
  - Designed Grievance Redress Mechanism (GRM) of the project that is appropriate and accessible for all PAPs.

#### **1.5 Resettlement Framework Methodology**

12. The preparation of the RF for EARDIP SOP II in Ethiopia depends on both the primary and secondary methods of data collection. The following sub-sections provide further description of the resettlement framework methodology in this respect.

##### **1.5.1 Desk review**

13. The desk review involve a profound consultation of relevant documents and studies. First, the review of the EARDIP SOP II related documents was to obtain detailed project information. The reviewed documents in this regard includes Project Concept Note, PAD, project feasibility study (Missing Broadband Links in

the Horn of Africa Region), Project Concept Environmental and Social Review Summary, EARDIP SOP II Power Points Presentation (Ethiopia Mission May 20, 2022), and safeguard instruments under the Ethiopian Digital Foundation Project. Second, the review of relevant national (including the Constitution of the FDRE, Proclamation No. 1161, and Regulation No. 472/2020) and World Bank Environmental and Social Framework (ESF). Finally, available empirical studies were reviewed to substantiate the socio-economic conditions of the project-affected communities and project target areas.

### 1.5.2 Key informant interview

14. Key informant interview (KII) has been conducted with relevant stakeholders from federal to woreda level. **Table 1** presents the list of the participant organizations and people. The purpose of the KII with stakeholders was two-fold. First, as part of an on-going project information disclosure, provide project information to allow stakeholders understand: (i) the purpose, nature, and scale of the project; (ii) the duration of proposed project activities; (iii) potential benefits, risks and adverse impacts of the project; (iv) the proposed stakeholder engagement process highlighting the ways in which stakeholders can participate in designing, implementing and monitoring Resettlement Plans; and (v) the process and means by which grievances can be raised and will be addressed. Second, to assess the views and concerns of the stakeholders and incorporate inputs in the preparation of the RF for EARDIP SOP II. Accordingly, the key informant interview with relevant federal level stakeholders has been conducted from October 10 to November 4, 2022; stakeholders in target regions from October 28 to November 13, 2022; and stakeholders in sampled Woredas from November 18-21, 2022. **Annex 11** gives detail contract address of the participant organizations and key informant interview.

### 1.5.3 Video conference and virtual consultation

15. Owing to security concerns for face-to-face interview with the stakeholders in Somali and Gambella regions video conference and virtual consultation was conducted instead. Accordingly, the consultation with stakeholders in Somali region was conducted through video conference on October 28, 2022, whereas consultation with stakeholders from Gambella region was done on November 16, 2022 through virtual consultation using Google Teams. Both the video conference and virtual consultation was facilitated by the MInT team. The name of organizations and number of participants in face-to-face interview, video conference and virtual consultation is given in **Table 1**.

**Table 1 Participant Organizations and People in Key Informant Interview, Video Conference and Virtual Consultation**

<i>Name of organization</i>	<i>Number of Participant</i>	<i>Level of Stakeholder Group</i>
Ministry of Innovation and Technology	3	Federal
Ethiopian Communication Agency	1	
Ministry of Trade and Regional Integration	1	
National Research and Education Networks	1	
Development Bank of Ethiopia	4	
Ethiopian Investment Commission	1	
Ethiopian Environmental Protection Authority	2	
Ministry of Women and Social Affairs	1	
National ID Program Office	2	
Afar Region Trade and Industry Bureau	2	
Afar Region Science, Innovation and Technology Commission	5	

Afar Region Women and Children Affairs Bureau	1	Regional
Afar Region Peace and Security Bureau	1	
Afar Region Rural Land Use and Administration Bureau	1	
Afar Region Environmental Protection Bureau	1	
Somali Region Innovation and Technology Bureau	5	
Somali Region Women and Children Affairs Bureau	2	
Somali Region Environmental Protection Bureau	3	
Gambella Region Innovation and Technology Commission	2	
Gambella Region Peace and Security Bureau	1	
Gambella Region Women and Children Affairs Bureau	1	
Elidar Woreda Trade Office	1	Woreda
Elidar Woreda Rural Land Use and Administration Office	1	
Elidar Woreda Environmental Protection Office	1	
Elidar Woreda Women and Children Affairs Office	1	
Elidar Woreda Peace and Security Office	1	

#### **1.5.4 Community consultation**

It was planned to conduct three community consultations one in each of these connectivity routes: Halli to Dalho along Ethiopia-Djibouti, Imi to Dollo along Ethiopia-Somalia, and Bameza to Ad-Damazin along Ethiopia-Sudan. As planned, the community consultation in Haweli Kebele in Halli-Dalho along Ethiopia-Djibouti connectivity route has been conducted. It was held at the Galafi village on November 18, 2022 in which 18 participants (five women and thirteen men) took part. With the aim to capture the views and concerns of all segments in the local community including disadvantaged or vulnerable groups, the participants were composed of clan leader, religious leaders, community representative, women, youth, person with disability and refugee. The minutes, and attendance sheet is annexed herewith (see **Annex 12**). To date, efforts to conduct additional community consultations through virtual meetings or phone interviews have been unsuccessful due to lack of network and internet connection in the targeted areas. Going forward, MInT will conduct community consultation either by deploying its own staff or in cooperation with its line Bureau in the respective regions. These activities are pending additional budget which can be unlocked during project preparation and enhanced security given ongoing conflict situations outside of Addis Ababa. **Consultation with Disadvantaged or vulnerable groups**

16. To capture the views and concerns of disadvantaged or vulnerable groups, the participants of community consultation composed of women, youth, person with disability and refugee. Special emphasis was paid to these disadvantaged or vulnerable groups by taking into account their views and special concerns to be incorporated in the preparation of this RF.

#### **1.5.5 Sampling procedure**

17. The preparation of this RF employed sampling procedures that allow to achieve representativeness both in terms of geographic and stakeholder coverage. To obtain geographic representativeness, the sample selection considered all the proposed connectivity routes.

18. The sampling technique has given a similar attention for the inclusiveness of the appropriate stakeholders by apply the following procedures. First, as highlighted in sub-sections 1.5.2 and 1.5.3, the selection for stakeholder consultation covered key stakeholders (the main implementing agency, partner organizations, main direct beneficiaries, and public private partnership) from federal to woreda level. Second, the engagement of the local community has been captured through community consultation. Finally, the sampling procedure applied ways to represent the views and concerns of the vulnerable and disadvantaged groups: (a) separate interview was arranged for the disadvantage or vulnerable groups; (b) they were proportionately included during the selection of the participants for community consultation; and (c) organizations for disadvantaged or vulnerable groups such as Ministry of Women and Social Affairs and the line regional bureau and woreda office were consulted to express the special concerns of these groups and that incorporated in the preparation of this RF.

***1.5.6 COVID-19 precautions***

19. Currently, there is no COVID-19 pandemic lockdown in Ethiopia or in the project target areas. Despite this, the stakeholder consultation process was carried out observing COVID-19 protocols (such as wearing face masks, keeping physical distance, using hand sanitizer), as per the national and WB prevention protocol on the pandemic.

## 2. PROJECT DESCRIPTION

### 2.1 Project Development Objective

#### ***PDO Statement:***

20. The project development objectives are to advance digital market integration in the Eastern Africa region by increasing affordable access to regional broadband connectivity and strengthening the enabling environment for cross-border digital services.

#### ***PDO Level Indicators:***

21. The achievement of the PDO will be measured by the following results indicators:
- a) Increasing affordable access to regional broadband connectivity
    - People provided with enhanced access to broadband internet (number), in Djibouti and Ethiopia
    - Mobile broadband price (monthly, 2 GB) as a percentage of GNI per capita (percentage)
  - b) Strengthening the enabling environment for cross-border digital trade and data flows
    - Volume of international data traffic (used international internet bandwidth per inhabitant) (in kbit/s)
  - c) Developing digital skills
    - Beneficiaries with new or improved income opportunities because of digital skills training under the project, of which, female (number)

### 2.2 Project Components

22. As with SOP-I, SOP-II project is designed around three integrated and mutually reinforcing components, which reflect the distinct but interconnected layers of an integrated regional digital market. Components 1, 2 and 3 will support respectively Connectivity Market Development and Integration; Data Market Development and Integration; and Online Market Development and Integration. Further, Component 4 will support Project Management and Implementation Support (at regional and national level), while Component 5 will provide a Contingent Emergency Response Component (CERC). These components include a menu of activities from which the Borrowers (Djibouti and Ethiopia), will select activities to be implemented under SOP-II, based on their most pressing needs and their regional interaction.

#### ***Component 1: Connectivity Market Development and Integration***

23. This component will bridge existing network coverage and access gaps through infrastructure financing and support for an enhanced enabling environment to develop the regional broadband connectivity market. With the objective of expanding access, the financed activities will ensure that recipient countries also enhance network redundancy and cable route diversity, allowing the region to meet increasing demand for internet bandwidth. Cross-border, national backbone and backhaul, and access network infrastructure will be partially financed where there is a market failure, using various financing mechanisms depending on market need. Detailed country-level feasibility studies to be funded under this component will further define the precise arrangements under which the cooperation between the Government and the operators on infrastructure deployment will be further developed. To this end, component 1 has the following three sub-components.
24. ***Sub-component 1.1: Cross-border and national backbone network connectivity:*** This subcomponent will support the deployment of key missing cross-border and backbone fiber links to improve the resilience, coverage, and integration of regional connectivity networks. Support will be provided to deploy upwards

of up to 3,000 kms of fiber network in Ethiopia, covering strategic cross-border and national backbone network links as well as their extension into borderland areas, with a view to creating an integrated regional backbone network allowing for reduced cost and improved quality of transmission of capacity throughout the region. Financing support will be provided to operators who will be expected to co-finance, design, build, and operate the network infrastructure. Infrastructure deployment will be based on key principles of providing services on an open access basis, while offering reasonable wholesale rates to support affordable service expansion to be detailed in a Commercial Transaction Manual (CTM). Project financing will cover:

- a) TA for the (i) detailed network design including technical specifications for prioritized routes and network architecture/configuration, leveraging parallel deployment of linear infrastructure wherever possible and site selection of cell towers is informed by climate and disaster risk assessments (ii) develop a universal access market gap assessment including identifying sites to be connected along priority routes; and (iii) survey and providing quality assurance of deployed routes.
- b) TA to (i) define financing options for deployment, ownership, management, and maintenance of the network between the Government and the operators to be detailed in a CTM and (ii) provide transaction advisory services to prepare related bidding documents and support for launching and administering the commercial transaction.
- c) Financing associated with broadband network infrastructure deployment, including the construction and upgrade of cross-border terrestrial links and national backbone network infrastructure, subject to the adoption of a CTM. In Ethiopia: Up to 1,100kms of fiber links building greater resilience with up to five additional routes to the sea.
- d) Financing digital infrastructure rehabilitation in the conflict affected area<sup>5</sup> in Tigray, Ethiopia including rehabilitating cell towers, fiber optic links, transmission networks and related infrastructure.

25. **Sub-component 1.2: Last mile connectivity including in borderland areas:** This subcomponent will connect rural, borderland areas, where the commercial incentive for last-mile network expansion is insufficient to propel further infrastructure investment. By providing catalytic funding to stimulate demand by key user groups and in low-income market segments (including in refugee/IDP camps, conflict affected areas in Tigray in Ethiopia and locations in rural and borderland areas), this subcomponent will follow Mobilizing Finance for Development (MFD) approach to unlock further private sector infrastructure investment in unserved or underserved areas. The financed infrastructure will be deployed using a range of modalities, including reverse auctions, bulk purchase of capacity, and/or licensing arrangements that aim to maximize private sector financing. These mechanisms are expected to incentivize private sector investment in the rollout and maintenance of last-mile access networks that connect targeted locations/areas. They will also benefit the wider consumer base in the vicinity of connected sites, with national governments serving as the anchor tenant required for enhanced service provision. Project financing will cover the following:

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<sup>5</sup>A damage assessment study carried out by the World Bank in 2022-23 estimated that damage to communications infrastructure amounted to around US\$487m. Adapted from World Bank. Forthcoming, 2023. *Ethiopia Conflict Impact Assessment and Rehabilitation Project: Volume A – Damage and Needs Assessment*

- a) Financing of connecting public institutions along fiber routes through pre-purchase of internet bandwidth capacity for public institutions, fiber deployment, and information technology (IT) equipment for government offices, schools, hospitals, and other public institutions.
- b) Financing for backhaul and last-mile networks in borderland areas, and covering refugee, and IDP camps. In Ethiopia this will include establishing/upgrading broadband radio access networks (RANs, minimum 4G technology) in woredas, covering refugee/IDP camps on the Somalia-South Sudan border, their host communities and schools, health care facilities, humanitarian and relief agencies for host communities and IDP/refugee camps, and education facilities in Tigrayan region.

26. **Sub-component 1.3: Enabling legal, regulatory, and institutional ICT environment:** This sub-component will provide upstream enabling policy, legal and regulatory support, as well as capacity building to stimulate broadband market development and harmonization at the national and regional level. Building on the regional harmonization efforts under SOP-I, activities under this sub-component will support the strengthening, modernization, and regional harmonization of the legal, regulatory, and institutional frameworks governing the telecom sector to foster competition and private sector investments and unlock the potential of the ICT sector nationally and across borders. Support will also be provided to increase capacity at the national level to implement these initiatives, working with national ICT regulatory authorities, agencies, and line ministries for ICT at the national level and through the RECs at the regional level. Project financing will cover the following:

- a) TA, capacity building and financing of systems (information technology hardware and software) for and national telecom regulators and universal service access funds to support effective harmonization, implementation, and sustainability of connectivity investments under the project through technical trainings and additional advisory services. This activity would build on the feasibility study and recommendations for the operationalization of an ICT regulatory association in the Horn of Africa under SOP-I.
- b) TA and capacity building to reduce and/or eliminate roaming charges on voice and data services in the region, building on the One Network Area (ONA) initiative of the EAC and the feasibility assessment and roadmap developed for the IGAD Member States under SOP-I.
- c) TA to the telecom regulator in Ethiopia (ECA) on developing climate smart infrastructure, including e-waste management protocols, and rollout guidelines.
- d) Capacity building to Ethiopia's MInt's to operationalize gender-specific recommendations outlined in Ethiopia's (forthcoming) 'National Digital Inclusion Strategy.'

**Component 2: Data market development and integration**

27. This component seeks to foster the development of a regional data market by enabling more affordable, secure, and seamless data management and sharing across borders. It will finance data infrastructure to reduce the latency and costs of data sharing within the region, as well as build on the regional harmonization efforts under SOP-I and enhance and harmonize data governance through improved national and regional frameworks, including in areas such as data protection, to support secure data processing and prevent misuse. Financing will also be provided to strengthen cybersecurity incident response, including through regional partnerships and frameworks. Support will be provided to enhance data management and hosting infrastructure, with a view to achieving economies of scale and strengthening climate resilient data management. Capacity building workshops and training will be supported for representatives of the public and private sector. All training and workshops conducted will be in formats compliant with accessibility standards (appropriate headers, landmarks, labeling, alternative text, etc.).

28. **Sub-component 2.1: Cybersecurity frameworks, infrastructure and capacity:** This subcomponent seeks to strengthen cybersecurity and incident response capabilities in the region. It will do so both by strengthening basic national frameworks and through coordination at the regional level, with a strong focus on skills development and pooled resources. The financed activities will support the development of best practice frameworks, enhanced technical and operational capabilities, as well as capacity building, grounded in an understanding of the regional and national cyber threat landscape and regional knowledge sharing, to help create a trusted online transaction environment and safeguard digital infrastructure and services. Project financing will cover the following:
- a) TA to introduce and strengthen national legal, strategic, and institutional frameworks for cybersecurity, including compliance standards, as well as their harmonization at the regional level. (Ethiopia, Djibouti)
  - b) Support for the establishment of a Cybersecurity Emergency Response Team (CERT) in Ethiopia and Djibouti including related TA, hardware and software.
  - c) Financing basic and advanced cybersecurity training, knowledge-sharing workshops, and public awareness campaigns, at the national and regional levels, targeting policy makers, public sector employees, members of regional bodies, the business community, and high-risk sectors (financial, telecom, and infrastructure) and the development of cyber training programs, with targets for the number of female beneficiaries.
29. **Sub-component 2.2: Data exchange, governance, and protection:** This subcomponent will support investments in enabling data infrastructure and governance frameworks that facilitate cost-effective and secure data exchange in the region. It will build on the regional harmonization efforts under SOP\_I and focus on adopting common frameworks for data protection and data governance, reducing barriers for data sharing within and across borders, and enabling and promoting interoperability. It will also introduce data infrastructure that helps facilitate reducing the costs and climate impact of data storage, processing, and sharing in the region. Similar to the approach taken under 1.1 and 1.2, financing of data infrastructure will go through a competitive tender to encourage private sector participation, unless there is restricted private sector interest or if there is justification of government ownership of that infrastructure. Project financing will cover the following:
- a) TA to undertake data hosting (including adoption of a cloud-based approach) and data management needs assessments at the national level, looking at demand and supply, regional demand aggregation, and options for attracting private sector investment and scope for strategic partnerships, as well as reducing associated environmental and climate impacts.
  - b) Financing for deploying resilient and agile hybrid (cloud and on-premises) data hosting solutions (infrastructure and services) at the national level.

### **Component 3: Online Market Development and Integration**

30. This component aims to build the regional online market by removing barriers to cross-border trade and payments, as well as investing in key enablers for expanded digital service delivery. Leveraging the regional harmonization efforts under SOP-I, it will support the development of regional and national legal and governance frameworks on e-commerce, trade, and payment systems to improve and expand national governments' capacity to support growth of cross-border services, payments, and trade. Financing support will be provided to deploy digital public infrastructure and TA to ensure its adoption across ministries, departments, and agencies (MDAs) through targeted digital skills training. By enhancing the digital capabilities of public administrations, the project will expand government capacity to provide e-services and implement regional-level agreements and systems. This component will also develop the



regional digital skills base more broadly, through support for National Research and Education Networks (NRENs) and new digital skills training programs in areas where digital skills gaps are identified.

31. **Subcomponent 3.1: Digital enablers for cross-border trade, payments, and service delivery:** This subcomponent aims to enhance readiness to expand digitally enabled cross-border trade and service delivery, by introducing key enablers. With a view to supporting the E-Commerce Protocol under African Continental Free Trade Area (AfCFTA) and leveraging the development of an E-commerce Strategy for IGAD under SOP-I, this subcomponent supports a regional approach to digital trade through the development of key protocols for e-commerce, and capacity building for national trade ministries. This subcomponent will also enable and facilitate cross-border transactions for goods and services by developing the mutual recognition of e-signatures and supporting regional standardization and consensus-building efforts to deepen the integration of regional payment systems, building on national efforts already supported by the World Bank. Support will also be provided at the national level to develop shared digital public infrastructure for scaled digital service delivery and e-commerce. Project financing will cover the following:

- a) Capacity building for national line ministries for trade, commerce, and investments, to improve their readiness to participate in regional trade agreements, including through the development of e-commerce strategies, and development of national protocols pertaining to the ICT sector obligations for World Trade Organization and AfCFTA accession.
- b) TA and capacity building towards the adoption of regionally harmonized frameworks for the mutual recognition of e-signatures and e-transactions, in line with best practice standards. The capacity building will leverage similar activities undertaken by IGAD and financed under SOP-I.

32. **Subcomponent 3.2: Research and education networks and training for digital skills:** This subcomponent will provide assistance to the regional activities of the Ethiopian National Education and Research Network (EthERNet). It will enable the expansion and strengthening of the regional infrastructure supporting higher education by establishing regional collaboration among NRENs, allowing for economies of scale and knowledge transfer. Support will be provided to enhance the capacity of universities and TVETs, in partnership with NRENs and governments, to deliver digital skills programs for civil servants and university faculty and students. All skills programs will be encouraged to adapt pedagogical tools and techniques with a view to being accessible for people with disabilities. Project financing will cover the following:

- a) Financing capacity building for existing NRENs and their membership in key regional networks (for example, the Ubuntunet Alliance and the EU Africa Connect 3 program), including support for staffing, equipment, and business planning to expand services offered by NRENs to the education sector.
- b) TA for the development of a long-term business plan for sustainable EthERNet expansion.
- c) Collaboration between NRENs in the region, through regional capacity-building initiatives (study tours and workshops) and regional access to open educational resources.

#### **Component 4: Project Management and Implementation Support**

33. This component will finance project management and implementation of project-associated activities. It will cover the additional operating costs of the project implementation units (PIUs). This component will help strengthen the technical and functional capacity of the PIUs, including through the recruitment of expert consultants in key areas and the facilitation of on-the-job learning and competency transfer. It will

support independent audits, monitoring and evaluation (M&E) and quality assurance to ensure compliance with best procurement and financial management (FM) practices. Support will be provided to enable collaboration between regional and national PIUs. This component will also support Environmental and Social Framework (ESF) compliance, with a particular emphasis on addressing the high security- and GBV-related risks associated with the deployment of infrastructure and civil works, including stakeholder consultation, a robust grievance redress mechanism, and development of site-specific assessments and plans. In Ethiopia, the PIU will be at the Ministry of Innovation and Technology (MinT), serving the Digital Ethiopia project since 2021.

#### ***Component 5: Contingent Emergency Response***

34. This component will allow for rapid reallocation of uncommitted national IDA funds in the event of an eligible emergency declared in one of the participating countries. For the Contingency Emergency Response Component (CERC) to be activated and financing to be provided, the recipient will need to (a) submit a request letter for CERC activation, and the evidence required to determine eligibility of the emergency; (b) submit an Emergency Action Plan, including the emergency expenditures to be financed; and (c) meet the environmental and social requirements as agreed in the Emergency Action Plan and Environmental and Social Commitment Plan. By having Emergency Action Plan and allocating related budget, CERC will help strengthen the institutional capacity to respond to emergencies caused by climate and natural disasters, and support reinforcing the country's resilience to climate and natural risks identified above.

### **2.3 Project Components Potentially Causing Resettlement Impacts**

35. The implementation of Components 1, 2 and 3 requires land acquisition that may cause adverse resettlement impacts of various degrees:
- Component 1 will finance capital expenditure associated with the network infrastructure development, including the construction of terrestrial fiber optic (sub-component 1.1) and last-mile or backbone network infrastructure, transmission towers, and other fixed connectivity stations (sub-component 1.2). More importantly, both sub-components will undertake the construction of linear infrastructure. Sub-component 1.1 will construct national 1066 kms priority fiber optic links while both sub-component 1.1 and sub-component 1.2 may undertake the construction of access roads to transmission towers and other fixed connecting stations. Therefore, the implementation of the activities of component 1 requires acquisition of ample land. The associated potential adverse impacts from physical and economic displacement are expected to be high as well.
  - Component 2 (as intends in sub-component 2.1) will involve the construction of cyber-security infrastructure that helps facilitate reducing the costs and climate impact of data storage, processing, and sharing in the region. As proposed under sub-component 2.1, the project will finance the construction of digital infrastructure including on-premises for secure data exchange, data storage and data hosting solutions. Hence, the implementation of both sub-components requires land acquisition that may cause involuntary physical and economic displacement.
  - Component 3 through sub-component 3.1 will support digital enablers for cross-border trade, payments, and service delivery. Financing support will be provided to deploy digital public

infrastructure that facilitate cross-border transactions for goods and services. Support will also be provided at the national level to develop shared digital public infrastructure for scaled digital service delivery and e-commerce. Thus, undertaking these activities can require land acquisition with possible resettlement impacts for the project-affected communities and persons.

- Further, the implementation of component 2 and component 3 could stimulate private investments in new digital infrastructure development through Private Capital Mobilization (PCM) financing modality intended in the project. This requires additional project related land acquisition that may have adverse resettlement impacts for the local communities and persons.

## 2.4 Project Target Areas

36. SOP-II of the EA-RDIP is proposed to be implemented five priority fiber optic linking routes. **Table 2** shows the list of the proposed connectivity routes along with the fiber route in km.

**Table 2 Priority Fiber Optic Linking Routes for Ethiopia**

<i>Connectivity Route</i>	<i>Fiber Route in km</i>
Ethiopia-Sudan: Bameza to Ad-Damazin	134 kms
Ethiopia-Djibouti: Halli to Dalho	74 kms
Ethiopia-Eritrea: (i) Adwa to Asmera (ii) Mitsiwa Halli to Aseb	334 kms
Ethiopia-Somalia: (i) Imi to Dollo (ii) Golo to Beledweyne	510 kms

## 2.5 Project Beneficiaries

37. The project will benefit citizens targeting specifically women, persons with disabilities, refugees, IDPs, businesses, public sector MDAs, and **RECs** through improved access to connectivity and an environment enabling digital services and digital skills:
- Citizens.** Citizens will benefit both indirectly and directly from wider opportunities to participate in an expanding regional digital market, which offers new employment opportunities and access to new public and commercial services online. Expansion of network coverage will directly benefit unserved or underserved communities, particularly in rural and borderland areas, where new networks are deployed or upgraded, supporting greater digital access and inclusion. Network coverage (of the population) is expected to significantly increase. Further, approximately 5,000 citizens, of which at least 30 percent are women, including persons with disabilities, will also benefit directly from digital skills trainings (conducted using accessible techniques and tools), which will increase their readiness to access online service and contribute to the development of the digital market.
  - Refugees and IDPs.** Refugees, IDPs, and people in host communities will directly benefit from enhanced network coverage and new access to mobile and emergency response ICT infrastructure, for example, boosting their resilience to withstand climate shocks.

**Table 3 Proposed coverage of refugee/IDP Camps and host communities in Ethiopia**

<i>Region, location</i>	<i>Number of Refugee Camps</i>
Gambela- North-West, border with South Sudan	14
Jiljiga Refugee camps - North-East, border with Somalia	9
Melkidia Refugee Camps - South border with Somalia	

<b>Total</b>	<b>23</b>
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- c) **Businesses.** ICT service providers, including mobile network operators and internet service providers, will directly benefit from the project through contracts for infrastructure deployment and capacity purchase as well as local procurement of IT, awarded on a competitive basis. The wider business community will also benefit indirectly from reforms supported and investments made, including a more secure and cost-effective environment for conducting business online, on the back of more reliable, better quality, and low-cost broadband services; more seamless data exchange within and across borders; and the deployed enabling digital public infrastructure that facilitates online services, which boosts e-commerce. The creation of a regional digital market will provide local businesses with opportunities to scale within the region and access larger markets more easily.
- d) **Public sector.** The main direct beneficiaries of the project include the Ministry of Innovation and Technology (MInT) and the Ethiopian Communications Authority (ECA) that will receive targeted financial and technical assistance. However, public institutions (including unconnected government offices, healthcare centers, schools, universities, TVETs) will also benefit from improved access to connectivity and access to shared digital infrastructure (e.g. IXPs, data hosting solutions). In addition, civil servants including female staff will be trained in management or use of digital systems and digital skills.

### **3. LEGAL AND INSTITUTIONAL FRAMEWORK**

38. Preparing RF alone is not enough to effectively mitigate unavoidable adverse social and economic impacts from project related land acquisition or restrictions on land use and access to natural resources. Besides, that needs to be reinforced through formal legislations. This section presents a review of applicable national and WB policies relating to expropriation of land holdings for the project's purposes, payments of compensation and resettlement of displaced people. Also, the section analyzes the gaps between the national and WB's policies and, thereby, indicates measures to fill the gap (if there is any) in implementing the RF for the EARDIP SOP II.

#### **3.1 Ethiopian Legislations Relevant to Land Acquisition, Compensation and Resettlement**

39. Ethiopia, to lay a legal foundation of expropriation, it enacted laws, proclamations, and regulations that deal with expropriation of land holdings for public purposes, valuation and payments of compensation. The sub-sections that follow review the most relevant national legislations guiding the preparation and implementation of RF and RP for the EARDIP SOP II.

##### ***3.1.1 The Constitution of the FDRE***

40. The major binding document for all other derivative national and regional laws and regulations is the 1995 Constitution of the Federal Democratic Republic of Ethiopia (FDRE). Article (40) of the Constitution declares that every Ethiopian has the right to the ownership of private property. This right includes the right to acquire, to use and, in a manner compatible with the rights of other citizens, to dispose of such property by sale or bequest or transfer. However, the article further states, this right can be limited or modified by law where "public purpose" so demands. In association with this, the Constitution has several provisions about expropriation and related issues. Article 44(2) of the Constitution indicates that interventions for public purposes that cause the displacement of people or adversely affect the livelihood of the local population shall give the right to "commensurate" monetary or other means of compensation including relocation (resettlement) with adequate state assistance. The provisions in the constitution clearly states government's obligation not only to compensate for the works on land created by the labor and capital of land users but also to compensate for the lost land through resettling the affected individuals/communities by the state programs with adequate assistance. These Constitutional provisions are the basis for the subsequent proclamations and regulations on compensation procedures and the legal framework for the resettlement and rehabilitation policy framework in Ethiopia.

##### ***3.1.2 Proclamation No. 1161/2019***

41. The issues of expropriation, valuation and payments of compensation have been governed by the Federal Expropriation and Payment of Compensation Law (Proclamation No. 455/2005), Rural Land Administration Law (Proclamation No.456/2005) and the Council of Ministers Regulation No.135/2007. However, the FDRE Peoples Representative Council has recently rectified Proclamation No.1161/2019 to deal with "Expropriation of Land for Public Purposes, Payments of Compensation and Resettlement of Displaced People" replacing the aforesaid legislations that have been in practice over the last fifteen years. The preamble of the proclamation recognizes the essentials of the RF for the EARDIP SOP II.

**WHEREAS:**

- It is necessary to rectify and fill gaps envisaged in the former law and to include other provisions to make the system of expropriation of landholdings and payment of compensation more effective;
- It is necessary that government needs to use land for development works it carries out for the interest of the public;
- It is essential to determine the types of compensable properties and lost economic interests and the principles thereof and establish the methods of valuation in order to pay landholders whose landholdings and property are expropriated or damaged or lost their economic interests in the process of expropriation fair and equitable compensation;
- It is necessary to identify and define the powers and responsibilities of authorities which are in charge of property valuation; payment of compensation and resettlement; and
- It is necessary to determine the decision-making process and grievances procedure related with the expropriation and payment of compensation.

42. According to the Proclamation No. 1161/2019, **“Public Purpose”** means decision that is made by the cabinet of a Regional State, Addis Ababa, Dire Dawa or the appropriate Federal Authority on basis of approved land use plan or; development plan or; structural plan under the belief that the land use will directly or indirectly bring better economic and social development to the public (Article 1).
43. As per this Proclamation Article 2, **“Property Compensation”** means payment to be made in cash or in kind or in both to a person for his property or permanent improvements situated on his expropriated landholding.
44. The proclamation states that **“Economic Loss Compensation”** means payment to be made to those who are not displaced but who suffer loss of employment, trade; or rentals, or similar activities as a consequence of expropriation of land for public purposes (Article 5).
45. **“Displaced People”** means a person, households, firms, or public or private institutions who has been living in occupied land, including tenants, employed and self-employed persons on the land for public benefit (Article 16).
46. **The legal guidance** for the EARDIP SOP II RF is provided in: Article 4 sub-articles 1-4 which state the principles of expropriation of land for public purposes; Article 5 sub-article 1-5 that declares on procedures of land expropriation; Article 8 sub-articles 1-8 set out provisions on procedure of the landholding handover; Article 12 sub-articles 1-6 contain the provisions on property compensation; and Article 17 sub-article 1-7 issued on valuation of property. The details of these provisions are given in **Annex 2**.

**3.1.3 Regulation No. 472/2020**

47. The valuation methods in Proclamation No. 1161/2019 have recently been revised in the Council of Ministers Regulation No. 472/2020 replacing the previous Regulation No. 135/2007. The new Regulation provides details of property valuation and compensation methods. Accordingly, Article 13 (1-10) of the Regulation has set out the valuation formula to be used to compensate for the affected properties. For

the legal guidance in the RF of the EARDIP SOP II, details of the Regulation No. 472/2020 on compensation assessment, valuation formula, support for displaced people, and resettlement package are provided in **Annex 3**.

### **3.1.4 Legislations of the Project Target Regional States**

48. Article 52 sub-article 2(d) of the Constitution of FDRE mandates regional states with the power to administer land and other natural resources for the benefits that brings better public development. However, the legal framework in all the project target regions underscores that their respective regulations and policy guidelines regarding the expropriation of land, compensation payments and resettlement of the displaced people shall adhere to and consistent with the Federal Proclamation and regulation in this respect. This makes the legal framework of the target regions an exact replica of the Federal legislations. Hence, it is reviewed that the effort to formulate regional land related policies/proclamations adds no new things regarding the management of involuntary resettlement in the EARDIP SOP II.
49. But, the review of the proclamations on resettlement in the project target regions showed basic gap. That is, as stated earlier, the FDRE Peoples Representative Council issued Proclamation No. 1161/2019 and its subsequent Regulation No. 472/2020 replacing the previous Proclamation No. 456/2005 and Regulation No. 135/2007. Yet, none of the project target regions revise their legislations accordingly. Instead, the resettlement legislations of the project target regions still refer to the older federal legislation: The Expropriation of Landholdings for Public Purposes and Payment of Compensation Proclamation No. 455/2005. The Afar regional state proclamation No. 49/2009; Benishangul-Gumuz regional state proclamation No. 85/2010; Gambela regional state proclamation No. 185/2011; and Somali regional state proclamation No. 128/2013 are all enacted based on the older federal proclamation no. 456/2005. This situation resulted in numerous discrepancies between the federal and regional legislations regarding amount of compensation payment and displacement calculation formula. The new federal legislation Proclamation No. 1161/2019 has incorporated many modifications compared with the previous proclamation No. 455/2005. For example:
- One important new incorporation in the Proclamation No. 1161/2019 is pertaining to, displacement compensation paid for rural landholders who are permanently displaced from their holding. When we consult Proclamation No. 455/2005, a rural landholder whose landholding has been permanently expropriated shall be paid displacement compensation which shall be equivalent to ten times the average annual income he secured during the five years preceding the expropriation of the land (Article 8). But Proclamation No. 1161/2019 replaced this provision as, where equivalent substitute land is not available, the land holder shall be paid displacement compensation which is equivalent to fifteen times the highest annual income he generated during the last three years preceding the expropriation of the land (Article 13 sub-article 1 (b & c). Here Proclamation No. 1161/2019 increased the time that displacement compensation calculated to fifteen years which was only ten years in the previous Proclamation No. 455/2005.
  - Another notable inclusion in the new proclamation which is not incorporated in the previous one is displacement compensation for communal landholding. Proclamation No. 1161/2019 obliges Regional States, Addis Ababa, and Dire Dawa city administrations in order to issue directive and determine displacement compensation for communal landholding. The proclamation provides that, valuation of displacement compensation for communal landholding shall be based on the use of the communal land; or the lost benefits and livelihood of the displaced people (Article 13 sub-article 3(a)).

- A further remarkable and interesting enclosure in the proclamation No. 1161/2019 is a provision that mandates regional states, Addis Ababa and Dire Dawa city administrations to establish fund for compensation payment and rehabilitation (Article 16 sub-article (1)). The Proclamation obliges regional states, Addis Ababa, and Dire Dawa city administrations in order to develop resettlement packages that may enable displaced people to sustainably resettle (Article 16 sub-article (2)).
- To overcome the discrepancies of resettlement legislations between the federal and project target regional states such as the one mentioned above, the implementation of the RAP for the EARDIP SOP II will apply the latest Federal Proclamation No. 1161/2019 that offer better compensation payment for the displaced persons or communities.

### **3.2 World Bank ESS5 on Land Acquisition and Involuntary Resettlement**

#### ***3.2.1 The World Bank ESF***

50. The World Bank Environmental and Social Framework (ESF) sets out the World Bank's commitment to sustainable development, through a Bank Policy comprising ten Environmental and Social Standards (ESSs). Together, the ten ESSs set out the requirements on the identification, assessment and management of environmental and social risks involving development projects supported by the Bank through Investment Project Financing.
51. Involving that are designed to support Borrowers' projects, with the aim of ending extreme poverty and promoting shared prosperity. Against this backdrop, the ESF provides ten Environmental and Social Standards (ESSs) which set out the requirements for Borrowers relating to the ten Environmental and Social Standards establish the standards that the Borrower and the project will meet through the project life cycle. The reviews that follow focus only on those ESSs directly relevant for the RF of the EARDIP SOP II but the full ESF document with details on each ESS can be accessed from: <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework>.
52. Out of the ten ESSs set out in the WB ESF, ESS5 on Land Acquisition, Restriction on Land Use and Involuntary Resettlement is especially relevant for this RF and subsequent resettlement plans and operations of the proposed EARDIP SOP II. Also, ESS1 stated about Assessment and Management of Environmental and Social Risks and Impact; ESS 7 on Sub-Saharan African Historically Undeserved and Traditional Local Communities (SSAHUTLCs); and ESS10 on Stakeholder Engagement and Information Disclosure are relevant for the EARDIP SOP II's RF. The major provisions of these ESSs are highlighted below.

#### ***3.2.2 Assessment and Management of Environmental and Social Risks and Impact (ESS1)***

53. ESS1 require the Borrower to carry out an environmental and social assessment of the project to assess the environmental and social risks and impacts of the project throughout the project life cycle. The assessment will be proportionate to the potential risks and impacts of the project, and will assess, in an integrated way, all relevant direct, indirect, and cumulative environmental and social risks and impacts throughout the project life cycle, including the adverse resettlement impacts associating with the project related land acquisition and restriction to access natural resources (paragraph 23).
54. As further set out in paragraph 24 of the same ESS, the preparation of the RF and RAP should be based on the environmental and social assessment providing current information, including an accurate description and delineation of the project and any associated aspects, and environmental and social



baseline data of the project target regions at an appropriate level of detail sufficient to inform characterization and identification of resettlement risks and impacts for the project affected communities.

### **3.2.3 Land Acquisition, Restriction on Land Use and Involuntary Resettlement (ESS5)**

55. ESS5 paragraph 1 recognizes that project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land or loss of shelter), economic displacement (loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood), or both.
56. The provision in paragraph 25 of the ESS5 states that where the likely nature or magnitude of the land acquisition or restrictions on land use related to EARDIP SOP II with potential to cause physical and/or economic displacement is unknown during project preparation, the main implementing agency Ministry of Innovation and Technology (MIInT) is required to develop RF establishing general principles and procedures compatible with this ESS5. Once the exact resettlement impacts of Components 1, 2, and 3 of the EARDIP SOP II are defined and the necessary information becomes available, such a framework will be expanded into one or more specific RAPs proportionate to the risks and impacts of each project components. The provision in the same paragraph further declares that no physical and/or economic displacement will occur until the RAP(s) required by ESS5 has been finalized and approved by the Bank.
57. When the adverse impacts from land acquisition or restrictions on land use due the implementation of Components 1, 2 and 3 of the EARDIP SOP II cannot be avoided, the GoE will offer the affected communities, groups or persons compensation at replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living or livelihoods, subject to the provisions of paragraphs 26 through 36 of ESS5. Though further applicability will be established during the environmental and social assessment as required in ESS1, the project adhere to the scope of the entitlement of the involuntary resettlement provided in ESS5 (paragraphs 4 through 9) while the project strictly observes the eligibility classification and resettlement procedures set out in paragraphs 10 through 18 of the ESS5. Yet, the project will apply the assessment procedures and compensation terms for physical displacement as set out in paragraphs 26 through 32 and for economic displacement in paragraphs 33 through 36. In line with this, the minimum contents of the RF for the EA-DRIP are annexed herewith this document (**Annex 4**).

### **3.2.4 Historically Underserved Communities (ESS7)**

58. The project target areas are predominantly occupied by pastoralists and agro-pastoralists they are designated as HUC and meeting ESS7 criteria. Owing to this fact, ESS7 recognizes that Historically Underserved Communities (HUCs)<sup>6</sup> have identities and aspirations that are distinct from mainstream groups in national societies and often are disadvantaged by traditional models of development. In many instances, they are among the most economically marginalized and vulnerable segments of the population. Their economic, social, and legal status frequently limits their capacity to defend their rights to, and interests in, land, territories, and natural and cultural resources, and may restrict their ability to participate in and benefit from development projects (paragraph 3).

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<sup>6</sup> Afar, Gambella, Benishangul Gumuz, Ethiopian Somali Regions, and pastoralists in parts of Oromia and SNNPR are designated by Ethiopian Government and agreed with the World Bank joint screening in 2013, as meeting the criteria of ESS 7, as Historically Underserved Communities.

59. For the aforesaid differential resettlement impacts, in ESS7 paragraphs 25, the WB policy set out additional provision exclusive to project affected HUCs. It states that in the course of project-related land acquisition HUCs may be particularly vulnerable to the loss of, alienation from or exploitation of their land and access to natural and cultural resources. In recognition of this differential vulnerability, in addition to the aforesaid General Requirements stated in ESS5, the project implementing agency MInT is required to obtain the Free Prior Informed Consent (FPIC) of the project-affected HUCs in circumstances in which project-related land acquisition will:
- a) have adverse impacts on land and natural resources subject to traditional ownership or under customary use or occupation.
  - b) cause relocation of HUCs from land and natural resources subject to traditional ownership or under customary use or occupation; or
  - c) have significant impacts on HUCs' cultural heritage that is material to their identity and/or cultural, ceremonial, or spiritual aspects.
60. Also, as per the requirements in paragraphs 20 and 21, the mitigation measures and development benefits for the affected HUCs due to project-related land acquisition necessitate special planning packages, Social and Community Development Plan. The implementing agency MInT will undertake Targeted Social Assessment (TSA) that help determine the eligibility and the appropriate structure and mechanisms for the delivery and management of compensation and shared benefits for the project affected HUCs. Further, opportunities for benefit sharing are considered as distinct from compensation for adverse impacts and address the longer term sustainable development of the project-affected HUCs.

### ***3.2.5 ESS10: Stakeholder Engagement and Information Disclosure***

61. Following the provisions set out in paragraphs 13 to 18 of the ESS10, the project implementing agency MInT will engage with the project affected communities, including host communities, groups and persons. Among other things, engagement with the project affected communities and persons involve the decision-making processes related to resettlement and livelihood restoration options and alternatives from which the affected communities and persons may choose. Disclosure of relevant information and meaningful participation of affected communities and persons will take place during the consideration of alternative project designs, and thereafter throughout the planning, implementation, monitoring, and evaluation of the compensation process, livelihood restoration activities, and relocation process. Additional provisions apply to consultations with displaced historically underserved communities of Ethiopia, in accordance with ESS7
62. The consultation process should ensure that vulnerable and disadvantaged groups' perspectives are obtained and their interests factored into all aspects of resettlement planning and implementation.
63. As set out in ESS10 paragraphs 19 through 22, the MInT will disclose project information to communities, groups and persons affected due to project-related land acquisition to allow them understand the risks and impacts of the project, and potential opportunities.

### **3.3 Comparison of the Ethiopian Legal Framework with World Bank ESS5**

64. The above review of resettlement legislations shows that the Ethiopian and WB's legal frameworks complement each other on several grounds. For instance:
- a) Both have the provision stating that it is essential to determine the types of compensable properties and lost economic interests and the principles thereof and establish the methods of valuation in order to pay land holders whose landholdings and property are expropriated or damaged or lost their economic interests in the process of expropriation fair and equitable compensation.
  - b) The provision in both underscores that information about compensation standards, formulas, and rates should be provided in a transparent and consistent manner. It is also important to ensure that rates are applied consistently.
  - c) Both legal frameworks assert that compensation and resettlement assistance for the expropriated land shall sustainably restore and improve the livelihood of the displaced people.
65. Nevertheless, there are gaps as well between the Ethiopian legal framework and WB's ESS5. One notable gap observed in the Ethiopian legal framework is related to the provision on voluntary land donations, whereas the ESS5 has addressed it. The other gap is related to entitlements for payment where, according to the Ethiopian legal framework, the rights to compensation are essentially based on the right of ownership which limits the rights of non-formal occupants like slum dwellers and tenants while the WB's provision addresses the limitation. This RF will adhere to the Ethiopian legal framework as reviewed above and the WB ESS5 and ESS7 in its recommendations.
66. The gap filling measures are developed in this RF as provided in **Table 4** to ensure compliance within the two sets of laws and policies for the EARDIP SOP II. Where there are differences between the national laws and ESS5, the later shall prevail in the case of the EARDIP SOP II.

**Table 4 Comparison Matrix of Ethiopian Legal Framework with World Bank’s ESS5 and Gaps Filling Measures**

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
<p><b>Policy objectives</b></p>	<ul style="list-style-type: none"> <li>• The Constitution of the EFDR stipulates that the government has the power to expropriate private property for public purposes subject to payment, in advance, of compensation ‘commensurate’ to the value of the property (Article 40 (8)).</li> <li>• Proclamation No. 1161/2019 declares that expropriation of land for public purposes shall be made only on the basis of approved land use plan; urban structural plan; or development master plan (Article 4 (1)).</li> <li>• Only appropriate Federal Authority, or a Regional, Addis Ababa, Dire Dawa cabinet shall decide on whether the expropriated land directly or indirectly brings better development and is beneficial to the public (Proclamation No. 1161/2019 Article 5(1)).</li> <li>• As per Article 12 of Proclamation No. 1161/2019, the landholder whose land is expropriated shall be paid compensation for the property on the land and the permanent improvement made on the land (Sub-article 1).</li> <li>• Proclamation No. 1161/2019 states that compensation and resettlement assistance for the expropriated land shall sustainably restore and improve the livelihood of displaced people (Article 16(2))</li> </ul>	<ul style="list-style-type: none"> <li>• ESS5 aims to: avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives; avoid forced eviction; 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.</li> <li>• ESS5 conceives and executes 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.</li> <li>• ESS5 ensures that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.</li> </ul>	<p>The Ethiopian legal framework and WB’s ESS5 have more or less similar measures. Thus, the overall objectives shall be applied in the EARDIP SOP II to avoid or minimize involuntary resettlement and to ensure consultation throughout the project lifecycle.</p>

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
<b>Project-affected squatters or illegal settlers</b>	<ul style="list-style-type: none"> <li>The Constitution of the EFDR or Proclamation No. 1161/2019 has no legal provision to accommodation for squatters or illegal settlers.</li> <li>In fact the provisions in the Proclamation No. 1161/2019 exclude squatters or illegal settlers. As per Article 8 Sub-article 1(c) in order to be included in compensation payment or any other resettlement benefit, landholders or their agents whose landholdings are to be expropriated shall submit landholding certificates or other proofs that show their landholding rights over the lands that is decided to be expropriated to the urban or rural land administration office on the time schedule of the office.</li> <li>Also, Article 8(8) of the same proclamation denies the right of squatters/illegal occupiers: “Where the land expropriated is under illegal occupation, the occupant shall evacuate without claim for compensation within 30 (thirty) days of notice”.</li> </ul>	<p>ESS 5 paragraph 10 Eligibility criteria, section (b) and (c) states that people who do not have formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law; or (c) Who have no recognizable legal right or claim to the land or assets they occupy or use will considered them as affected persons and establish status.</p>	<p>To fill the gap in the national legal framework, the resettlement assistance in EARDIP SOP II applies the provision of ESS5 paragraphs 10(b) and 10(c) to mitigate the economic impacts on squatters or illegal settlers caused due to project-related land acquisition, using the census of parties present in the project affected area before the cutoff date as the basis for their eligibility for RP coverage.</p>
<b>Historically underserved communities (HUCs)</b>	<ul style="list-style-type: none"> <li>The Ethiopian legislations lack provisions that recognize the differential risks and adverse impacts that project-related land acquisition may cause on the life of HUCs in the project target areas.</li> <li>What makes all the legislations (the Constitution, Proclamation No. 1161/2019, Rural Land Proclamations of the EARDIP SOP II target regional states) similar is that they mainly focus on farmers or peasants and a few provisions recognizing HUCs’ land rights in general are incorporated.</li> <li>Therefore, the Ethiopian legal framework has no specific provisions that recognize and guide</li> </ul>	<ul style="list-style-type: none"> <li>HUCs have identities and aspirations that are distinct from mainstream groups in national societies and often are disadvantaged by traditional models of development. In many instances, they are among the most economically marginalized and vulnerable segments of the population. Their economic, social, and legal status frequently limits their capacity to defend their rights to, and interests in, land, territories, and natural and cultural resources, and may restrict their ability to participate in and benefit from development projects (paragraph 3). Thus, the WB ESS7 asserts that due to project related land acquisition HUCs may be particularly vulnerable to the loss of, alienation from, or exploitation of their land and access to natural and cultural resources (paragraph 24).</li> <li>In recognition of this vulnerability, in addition to the General Requirements of ESS5, ESS1 and ESS10, the WB police issued</li> </ul>	<p>To overcome the gap of the national legislations, the RF and subsequent preparation and implementation of the RAP for the EARDIP SOP II applies those specific provisions in ESS7 for HUCs.</p>

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
	mitigation measures for the differential risks and adverse impacts on HUCs associating with EARDIP SOP II's land acquisition.	<p>addition provisions in case the project related land acquisition affects HUCs. Accordingly, ESS7 set out numerous requirements including the following ones:</p> <ul style="list-style-type: none"> <li>✓ A targeted social assessment is conducted when HUCs are present in, or have collective attachment to, the EARDIP SOP II target areas. A key aspect of the assessment is understanding the relative vulnerabilities of the affected HUCs and how the project may affect them.</li> <li>✓ The social assessment is proportionate to the nature and scale of the EARDIP SOP II's potential risks to, and impacts on, as well as the vulnerability of, the HUCs (ESS7, GN 11.1).</li> <li>✓ Preparation and implementation of a different mitigation measures or Historically Underserved Community Plan (HUCP) is must before executing project components requiring land acquisition. The findings of the targeted social assessment help determine the eligibility and the appropriate structure and mechanisms for the delivery and management of compensation and shared benefits. Opportunities for benefit sharing are considered as distinct from compensation for adverse impacts, and address the longer term sustainable development of the affected communities (ESS7, GN 21.1).</li> <li>✓ Meaningful Consultation Tailored to HUCs (paragraph 23)</li> <li>✓ Paragraph 24 of the ESS7 stipulates Circumstances Requiring Free, Prior, and Informed Consent of HUCs before obtaining project-related land.</li> </ul>	
<b>Vulnerable and disadvantaged groups</b>	Ethiopian law makes no specific accommodations for potentially vulnerable groups such as women, children, the elderly, the landless, people with disability, and those living under the poverty line.	<p>In comparison to the Ethiopian laws, the WB policies pay a special attention for the vulnerable and disadvantaged groups. ESS5 paragraph 17 (GN17.3) underscores the disproportionate resettlement impacts and the need for differential consideration. Among other things, the provision set out that:</p> <ul style="list-style-type: none"> <li>• It is important that affected disadvantaged or vulnerable individuals or groups have a voice in consultation and resettlement planning processes. This may involve special efforts to include those who are particularly vulnerable to hardship because of physical or economic displacement. Depending on the project</li> </ul>	To fill the gaps in the Ethiopian legislations, the planning, implementation and monitoring of Resettlement Action Plans (RAPs) for the EARDIP SOP II will put in place those specific provisions in the ESS5 regarding the vulnerable and disadvantaged groups.

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
		<p>context, this may be people living below the poverty line, the landless, the elderly, the disabled, or female- and child-headed households.</p> <ul style="list-style-type: none"> <li>• Community engagement in this case may include dedicated focus groups, and members of disadvantaged or vulnerable groups should be included among the representatives of affected communities.</li> <li>• Project-affected vulnerable people may also require assistance to participate in consultation events or discussion forums, for example, through provision of transportation to consultation venues, or visits to individual households for consultation purposes.</li> <li>• Affected persons identified as disadvantaged or vulnerable may also need additional help to understand their options for resettlement and compensation.</li> </ul>	
<b>Eligibility criteria for compensation</b>	<ul style="list-style-type: none"> <li>• As per the provision in the Proclamation No. 1161/2019 Article 8 sub-article 1(b), the eligibility criteria for compensation will be decided based on the formal legal rights of the holders which he/she is required to deliver during the socio-economic census and the authority of the provided documents will be checked for.</li> <li>• However, according to sub-article 8, where the land expropriated is under illegal occupation, the occupant shall evacuate without claim for compensation within 30 (thirty) days of notice. Thus, the eligibility criteria of the Ethiopian law excludes squatter or illegal settlers.</li> </ul>	<ul style="list-style-type: none"> <li>• According to ESS5 paragraph 10, affected persons may be classified as persons: (a) who have formal legal rights to land or assets; (b) who do not have formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law; or (c) who have no recognizable legal right or claim to the land or assets they occupy or use.</li> <li>• Contrary to Ethiopian law, affected persons who have no recognizable legal right or claim to the land or assets they occupy or use are eligible for assistance under ESS5 paragraph 10(c). As set out in GN 10.1 of the ESS5, these can be seasonal resource users, such as herders, grazers, fishers, or hunters (although if the rights of such users are recognized by national law, they may fall into category (a) or (b)). They can also be persons occupying land in violation of applicable laws. Affected persons in these groups are not eligible for compensation for land, but are eligible for resettlement and livelihood assistance and compensation for assets.</li> </ul>	<p>To fill the gap, the RF and RP in EARDIP SOP II will depend on the eligibility criteria for compensation as provided in the WB ESS5 paragraph 10(c) Who have no recognizable legal right or claim to the land or assets they occupy or use. The census described in paragraph 20 will establish the status of the affected people. Thus will be, operationalized through the census of affected parties.</p>
<b>Compensation</b>	<p>According to Proclamation No. 1161/2019 Article 8 (4) land holder who is served with notice to hand-over his landholding shall take</p>	<p>Similarly, the provision in ESS5 states that when land acquisition or restrictions on land use (whether permanent or temporary) cannot be avoided, the Borrower will offer affected persons compensation</p>	<p>As there is no differences between Proclamation No. 1161/2019 and ESS5 on</p>

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
	<p>the compensation and replacement plot or house within 30 days of notice. The Borrower will offer affected persons compensation at replacement cost.</p>	<p>at replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living or livelihoods, subject to the provisions of paragraphs 26 through 36 of the ESS5.</p>	<p>compensation, the RP for the EARDIP SOP II applies both</p>
<p><b>Valuation method</b></p>	<p>Proclamation No. 1161/2019 Article 9, sub-article 1-3 stated that valuation methods to determine the compensation for various properties and detail prescriptions applicable thereto are provided under Regulation No. 472/2020 within Article 13,14 and 15. However, in the Proclamation, it is noted that to determine the amount of compensation, a certified private institution or individual consultant valuers shall evaluate the property situated on land to be expropriated based on a nationally approved valuation method (Article 17, sub-article 1). Where there is not certified private institution, it shall be evaluated by an autonomous government organization established for this purpose. If there is no autonomous organization, considering the location of the expropriated land, valuation committee could be established by the relevant City or Woreda administration comprising proper professionals (Article 17, sub-article 1-3). Nevertheless, where the property is state owned infrastructure or utility line, the valuation shall be made by the government entity owning it (Article 17,</p>	<p>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 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 affected persons. To ensure compensation at replacement cost, planned compensation rates may require updating in project areas where inflation is high or the period of time between calculation of compensation rates and delivery of compensation is extensive.</p>	<p>To fill the gaps in the Ethiopian legislations, the planning, implementation and monitoring of Resettlement Action Plans (RAPs) for the EARDIP SOP II will put in place those specific provisions in the ESS5 regarding the valuation method to reach replacement cost. Replacement Cost Approach (RCA) will be adopted for the calculation of compensation. This is expanded to cover transition and transportation allowance for PAPs who will move temporarily.</p>



Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
	<p>sub-article 6). The unit price of compensation valuation shall be revised at most every two years.</p>		
<p><b>Livelihood restoration and assistance for economically displaced persons</b></p>	<ul style="list-style-type: none"> <li>• Proclamation No. 1161/2019 stipulates that compensation and resettlement assistance compensation for the expropriated land shall sustainably restore and improve the livelihood of displaced people (Article 4(2)).</li> <li>• The amount of compensation to be paid at Federal, or Regional or Addis Ababa or Dire Dawa level for similar properties and economic losses in the same areas shall be similar (Article 4(3)).</li> </ul>	<p>The Ethiopian and WB policy share the same objectives on livelihood restoration and assistance. ESS5 stipulate that:</p> <ul style="list-style-type: none"> <li>• In the case of projects affecting livelihoods or income generation, the Borrower’s plan will include measures to allow affected persons to improve, or at least restore, their incomes or livelihoods (paragraph 33).</li> <li>• Likewise, paragraph 35 states that economically displaced persons will be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living.</li> </ul>	<p>Ethiopian and WB’s legal provision alike states that compensation alone is not sufficient to restore or improve the livelihoods and social welfare of displaced households and communities. In line with this resettlement objective, in EARDIP SOP II:</p> <ul style="list-style-type: none"> <li>• Income restoration program will be used to reestablish sources of livelihoods for those affected people who are significantly impacted and have permanently or partially lost their sources of livelihood. Livelihood restoration programs in the EARDIP SOP II will be robust and can accurately meet the livelihood restoration objectives in this regard.</li> <li>• In case of subprojects involving economic displacement, MInT will develop LRP to compensate affected persons and/or communities and offer other assistance that meet the objectives of World Bank Environmental and Social Standard, ESS 5. The LRP will</li> </ul>

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
			establish the entitlements of affected persons and/or communities and will ensure that these are provided in a transparent, consistent, and equitable manner, in adequate opportunity to reestablish their livelihoods.
<b>Cut-off date</b>	<ul style="list-style-type: none"> <li>• As set out in Proclamation No.1161/2019, building erected, improvements on land or properties added after the issuance of the expropriation order to the landholder will not be considered for compensation (Article 8(1c). The same sub-article further states that decision on cut-off date is made after collecting landholding rights and conduct inventory, amount and size of all compensable properties from displaced people or their legal representatives whose landholdings are determined to be expropriated.</li> <li>• Article 8 of the same proclamation stipulate that the City or Woreda Administration shall follow the following orders when land holders' hand over their lands: <ul style="list-style-type: none"> <li>✓ Shall consult land holders who are to be displaced at least one year before they handover their holdings on the type; benefits and general process of the project (sub-article 1(a))</li> <li>✓ Notwithstanding with sub-article 1(a), land holders who are to be displaced may be consulted on the type; benefits and general process of the project in less than one year if the concerned Federal or</li> </ul> </li> </ul>	As per the ESS5, the cut-off date for determining eligibility for compensation or other assistance is intended to help prevent encroachment by opportunistic settlers. It is most effective when it is well communicated, documented, and disseminated, including by providing clear demarcation of areas designated for resettlement. Individuals taking up residence in, or use of, the project area after the cut-off date are not eligible for compensation or resettlement assistance. Similarly, the loss of fixed assets (such as built structures, fruit trees, and woodlots) built or planted after the cut-off date is not compensated, except where it can be demonstrated that such post-cut-off date improvements were needed to maintain the livelihoods of the affected person during the period between the cut-off date and displacement (paragraph 20, GN 20.2).	The Ethiopian Proclamation No. 1161/2019 and WB ESS5 paragraph 20 (GN 20.2) state almost the same provision on cut-off date. Thus, whether the RF or RP for the EARDIP SOP II applies the Ethiopian or WB's legal provision that yields the same outcome.

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
<b>Responsibilities of the project</b>	<p>Regional State decides that the land is required urgently for investment.</p> <ul style="list-style-type: none"> <li>Article 5 of Proclamation No.1161/2019 sets out the responsibilities of the implementing agency requiring them to gather data on the land needed and works, and send this to the appropriate officials for permission.</li> <li>Article 9 (1) states that the project implementing agency is responsible to submit to the City or Woreda Administration the decision that shows the size and exact location of the land to be expropriated at least one year before the commencement of the project.</li> <li>As per the Proclamation No. 1161/2019, the project implementing is responsible to pay the money required for compensation and resettlement to the City or Woreda Administration, when it is decided that compensation and resettlement payment shall be made to the displaced people (Article 9(2)).</li> </ul>	<ul style="list-style-type: none"> <li>The WB ESS5 require the project implementing agency to conduct census that identifies affected persons, and includes pertinent demographic (age, gender, family size, births, and deaths) and related social and economic information (ethnicity, health, education, occupation, income sources, livelihood patterns, productive capacity, and so forth). The census helps to determine eligibility of affected persons. It includes undertaking an inventory and valuation of assets and establishing, documenting, and making known the rights of those affected (paragraph 20, GN 20.1).</li> <li>ESS5 requires that the Borrower’s plan will establish the roles and responsibilities relating to financing and implementation, and include arrangements for contingency financing to meet unanticipated costs, as well as arrangements for timely and coordinated response to unforeseen circumstances impeding progress toward desired outcome (paragraph 22).</li> <li>The provision in paragraph 23 of the ESS5 necessitate the Borrower to establish effective procedures to monitor and evaluate the implementation of the RAP and will take corrective action as necessary to achieve the objectives of the ESS5.</li> </ul>	<p>The Proclamation No. 1161/2019 and ESS5 set out a similar responsibility of the project implementing agency. In line with this:</p> <ul style="list-style-type: none"> <li>The process involving the implementation of EARDIP SOP II includes screening, a census, and the development of RAP, management of compensation payments and monitoring and evaluation of success.</li> <li>It must also include proper consultation with the affected parties through the process.</li> </ul>
<b>Resettlement instruments</b>	<p>Article 16 of the Proclamation No. 1161/2019 incorporate provisions on the resettlement instruments. Accordingly:</p> <ul style="list-style-type: none"> <li>Regional States, Addis Ababa and Dire Dawa City Administrations shall establish fund for compensation payment and rehabilitation (sub-article 1).</li> <li>Regional States, Addis Ababa and Dire Dawa City Administrations shall develop resettlement packages that enable displaced people to sustainably resettle (sub-article 2).</li> <li>Urban or Woreda Administrations shall have the duty to resettle the People displaced on</li> </ul>	<p>ESS5 paragraph 22 states that to address the risks and adverse resettlement impacts, the Borrower will prepare a plan proportionate to the risks and impacts associated with the project-related land acquisition:</p> <ol style="list-style-type: none"> <li>For projects with minor land acquisition or restrictions on land use, as a result of which there will be no significant impact on incomes or livelihoods, the plan will establish eligibility criteria for affected persons, set out procedures and standards for compensation, and incorporate arrangements for consultations, monitoring, and addressing grievances.</li> <li>For projects causing physical displacement, the plan will set out the additional measures relevant to relocation of affected persons.</li> <li>For projects involving economic displacement with significant</li> </ol>	<p>The provisions in Proclamation No. 1161/2019 and ESS5 do not differ on resettlement instruments. Thus:</p> <ul style="list-style-type: none"> <li>EA-DRIP requires preparation of resettlement plans for any project component that results in economic or physical displacement. The scope and level of detail of the plan varies with the magnitude of displacement and complexity of the measures required to</li> </ul>

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
	<p>the basis of the resettlement package and allocated budget (sub-article 3).</p> <ul style="list-style-type: none"> <li>If the land expropriation for public purpose is for investment, the people who are displaced may own shares from the investment (sub-article 4).</li> </ul>	<p>impacts on livelihoods or income generation, the plan will set out the additional measures relating to livelihood improvement or restoration; and</p> <p>d) For projects that may impose changes in land use that restrict access to resources in legally designated parks or protected areas or other common property resources on which local people may depend for livelihood purposes, the plan will establish a participatory process for determining appropriate restrictions on use and set out the mitigation measures to address adverse impacts on livelihoods that may result from such restrictions.</p>	<p>mitigate adverse impacts. In all cases, the plan describes the manner in which the objectives of ESS5 can be achieved.</p> <ul style="list-style-type: none"> <li>For access restrictions in relation to legally designated parks, protected areas, or other common property, the resettlement plan may take the form of a process framework. It is used to design project activities, determine eligibility criteria, reach agreement on access restrictions, identify measures to assist affected persons in improving or restoring their livelihoods, manage conflicts and grievances, and arrange for participatory implementation and monitoring.</li> </ul>
<b>Consultation and disclosure of information</b>	<p>The Ethiopian laws incorporated the general provisions rather than specifically stated for the consultation and disclosure of information regarding project involving resettlement impacts:</p> <ul style="list-style-type: none"> <li>Article 92 of the Constitution states that people have the right to full consultation and to the expression of views in the planning and implementation of development projects that affect their live.</li> <li>The provision in Proclamation No. 1161/2016 states that the City or Woreda Administration shall consult land holders who are to be</li> </ul>	<p>But, the WB ESS5 set out clear provisions specific to project involving resettlement impacts. Accordingly:</p> <ul style="list-style-type: none"> <li>The consultation and participation process is an ongoing, organized, and iterative process. The RAP should show how affected households and communities (including host communities) are involved throughout the process of resettlement planning, implementation, and monitoring (paragraph 12).</li> <li>GN13.1. Information about compensation standards, formulas, and rates should be provided in a transparent and consistent manner. Where compensation for land or assets (including crops) is calculated according to formulas or rates set out in documents prepared by the Borrower, these are made available and explained</li> </ul>	<p>To fill the gaps in the Ethiopian laws and ensure inclusive and on-going consultation process, the EARDIP SOP II applies:</p> <ul style="list-style-type: none"> <li>The provisions in the ESS5.</li> <li>Those consultation requirements in the ESS7 distinctive to HUCs.</li> <li>Further, details of stakeholder engagement in line with ESS10.</li> </ul>

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
	<p>displaced at least one year before they handover their holdings on the type; benefits and general process of the project (Article 8 sub-article 1(a)). But, this is limited to consultation prior to implementation.</p>	<p>to affected persons. It is also important to ensure that rates are applied consistently (paragraph 13)</p> <ul style="list-style-type: none"> <li>• The consultation process should ensure that the perspectives of the vulnerable and disadvantaged groups including women are obtained and their interests factored into all aspects of resettlement planning and implementation (paragraph 18).</li> <li>• ESS7 set out provision specific to resettlement impacts affecting HUCs: To promote effective project design, to build local project support or ownership, and to reduce the risks and adverse resettlement impacts from project-related land acquisition, the Borrower (MInT) will undertake an engagement process with affected HUCs. This engagement process will include stakeholder analysis and engagement planning, disclosure of information, and meaningful consultation in a culturally appropriate and gender and intergenerationally inclusive manner (paragraph 23).</li> </ul>	
<p><b>Timing of compensation payments</b></p>	<p>Proclamation No. 1161/2019 Article 8 (4) stipulates that land holder who is served with notice to hand-over his landholding shall take the compensation and replacement plot or house within 30 days of notice. Further, pay compensation or provide substitute land before the displacement of people from their landholding (Article 8 (1g).</p>	<p>Likewise, as per ESS5, the Borrower will take possession of acquired land and related assets only after compensation in accordance with this ESS has been made available and, where applicable, displaced people have been resettled and moving allowances have been provided to the displaced persons in addition to compensation. In addition, livelihood restoration and improvement programs will commence in a timely fashion in order to ensure that affected persons are sufficiently prepared to take advantage of alternative livelihood opportunities as the need to do so arises (paragraph 15).</p>	<p>As both yields the same resettlement outcome, the RAP in EARDIP SOP II applies both Proclamation No. 1161/2019 and ESS5.</p>
<p><b><i>N.B. In instance of differences between the Ethiopian Legislation and World Bank Environmental and Social Standard 5, the one that provides greatest benefit to the PAPs will prevail</i></b></p>			

### 3.4 Institutional and Implementing Arrangements for EARDIP SOP II in General

67. Given the multiple activities involving the EARDIP SOP II as described earlier, it necessitates a strong institutional and implementing arrangements ranging from federal to local level. The below descriptions provide detail insight on this.

#### 3.4.1 The Leading Implementing Agency

68. The Ministry of Innovation and Technology (MInT) is the leading implementing agency for the EA-DRIP in Ethiopia. The existing Project Implementing Unit (PIU) under the MInT will take the lead for the overall implementation of the project. This PIU was originally set up in 2021 to manage the *Digital Ethiopia Foundations Project* (P171034), which has been effective since July 23, 2021. To enable its implementing capacity, the PIU is fully staffed with a Project Coordinator, Procurement Specialist, Financial Management Specialist, E&S Specialist, Monitoring and Supervision Specialist and other staffs as needed. Additional support will be provided towards i) hiring key technical specialists with subject matters expertise in connectivity infrastructure, cybersecurity and digital data management; and ii) key equipment, material, and logistics related requirements for the PIU staff, shared with the existing project. The PIU staff would be hired no later than three months after project effectiveness. The detailed composition and role of the PIU will be set forth in the Ethiopia Project Implementation Manual (PIM). The PIU will be primarily responsible for project implementation, including overseeing core project-related fiduciary functions, M&E and E&S commitments in Ethiopia. In addition, the PIU will also act as the single point of contact for the regional PIU at IGAD (where Ethiopia is a member) to facilitate collaboration on designing and implementing specific activities. The PIU will submit project reporting to the National Project Steering Committee (NPSC), the National Technical Committee (NTC) and engage with the NTC on specific matters requiring technical expertise/input on an ad-hoc basis.

#### 3.4.2 Federal Level Implementing Arrangements

69. **National Project Steering Committee (NPSC):** Strategic project oversight and governance will be provided through a NPSC that will be established and chaired by the MInT. The mandate of the PSC will include: (a) approval of the annual work plan and budget (AWPB); (b) biannual review of project progress; (c) review of procurement evaluations and approvals; and (d) provision of strategic guidance and recommendations to the PIU and the NTC(s) related to project implementation. The NPSC will be chaired by the State Minister of MInT, with the Director-General (DG) of the ECA acting as Vice Chair, and the PIU Project Manager acting as its Secretary. The NPSC will comprise of representatives from the MInT, ECA, Ethiopian Education and Research Network (EthERNet), Ministry of Finance (MoF), the Ministry of Trade and Regional Integration (MoTRI), Development Bank of Ethiopia, Ethiopian Investment Commission, Ministry of Labor and Skills as well as representatives of the regional PIU at IGAD. The Terms of Reference (ToR) for the NPSC, including the required participants for quorum, will be detailed further in the Ethiopia PIM, to be prepared by the Borrower before effectiveness.

70. **National Project Technical Committee(s) (NPTCs):** One or more cross-cutting NPTCs will also be established to provide technical and operational support on any issues that may emerge. The NPTC(s) will include representatives from all MDAs and organizations represented in the NPSC, joined by representatives from the private sector and civil society, and any other key stakeholders from relevant agencies deemed key to facilitating successful implementation and stakeholder management to support any technical-level decisions that require broader agreement, resolve operational issues or facilitate M&E and supervision. The PIU will interact with the NPTC(s) on an *ad-hoc* basis, and the NPTC(s) will report to the NPSC. The ToRs

for the NPTC(s), some of which may have only a short duration, as dictated by project implementation timelines, will be detailed further in the Ethiopia PIM.

#### **3.4.3 Project Target Regional Level Implementing Arrangements**

71. Similar to the arrangements at Federal level, EARDIP SOP II will involve the parallel institutions at regional level (specified earlier) in the overall coordination for the implementation of the Project's ESMPs including RF. The line Innovation and Technology Commission in the target regions (Afar and Gambella Regions and Innovation and Technology Bureau in the project target regions will take the lead in the coordination of the inter-organizations involving in the implementation of the project in the respective region. Also, it will take the leading responsibility to establish the Regional Project Steering Committee (RPSC) and Regional Project Technical Committee (RPTC). The constituency and role of the RPSC and RPTC resemble the NPSC and NPTC but at the regional level.

#### **3.4.4 Woreda Level Implementing Arrangement**

72. MInT will hire Cluster Area Project Personnel (CAPP) comprising competent Environmental Safeguards Specialist, Social Safeguards Specialist and GBV Specialist that base the project office at the respective regions but coordinate and oversee the overall implementation of the ESMPs across the Project Operation Areas (POAs) in their respective regions. The number of the CAPP will depend on the number of POAs in the respective target regions. The CAPP will closely work with the PIU, RPSC, RPTC and Woreda Project Task Force (WPTS).
73. Likewise, MInT will hire Project Area Focal Person (PAFP) who will take the leading role for the overall coordination and implementation of the project's ESMPs including the RF at the Woreda level. Besides, the implementation arrangement will establish Woreda Project Task Force (WPTF) comprising the Heads and Experts from Woreda Rural Land Use and Administration Office, Woreda Environmental Protection Office, Woreda Women and Children Affairs Office, Woreda Trade and Industry Office, and Woreda Peace and Security Office. The WPTF will closely work with Cluster Area Project Personnel (CAPP) and Project Area Focal Person (PAFP) to oversee the day-to-day E&S performance of the project as compliance with the ESMPs specified in this ESCP.

#### 4. IMPLEMENTATION ARRANGMENTS FOR THE RF

74. Project-related land acquisition process and the associating physical and/or economic displacement are likely to generate grievances by the PAPs. The same is true in the design and implementation of Resettlement Plans (RPs). To mitigate this, the RF for the EARDIP SOP II propose strong implementing arrangements composed of the following elements.

##### 4.1 Project Implementing Unit (PIU)

75. The main Agency involved in the implementation of the RF will be the PIU in the MInT. As mentioned earlier, MInT has already established PIU which was set up in 2021 to manage the *Digital Ethiopia Foundations Project* (P171034) and has been effective since July 23, 2021. The implementation of the RF requires strengthening the existing PIU by staffing it with experienced Environmental Safeguards Specialist, Social Safeguards Specialist, and Gender-Based Violence Specialist (GBVS). The specific responsibilities of the PIU related the RF for EARDIP SOP II include:

- Closely work with the relevant implementing arrangements at the federal, regional, woreda and local community level as describe earlier.
- Closely working with and oversees the RP preparation team or designate group of expert consultants. For each individual or household affected due to Components 1, 2 and 3 related land acquisition, the RP preparation team or designated group of expert consultants will complete a Compensation Report containing the necessary demographic and socio-economic profiles of the PAPs.
- The PIU will also closely work with Community Resettlement Committee (CRC) established with the responsibilities described below.
- Explain all types of compensation to the PAPs. These refer especially to the basis for valuing the land and other assets.
- Once the PAPs are appropriately informed and consensus is made on method of asset valuation, the PIU will produce a Contract or Agreement that lists all property and assets being acquired by the sub-component and the types of compensation selected.
- Manage the RP and LRP implementation, budget allocation, coordination and monitoring and evaluation. Monitor the restoration of services/utilities affected by the construction works, such as water supply and power supply.
- Participate in the decision making for proposed subproject.
- Screening of proposed activity to determine if there is a need for RAP.
- Coordination, Preparation and implementation of RAPs.
- Procuring a consultant for preparation of RAP, and M&E of RAP implementation.
- Providing funds for compensation payment.
- Initiate and ensure smooth RAP implementation.
- Prepare budget for compensation and support for the PAPs which are to be financed by responsible Ministry.
- Coordinate with relevant agencies in settlement of grievances.
- Monitor and evaluate the implementation of RAP.



## 4.2 Regional Level

76. **Regional States:** As per Proclamation 1161/2019 (Article 19 (1) and (2)), the main responsibilities of the regional states shall include: (a) establish fund for compensation payment and rehabilitation; (b) develop resettlement packages that enable displaced people to sustainably resettle; and (c) provide political and administrative support for the implementation of the RP and LRP. Further responsibilities of the respective regional states are provided in Article 23, sub-article 1-4 as follows:
- Provide further Regulations and Directives enacted under Proclamation No. 1161/2019.
  - Follow up and ensure the implementation of the RP and LRP.
  - Develop and implement resettlement packages. An independent entity that implements and govern this framework shall be established or appointed by the respective regional states.
  - Provide capacity building support to Urban and Woreda Administrations to enable them implement RP and LRP.
  - Asses the living conditions of the displaced persons and provide solutions to the identified problems.
77. **Regional Cabinet:** As per the Proclamation No. 1161/2019, the Regional Cabinet is the highest regional decision-making body with regards project-related land acquisition. A woreda or an urban administration as an agent of the government, can expropriate rural or urban land holdings for public purpose. However, the procedures of the land expropriation must be determined based on the plan and approved by an appropriate federal body or Regional Cabinet.
78. **Regional Grievance Management Committee (RGRMC):** As per the provisions in Article 18, sub-articles 1&2, Regional States shall establish Complaint Hearing Body and Appeal Hearing Council which shall have jurisdiction to entertain grievances arising from decisions involving project-related land acquisition, compensation payments and resettlement programs. The same provision further states that the regional Complaint Hearing Body and Appeal Hearing Council is the highest appeal hearing body before the grievance referred to the formal court option. In line with this provision, the RF for EARDIP SOP II proposes the members of the RGMC shall compose the representative from the Region or City Council, Cluster Area Project Personnel (CAPP), Heads and expertise of the Bureau of Rural Land Administration in the respective regions, Heads and expertise of Bureau of Women and Children Affairs in the respective regions, and representative of youth and women groups. The RGMC will collect unresolved complaints from the Woreda Grievance Management Committee (WGMC), serious review the decision by the WGMC and make possible efforts to resolve the complaints.

## 4.3 City or Woreda Level

### 4.3.1 Urban or Woreda Land Administration Office

79. The Urban or Woreda Land Administration Office will have a major role and responsibility in the planning and implementation of the resettlement activities. Urban or Woreda Land Administration Office will be the main contact and is also responsible to facilitate the relocation of PAPs and work closely with the respective Regional States PIU, CAPP,
80. As set out in Proclamation No. 1161/2019 Article 16, sub-article 3, Urban or Woreda Administrations shall have the duty to resettle the People displaced on the basis of the resettlement package and allocated budget. According to the Proclamation No. 1161/2016, Article 16, sub-article 2, landholders or their agents whose landholdings are to be expropriated shall submit landholding certificates or other proofs that show

their landholding rights over the lands that is decided to be expropriated to the urban or rural land administration office on the time schedule of the office. Given this, Article 25 set out the further duties and responsibilities of the Urban or Woreda Land Administration Office as follows:

- Organize consultative meetings with people that are going to be displaced on the type; benefits; and generally, the process of the project.
- Pay or make others pay the compensation to the landholders whose land holdings are expropriated.
- Implementing the resettlement packages.
- Maintain record of the property located on the expropriated land.
- Support and ensure the improvement of the livelihood of displaced farmers and pastoralists.
- Maintain record and evidence relating to the displaced.

#### **4.3.2 Property Valuation Committee (PVC)**

81. Article 14 of the Regulation No. 472/2020 stipulates the need to establish Property Valuation Committee (PVC): (1) the selection process of the members of the PVC shall consider requisite knowledge and skills relevant to the property be valued, gender and age compassion; (2) where capable experts that qualify as property valuers are not available in the Woreda or Urban Administration, the Valuation Committee shall be established with experts from Zonal or Regional Administrations; and (3) the number, qualification, and gender balance of the Valuation Committee; and its working procedure shall be determined in a directive issued by Regional Cabinet.

#### **4.3.3 Woreda Project Task Force (WPTF)**

82. The WPTF described earlier will closely work with Urban or Woreda Land Administration Office, PIU, CAPP, and PAFP with the overall all issues involving project-related land acquisition and associating property valuation, compensation payments and implementation of resettlement packages.

### **4.4 Community Level**

#### **4.4.1 Community Resettlement Committee (CRC)**

83. Community Resettlement Committee (CRC) will be established. The members of the CRC will compose of Kebele leader, PAFP, local elders (clan leaders, religious leaders), representative of the project-affected persons, and representative of the disadvantaged or vulnerable groups. The major tasks of the CRC include:

- It will be part of the property inventory and valuation process by checking those projects affected persons who want to make unfair advantage of compensation through over-reporting of assets lost or those who unfairly treated in the compensation assessment. One possible way of doing so is through witnessing or validating the report of the inventory of assets affected which the RP preparation team or designate group of expert consultants produced for the resettlement compensation.
- Besides, the CRC will serve as the advisory body from planning through the implementation of the resettlement plan. Also, the CRC will play the responsibility to mediate between the project implementing agency and project affected communities and persons in cases of disagreement in the process of implementing the RPs. Furthermore, the CRC will assume the responsibility of monitoring the implementation of RPs by the community.

#### ***4.4.2 Project-Affected Communities or Persons (PAPs)***

84. MInT will actively engage with the project affected communities and persons (PAPs) including host communities, as per the SEP for EARDIP SOP II. Accordingly, decision-making processes related to resettlement and livelihood restoration will include options and alternatives from which project affected communities and persons may choose. Disclosure of relevant information and meaningful participation of affected communities and persons will take place during the consideration of alternative project designs and thereafter throughout the planning, implementation, monitoring, and evaluation of the compensation process, livelihood restoration activities, and relocation process.

#### **4.5 Collaboration with Other Responsible Agencies or Sub-national Jurisdictions**

85. The project implementing agency MInT will establish means of collaboration with any other governmental agencies, sub-national jurisdictions or entities that are responsible for any aspects of land acquisition, resettlement planning, or provision of necessary assistance. There may be cases where the project implementing agency MInT lacks the legal authority or organizational capacity to undertake project-related land acquisition and provide resettlement assistance directly. Instead, that responsibility may be within the mandate of another government agency that is not directly involved in project implementation. In such instances, it is recommended that MInT take early and proactive steps to ensure the necessary collaboration among all relevant agencies and secure the necessary budget commitments from involved agencies to implement the required resettlement plans.

## 5. STAKEHOLDER CONSULTATION

### 5.1 General Introduction

86. For the purpose of this RF, project-affected parties are economically and/or physically displaced persons or communities and host communities. Other stakeholders may include governmental agencies or other parties responsible for approving and/or delivering resettlement-related plans and assistance. Early initiation of meaningful engagement enables project-affected parties and other stakeholders to fully understand the implications of resettlement for their lives and to actively participate in the associated planning processes.
87. The RF expects, the stakeholder consultation and participation process is an ongoing, organized, and iterative process. That is, the project-affected households and communities (including host communities) will involve throughout the process of resettlement planning, implementation, and monitoring. Also, it is important that affected disadvantaged or vulnerable individuals or groups and Historically Underserved Communities (HUCs) have a voice in consultation and planning processes. Details of how to engage stakeholders are set out and can be referred from the SEP developed for the project. Thus, the below discussions focus on the summary findings of the stakeholder consultation conducted during the preparation of this RF.

### 5.2 Summary of Key Findings from Community Consultation Regarding RF

88. For the preparation of this RF, consultations have been conducted with relevant stakeholders from federal to community levels. For details, see **Section 5.1.** and **5.2.**
89. Before directly going to community consultations, participants were introduced with the nature, scale and potential positive social and economic impacts of the proposed project. This was followed by description of the potential negative impacts of the EARDIP SOP II focusing on the project activities under Components 1, 2 and 3 that require land acquisition and, thus, with potential resettlement risks and adverse impacts on the local communities. Finally, the participants in the community consultation were let to express their views and concerns. The views and concerns raised are summarized into the following key points.
90. The proposed project is welcomed. The participants in community consultations shared the view that the project can benefit the local community in multiple ways including:
- The implementation of the EARDIP SOP II will basically address the lack or poor connectivity infrastructure that has been existing in the local area for years.
  - The implementation of the project would facilitate easy communication for the local communities for their social and economic purposes.
  - The undertaking of the proposed project can increase the basic digital literacy of the local communities, particularly the pastoral communities.
  - The project is welcomed as it encourages pastoral communities to invest in areas outside livestock or Digital economy.
  - Job opportunities to local communities due to the implementation of the project in their local areas.
  - The project intends special consideration for disadvantaged or vulnerable groups and Historically Underserved Communities in digital economic based enterprises.
91. Despite welcoming the project for the aforesaid potential positive social and economic impacts, community consultation participants raised a serious concern about the risks and adverse impacts of involuntary

displacement (physical and economic) due to project-related land acquisition for Components 1, 2 and 3. In particular, the concerns of the participants focus on: what procedures of project-related land acquisition will be followed; how the eligibility criteria will be set; what kind of compensation will be provided for the affected persons; what kind of procedures of compensation will be followed; and how the disputes involving assessment of asset loss and compensation will be addressed. Accordingly, responses were given that:

- The procedures of project-related land acquisition strictly adhere to the national legal framework and World Bank's Environmental and Social Framework: project-related land acquisition shall not use forced eviction; land expropriation is allowed after the appropriate federal and regional administration assess whether the expropriated land is directly related to the proposed project activities and whether the expropriation of land brings better development for the public at large; and land expropriation takes place after disclosure of relevant project-related information to the affected individuals or communities.
- Depending on the nature and scale of the impacts of the involuntary resettlement, project's compensation payment will follow different forms including land replacement strategies, cash compensation, in-kind compensation, resettlement assistance or a combination of these.
- Compensation procedures follow the provision of information about compensation standards, formulas, and rates in a transparent manner to the affected persons or communities, displacement will not take place before payments of compensation, compensation for lost assets is calculated at replacement cost.
- Resettlement planning will provide displaced persons with opportunities to participate in development and implementation of the resettlement plan.
- The project will establish strong and accessible (structure from community to regional level) Grievance Redress Mechanism to manage disputes and disagreement on resettlement procedures and compensation. Participants were given the awareness that if grievance is unresolved through project's GRM, the affected persons have the right to appeal to the formal court system.

92. Likewise, disadvantaged or vulnerable individuals and groups (including women, the elderly, people with disability, and pastoral communities) have raised their concern on how the project will address their special social and economic barriers with differential adverse impacts of the project-induced involuntary resettlement. Response was given that the RF of the project will incorporate the differential mitigation measures for the disadvantaged and vulnerable individuals and groups such as differential measures for active engagement in the planning and implementation of the RP and differential resettlement compensation measures for the advantaged and vulnerable individuals and groups. Furthermore, HUCS or pastoral communities were explained that the project requires obtaining Free, Prior and Informed Consent (FPIC) of the affected pastoral communities in circumstances in which project-related land acquisition or restriction on land use have adverse impacts on land and natural resources subject to their traditional ownership or under customary use or occupation.

93. Finally, consensus was made with the participants that: (a) awareness is created on the potential risks and adverse impacts due to project-induced involuntary resettlement; (b) any project activity with the risk of physical or economic displacement shall not be commenced without the preparation of appropriate resettlement plan and active engagement of the displaced persons in the planning, implementation and monitoring of resettlement mitigation measures; and (c) the need to incorporate the above mentioned concerns of the project-affected individuals and groups in the preparation of the RF. Accordingly, the views and concerns of the consultation participants are incorporated in the preparation of this RF. More specifically, the views and concerns of the consultation participants are used as inputs for the sections on

implementation arrangement for RF; RP preparation, review and approval; affected assets and valuation procedures; eligibility criteria of the affected persons; and grievance redress mechanism.

## 6. SOCIO-ECONOMIC BASELINE CONDITIONS OF THE PROJECT TARGET AREAS

94. Details of the socio-economic baseline conditions of the EARDIP SOP II target regions and areas of the three connectivity routes proposed in the project can be referred from the Social Assessment (SA). Hence, the purpose in this section is just to show the location and give brief socio-demographic characteristics of the proposed connectivity routes.

### 6.1 Imi-Dollo Connectivity Route along Ethiopia-Somalia Border

95. As per the Article 89 of the Constitution, the federal government of Ethiopia has classified the Somali region as a Developing Regional State.

96. The proposed Imi-Dollo connectivity route traverses the Dollo-Addo woreda. Dollo-Addo (Somali: *Dooloow*) is one of the woredas in Liben Zone of the Somali Regional State. Dollo Addo is bordered to the northwest by Filtu Zone, on the northereast by Afder Zone, on the southeast by Somalia, and on the south by Kenya. Dollo is the capital of the woreda, a border town in southeastern Ethiopia with only 30 kms from the Ethiopia-Somalis border. According to the estimates of the Central Statistics Agency (2005), Dollo town has a total population of 30,970, of whom 16,572 are men and 14,398 are women.

97. One striking feature of the Dollo-Addo woreda is the number of refugee camps. There are five refugee camps in the Dollo-Addo woredas housing about 219,284 refugees from Somalia: Melkadida camp 34,762, Kobe camp 48,164; Hilaweyn camp 51,314; Bokolmanyo camp 43,084; and Buramino camp 41,960. The main areas of origin of these refugees are Gedo (53%), Bay (28%) and Bakool (12%) and the main ethnicities are Rahanweyn (58%), Marehan (21%) and Hawiye (9%) from Somalia.

98. Another prominent feature of Dollo-Ado is that it is a disaster prone woreda. Its rural communities heavily depend on natural resources. There is increasing awareness about the role that ecosystems play in reducing the impacts of hazards and climate change. This includes restoring and protecting vegetation on slopes to reduce hazards such as soil erosion; landscape intervention for absorbing excess flood waters. Ecosystem-based Disaster Risk Reduction (Eco-DRR) approaches include more inclusive natural resources management (NRM) in a water catchment area. The approach recognizes the connectedness between human activities and natural resources management across landscapes, while including disaster risk reduction (DRR) and climate change adaptation activities such as early warning and prevention. In parallel, ecosystem degradation is closely linked to decreased resilience, especially in regions vulnerable to climate change impact<sup>7</sup>.

### 6.2 Bameza-Ad-Damazin Connectivity Route in Ethiopia-Sudan Border

99. **Bameza:** It is located in the region of Binshangul Gumuz, Ethiopia. The Benishangul-Gumuz regional state is located in the western frontier of Ethiopia. The region has a total surface of 50.380 km<sup>2</sup>. It shares borders with Sudan in the north-west, South Sudan in the west, Amhara regional state in the east, and Oromia region in the south. The region is organized into three administrative zones (Metekel Zone, Assosa Zone, and Kemashi Zone) and 20 Woredas. According to the CSA Population Projection of Ethiopia for All Regions at Wereda Level in 2017 the total population of the region is 1,066,001 (541,002 male and 524,999 female).

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<sup>7</sup> ACACIA WATER (2020). REGIONAL BASELINE MAPBOOK of Dollo Addo Woreda, Liben Zone Somali Region, Ethiopia. <https://acaciadata.com/doc/2020%20DoloMapbook.pdf>

Out of the total population 230,000 (117,000 male and 113,000 female) are urban resident and the remaining 836,000 (424,000 male and 412,000 female) are living in rural area.

100. **Ad-Damazin:** Ad-Damazin<sup>8</sup> is the capital city of Blue Nile region, Sudan. It is the location of the Roseires Dam and power generation plant. It has a total population of 468,746 (out of which 240,441 are male and 228,305 female) making it the biggest city in the region of Blue Nile. Ad-Damazin is served by a terminal station of a branch line of the national railway network. However, the train service to Ad-Damazin has been discontinued many years ago. Instead the town can be reached from Khartoum via a decent tarmac road and by plane (Damazin Airport). Like other parts of the Sahel, Ad-Damazin has a hot semi-arid climate with a wet season and a dry season and the temperature being hot year-round. The average annual mean temperature is 28.3 °C (82.9 °F), the average annual high temperature is 35.8 °C (96.4 °F), while the average annual low temperature is 20.8 °C (69.4 °F). The hottest time of year is from March to May, just before the wet season starts. April is the hottest month, having the highest average high at 40.5 °C (104.9 °F) and the highest mean at 32.2 °C (90.0 °F).

### 6.3 Halli-Dalho Connectivity Route in Ethiopia-Djibouti Border

101. Halli-Dalho connectivity route is in Afar region. Afar is one of the regional states in Ethiopia. It is located in the north-eastern part of the country. Afar borders Oromia region in the south, Tigray region and Eritrea in the north, Djibouti and Somali region in the east, and Amhara region in the west. The altitude of the region ranges from 1500 m.a.s.l. in the western highlands to -120 meters below sea level in the Danakil/Dallol depression. Afar is characterized by an arid and semi-arid climate with low and erratic rainfall. Temperature varies from 20°C in higher elevations to 48°C in lower elevations. Rainfall is bimodal throughout the region with a mean annual rainfall below 500 mm in the semi-arid western escarpments decreasing to 150 mm in the arid zones to the east. As per the Article 89 of the Constitution, the federal government of Ethiopia has classified Gambella region as a Developing Regional State<sup>9</sup>.
102. **The Halli-Dalho connectivity route** traverses Elidar woreda in Afar Region. It is part of the Administrative Zone 1. Elidar woreda is bordered on the south by the Awash River which separates it from Asayita, on the west by Dubti, on the northwest by Kori, on the north by the Administrative Zone 2, on the northeast by Eritrea, and on the east by Djibouti.
103. Based on the 2007 Census, Elidar woreda has a total population of 58,087, of whom 31,780 are men and 26,307 women; with an area of 11,636.48 square kilometers, Elidar has a population density of 4.99. While 9,732 or 16.75% are urban inhabitants, a further 23,940 or 41.21% were pastoralists. A total of 10,479 households were counted in this woreda, which results in an average of 5.5 persons to a household, and 10,589 housing units. In term of religious affiliation 97.24% of the population were Muslim.

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<sup>8</sup> <https://www.city-facts.com/al-tadamon/population>, accessed May 11, 2023.

<sup>9</sup> International Union for Conservation of Nature. (2006). Pastoralism as a Conservation Strategy: Ethiopia Country Study. Addis Ababa: IUCN.



## **7. PONTENTIAL RESETTLEMENT SOCIAL IMPACTS OF THE PROJECT**

### **7.1. Potential Positive Social Impacts of the Project in General**

104. In general, promote the digital market within and among the target countries of the EARDIP SOP II, remove cross-border barriers, and create enabling environment. Specific potential positive socio-economic impacts of the project include:
- Single connectivity market created due to infrastructure (Terrestrial Fiber, Submarine Cables, Bulk Purchase) and services (Fixed and Mobile Broadband Internet) infrastructure development. Support connectivity to facilitate technical interoperability of systems, data portability and data provenance both within and among the target countries of the EARDIP SOP II.
  - Single data market enhanced through implementing data protection and privacy, cybersecurity and content regulation. Thus, enabled cross-border trusted free flow, storage, and processing of data.
  - Single online market created including digital ID, digital payments, E-transactions, consumer protection, digital public services, trade and customs, and logistics.
  - E-commerce, digital services and the functions that support them ensured across the borders of the target countries of the EARDIP SOP II.
  - Trade and customs barriers removed among the target countries of the EARDIP SOP II for goods purchased online.
  - The data protection and privacy laws ensured among the target countries allow for cross-border data transfers and share cybersecurity resources in the region.
  - Interoperability and mutual recognition encouraged for data protection, and data exchange flows through national and regional legal frameworks.
  - Cross-border barriers removed among the target countries of the EARDIP SOP II to infrastructure and connectivity (wholesale and retail).
  - Digital skills and innovative environment enhanced.

### **7.2. Potential Adverse Resettlement Impacts of the Project**

105. Components 1, 2 and 3 have potential adverse resettlement impacts associating with project-related land acquisition. The potential adverse resettlement impacts from the implementation of component 1 are likely to be wider in terms of geographical footprint. This is because both cross-border and backbone network connectivity (sub-component 1.1) and last mile connectivity including in borderland areas (sub-component 1.2) involves linear construction demanding ample land acquisition. The construction of fiber connectivity in: Bameza- Ad-Damazin the route connecting Ethiopia to South Sudan covers 134 km; Imi-Dollo and Golo-Beledweyne routes connecting Ethiopia to Somalia covers 510 km; Halli-Dalho the route connecting Ethiopia to Djibouti covers 74 km; and Adwa-Asmera and Mitsiwa-Halli-Aseb routes in Ethiopia-Eretria border covers 334 km. Despite the possible for using national electric grid, between the start and end of each route, the construction of the fiber networks traverses towns, villages, farmlands, rangelands and communal natural resources such as water sources. Besides, both sub-component 1.1 and sub-component 1.2 involves the construction of access roads to transmission towers and other fixed connecting stations. These factors justify the potential physical and economic impacts for component 1 would be highly significant.
106. The potential adverse resettlement impacts from: i) component 2 (the construction of cyber security infrastructure (sub-component 2.1) and secure exchange and data storage infrastructure (sub-component 2.2) and ii) component 3 (construction of payment systems infrastructure (sub-component 3.1) are likely

to be smaller in terms of area/land coverage in comparison to the resettlement impacts due to component 1 as stated before. Backdrop to this, the assessment of the RF identifies the following potential adverse physical and economic resettlement impacts associating with the implementation of the EARDIP SOP II.

#### ***7.2.1. Physical displacement***

107. Project-related land acquisition or restrictions on land use may cause the physical displacement or relocation of individuals or groups into a new residential site or environment, particularly as the result of the undertaking of the linear construction under sub-component 1.1 and sub-component 1.2. The risks and adverse impacts of the involuntary physical displacement may take different forms including: (a) the project affected persons or communities may be relocated to environments where their productive skills are less applicable and the competition for resources is greater; (b) social networks may be weakened and kin groups may be dispersed; and (c) cultural identity, traditional authority, and the potential for mutual help may be diminished or lost.

#### ***7.2.2. Loss of farmland***

108. Between the start and end of each connectivity route stated above the construction of the fiber network infrastructure and access roads to fixed connectivity infrastructures such as transmission towers traverses plenty of farmland. Besides the actual land expropriated for the construction of these infrastructures, additional land acquisition is required for working or buffer zone along the network lines. Owing to this and given the project target areas are largely rural areas, the project can cause significant loss of farmland.

#### ***7.2.3. Loss of private pastureland***

109. Those factors of project-related land expropriation justified to affect farmland equally apply to the size of private pastureland likely to be affected in the course of the project-related land expropriation. As the Social Assessment of the project reveals, livestock husbandry is practiced as the dominant means of household earning or supplementary to farming. This may underline a serious resettlement economic impact for those households lost private pastureland resulting from project-related land acquisition.

#### ***7.2.4. Loss of residential house***

110. The construction of fiber infrastructure and access roads to fixed connectivity infrastructure and buffer zone in each connectivity route involves linear activities of the project that traverses several towns and villages between the start and end point. The expropriation of land for these project activities may cause loss of residential house.

111.

#### ***7.2.5. Loss of crops***

112. Project-related land acquisition, particularly for the undertaking of activities of sub-component 1.1 and sub-component 1.2. Given these sub-components involve linear construction, project-related land acquisition is likely to cause loss of crops. The types of crops to be affected may be cereal crops, ripe

perennial crops, unripe perennial crops, and fruitless trees: The degree of the adverse livelihood impacts may vary accordingly.

#### **7.2.6. Loss of social capital**

113. EARDIP SOP-II is a linear project with minimal land requirement and thus physical displacement is expected to be limited, and not requiring the movement of large groups within communities.

#### **7.2.7. Disproportionate impacts on disadvantaged and vulnerable groups (DVGs)**

114. The social assessment exposed that vulnerable and disadvantaged individuals and groups such as women, the poor, the elderly, people with disabilities and minority groups have unequal social and economic position in the community. The unequal treatments of such individuals and groups have deep roots in the decision making, socio-cultural, and economic structures of the local communities. For instance, the project-affected local communities typically practice patriarchal system that exclude women from access to basic economic resources (such as land) and key decision making process. Given such unequal social and economic position of the vulnerable and disadvantaged individuals and groups in the local communities, the economic and physical displacement owing to involuntary resettlement from the project-related land acquisition many have disproportionate adverse impacts on their lives. These may include: (a) economic displacement bring extra burden that worsen the already weak economic affordability of the vulnerable and disadvantaged individuals and groups; (b) in case of replacement of new farmland, the disadvantaged and vulnerable individuals such as female, the elderly or people with disability households cannot afford the necessary labour demands or the financial cost of hiring labour workers in preparing the land for agricultural production; and (c) the physical displacement may require differential costs for some individuals or groups (e.g. people with mobility impairment, the elderly or household with a sick member) owing to their special needs.

#### **7.2.8. Disproportionate impacts on Historically Underserved Communities (HUCs)**

115. As per Article 89 of the Constitution of the FDRE, there are communities in all the three connectivity routes proposed in the EARDIP SOP II recognized as Historically Underserved Communities (HUCs) that meet a distinct social and cultural group identified in accordance with paragraphs 8 of the ESS7. Owing to this fact, there are good reasons that underline the disproportionate adverse resettlement impacts of the project to the HUCs:
- The pastoral communities in the project target areas are inextricably linked to the land on which they live and the natural resources on which they depend. This means that HUCs' means of livelihood (mobile pastoralism) cannot be possible if they are relocated from collective land under traditional ownership or customary use and, thus, their economic production systems may be dismantled.
  - For the HUCs, the risks and adverse impacts of project related involuntary resettlement go beyond the economic understanding. That is, as their collective social and political practices are attached to land, the physical displacement or relocation of the HUCs may cause the loss of the cultural expression that are material to their collective identity, traditional authority system and institutions serving historically underserved communities of Ethiopia institutions.
  - HUCs' generally lack the necessary economic skills to survive if relocated to a different living environment.

- HUCs' economic, social, and legal status frequently limits their capacity to defend their rights to, and interests in, land, territories, and natural and cultural resources, and may restrict their ability to participate in and benefit from development projects.

#### ***7.2.9. Loss of fences and other building structures***

116. Though not affecting residential house, the need of the project for land expropriation may lead to the loss of fences, animal enclosure, grain storage, and other structures around home. Though the resettlement impacts of such kind may not be significant in comparison with the loss of residential house that may need to be considered in the ER-RDIP for the compensation payment.

#### **7.3. Proposed Mitigation Measures**

117. The legal provision in both the Ethiopian Proclamation No. 1161/2019 and WB ESS5 follows a hierarchical mitigation measures. Mitigation measures for losses under ESS 5 are addressed in the entitlement matrix (Table 6).

## 8. PREPARATION, REVIEW AND APPROVAL

### 8.1 Preparation of Resettlement Plan (RP)

117. The PAD for EA-RDIP SOP-II rates the overall risk of the project as substantial so potential adverse resettlement impacts associating with project-related land acquisition is also rated as substantial. As a result, in line with the provisions in Proclamation No. 1161/2019 (Article 16) and ESS5 (paragraph 12), MInT requires to prepare Resettlement Plan (RP) for project Components 1, 2 and 3. **Annex 4** provides indicative outlines of the RP.
118. The scope and level of detail of the RP varies with the magnitude of displacement and complexity of the measures required to mitigate the adverse impacts result from each project component.
- For project activities with minor land acquisition or restrictions on land use, as a result of which there will be no significant impact on incomes or livelihoods, the RP will establish eligibility criteria for affected persons, set out procedures and standards for compensation, and incorporate arrangements for consultations, monitoring, and addressing grievances.
  - For project component causing physical displacement, the RP will set out the additional measures relevant to relocation of affected persons (see the proposed mitigation measures for details).
  - For project component involving economic displacement with significant impacts on livelihoods or income generation, the RP will set out the additional measures relating to livelihood improvement or restoration (see the proposed mitigation measures for details).
  - For project component that may impose changes in land use that restrict access to resources in legally designated parks or protected areas or other common property resources on which local people may depend for livelihood purposes, the RP will establish a participatory process for determining appropriate restrictions on use and set out the mitigation measures to address adverse impacts on livelihoods that may result from such restrictions.
  - For access restrictions in relation to legally designated parks, protected areas, or other common property, the RP may take the form of a process framework. It is used to design project activities, determine eligibility criteria, reach agreement on access restrictions, identify measures to assist affected persons in improving or restoring their livelihoods, manage conflicts and grievances, and arrange for participatory implementation and monitoring.
  - In all cases, the RP describes the manner in which the objectives of Proclamation No. 1161/2019 and ESS5 discussed earlier shall be achieved.
119. A key function of the preparation of the RP is to determine the anticipated costs of resettlement and arrangements for meeting those costs (including contingencies) in a timely manner to inform efforts to avoid or mitigate adverse impacts. It is important to ensure that the budget specifically allocated to meeting the costs of resettlement is adequate to implement the planned resettlement measures. It is also important to specify in the arrangements the commitments obtained from relevant institutions within government and any other parties to meet the resettlement costs. Due process is understood to include the following types of procedural protections: (a) adequate and reasonable notice for all affected persons prior to the scheduled date of eviction; (b) information on the proposed evictions, and, where applicable, on the alternative purpose for which the land or housing is to be used, to be made available in reasonable time to all those affected; (c) especially where groups of people are involved, government officials or their representatives as well, if requested, impartial observers to be present during an eviction; (d) all persons carrying out the eviction are to be properly identified; and (e) evictions are not to take place in inclement

weather or at night, or during festivals or holidays unless the affected persons consent otherwise; and (f) the resettlement plan should provide an implementation schedule indicating how the resettlement activities are linked to the implementation of the overall project. No civil works will start prior to provision of full compensation to PAPs.

## **8.2 Process for RP Preparation, Review and Approval**

120. Resettlement plans are prepared for all project components that results in economic or physical displacement no matter what the number of displaced people would be. The process for RP preparation, review and approval will involve the following key undertakings.

### **8.2.1 RP identification**

121. The initial step in the RP preparation involves the screening of the sub-component activities for resettlement impacts identification of the sub-component activities followed by conducting socio-economic census. Below, a brief highlight of these initial tasks is given. The initial step in the RP preparation involves the subproject recommendation, screening of the sub-component activities for resettlement impacts identification of the sub-component activities followed by conducting socio-economic census. This sub-section outlines the initial tasks pertaining to the screening process, asset inventory, consultations with project affected persons (PAPs), cut-off dates, census and baseline information, valuation of affected properties.

#### **A. Subproject Recommendation**

122. Subproject recommendation is important as it enable the implementers to anticipate the actual impacts of the project in the specific project implementation sites. The subprojects under Components 1, 2 and 3 have potential adverse resettlement impacts associating with project-related land acquisition Specifically activities under component 1. This is because both cross-border and backbone network connectivity (sub-component 1.1) and last mile connectivity including in borderland areas (sub-component 1.2) involves linear construction demanding ample land acquisition. Besides, both sub-component 1.1 and sub-component 1.2 involves the construction of access roads to transmission towers and other fixed connecting stations. These factors justify the potential physical and economic impacts for component 1 would be highly significant.

#### **B. Screening process**

123. During the screening phase, gathering information about land ownership, structures and uses of the land that would be directly affected (either temporarily or permanently) due to the land acquisition of the three sub-components identified above might be involved. This information shall be verified by a qualified consultant who shall provide written and enumerate all economic, residential or other ownerships and uses of the land that might be affected, along with an estimation of the number of people affected by the type of impact. Likewise, the screening phase involves conducting introductory meetings with communities including the PAPs, HUC and vulnerable groups in the project implementation areas in order to inform them about project E&S impacts, their rights and entitlements. The screening of the sub-components process steps are indicated in the project ESMF and can be referred for details. Besides, a standard screening template/form is annexed in this RF document (see **Annex 5**).

### ***C. Asset Inventory and Initial PAPs Identification***

124. The GoE authorities at both Woreda and local community levels; community elders and leaders; will arrange meetings with PAPs to discuss the compensation and valuation process. For each individual or household affected by the sub-component, the RP preparation team will complete a Compensation Report containing necessary personal information on the PAPs and their household members, their total land holdings, inventory of assets affected, and demographic and socio-economic information for monitoring of impacts. This information will be documented in a Report, and ideally should be witnessed by an independent or locally acceptable body (e.g., Resettlement Committee). The Reports will be regularly updated and monitored as provided in **Annex 6** in this RF.

### ***D. PAPs Consultation***

125. A participatory approach is adopted to initiate the compensation process. The consultations must start during the planning stages when the technical designs are being developed, and at the land selection/screening stage. The process, therefore, seeks the involvement of PAPs throughout the Census Study for identifying eligible PAPs and throughout the RP preparation process.

### ***E. Setting of Cut-off Dates***

126. Deciding on the cut-off date marks the beginning procedure to implement the RP. As issued in Regulation No. 472/2020, Article 4(1), a written notice of the cut-off date shall be sent to all concerned land holders and proof of receipt by such landholders shall be provided.

127. The cut-off date for determining eligibility for compensation or other assistance is intended to help prevent encroachment by opportunistic settlers. It is most effective when it is well communicated, documented, and disseminated, including by providing clear demarcation of areas designated for resettlement. Individuals taking up residence in, or use of, the project area after the cut-off date are not eligible for compensation or resettlement assistance. Similarly, the loss of fixed assets (such as built structures, fruit trees, and woodlots) built or planted after the cut-off date is not compensated, except where it can be demonstrated that such post-cut-off date improvements were needed to maintain the livelihoods of the affected person during the period between the cut-off date and displacement.

### ***F. Census of PAPs and Socio-Economic Baseline***

128. Once the screening process for sub-components with resettlement impacts ends, undertaking a socio-economic survey will follow. The census identifies affected persons, and includes pertinent demographic (age, gender, family size, births, and deaths) and related social and economic information (ethnicity, health, education, occupation, income sources, livelihood patterns, productive capacity, and so forth). The census helps to determine eligibility of affected persons. It includes undertaking an inventory and valuation of assets and establishing, documenting, and making known the rights of those affected. This may include different types of secondary rights of access and use that are valuable for people's livelihoods, but that are largely undocumented, such as seasonal rights or rights held by mobile pastoralists. It is important to undertake the inventory in close consultation with affected communities and households, and if needed, the services of a social specialist with expertise. The information gathered in connection with the census is the baseline, which serves as a reference point against which income restoration and the results of other rehabilitation efforts can be measured. As part of this process, supplementary consultations will be held with displaced persons and/or adversely affected groups who will be engaged throughout planning, implementation and monitoring.

129. The information will be collected from the PAPs and related household members or dependents. Such information will be documented in writing, used to prepare the RP and to assess the necessary compensation and assistance for each person/household affected. The scope of requirements and level of detail of the resettlement plan vary with the magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about (a) the proposed project and its potential impacts on the displaced persons and other adversely affected groups, (b) appropriate and feasible mitigation measures, and (c) the legal and institutional arrangements required for effective implementation of resettlement measures. The preparation of the RP will be based on the standard template as annexed to this RF (see **Annex 6**).

### ***G. Valuation of affected properties and compensation***

130. Regulation No. 472/2020, Article 14 states on the need to establish the Valuation Committee responsible to undertake details of compensation value of the property expropriated. As per sub-articles 1-3 of this article:

1. The selection process of members of the committee shall consider requisite knowledge and skill relevant to the property be valued; and gender and age.
2. Where capable experts that qualify as property valuers are not available in the Woreda or Urban Administration, the Valuation Committee shall be established with experts from Zonal or Regional Administrations.
3. The number, qualification, and gender balance of the Valuation Committee; and its working procedure shall be determined in the RF implementing arrangement.

131. All types of compensation will be clearly explained to the individual and households involved. These refer especially to the basis for valuing the land and other assets. Once such valuation is established, the PIU in the MInT will produce a Contract or Agreement that lists all property and assets being acquired by the sub-component and the types of compensation selected. These options include in-kind (e.g., replacement housing) and cash compensation. All compensation should occur in the presence of the affected persons and community leaders.

132. Acquired assets will be compensated at replacement cost, and in calculating replacement cost, depreciation of structures and assets is not taken into account, nor is the value of materials salvaged by the PAP from an asset (e.g., building materials, the pump from a well, etc.) acquired under a community project deducted from the compensation amount. For houses and other structures, the replacement value, if provided as cash compensation, is the market costs of materials to build a similar or better structure than the one affected, plus costs of labor/contractors, and the cost of any registration and transfer taxes. For agricultural land, the replacement cost is the pre-project or pre-displacement (whichever is higher) market value of land that is of equal size, or use plus the cost of any registration and transfer taxes. Displaced persons/families will receive relocation assistance to cover (i) the costs of moving to their new location, and (ii) an allowance equal to the local average costs of living during a two month transition period to resettle in their new location of residence or business.

Compensation Payment:

133. **PAP payment:** Compensation must be prompt or paid within a reasonable time. In any case, the eligible PAPs (that has been determined to be identified as eligible for compensation) should receive the compensation payment prior to eviction or project implementation. The payment should be made



in accordance with the Ethiopian legal framework (Proclamation No. 1161/2019 and Regulation No. 472/2020) and WB's ESF (ESS5) as reviewed in detail in this RF.

134. **Community Payments:** Although most subprojects do not normally take land and other assets belonging to a community (such as a community center, school, or sacred site), if this occurs in a subproject, the community (as a whole) will be compensated. This compensation will be in the form of reconstruction of the facility (in case of damages) or replacement at least the same standard or equivalent or better standard required by local planning regulation. Examples of community compensation are expansion of grazing grounds; rehabilitation of school buildings, public toilets, health facilities; installation of wells or pumps; creation of market places; and reconstruction of community roads.

135. **In-kind compensation:** There are situation where the use of in-kind compensation is preferable. Particularly, when payment of cash compensation is considered, the ability of the affected persons or population to utilize cash to restore standards of living is assessed. For example, short-term consumption of cash compensation can sometimes result in hardship for subsistence-based economies or poorer households. In cases, provision of in-kind compensation (for example, livestock or other moveable/transferable property) or vouchers earmarked for specific types of goods and services may be more appropriate. In either case whether cash, in-kind compensation, or some combination is provided the RP for the EARDIP SOP II should consider the possibility of providing training or other guidance to recipients to help them make effective use of what they receive. Backdrop to the above discussions, Table 6 presents the entitlement matrix.

136. **Disclosure and notification:** All eligible PAPs are informed about the EARDIP SOP II sub-component with the adverse resettlement impacts and the RP process. A cut-off date is established as part of determining PAPs eligibility. In special cases where there are no clearly identifiable owners or users of the land or asset, the RP team must notify the respective local authorities and leaders. A “triangulation” of information (affected persons, community leaders and representatives, and other government agency, land valuation expert) may help to identify eligible PAPs. The RP must notify PAPs about the established cut-off date and its significance. PAPs must be notified both in written and by verbal notification delivered in the presence of all the relevant stakeholders. The process will operationalize the grievance mechanism prior to entitlement verification and endorsement of compensation figures. The disclosure and notification process should also include the availability of Grievance Redress Mechanism established by the host project (EDFP), and how to access and should also deals with the GRM focal persons at regional, woreda and community levels.

#### **H. Resettlement Plan (RP) Preparation**

137. The PIUat MInT will submit the RP document to the Regional Environmental Authority or Zonal Environmental Protection Office in the respective project areas for review. The purpose of review is to examine and determine whether the RP is an adequate assessment of the social/resettlement effects of the EARDIP SOP II sub-projects requiring land acquisition and of sufficient relevance and quality for decision-making. The PMU of the MInT will address the review comments from the Regional Environmental Authority or Zonal Environmental Protection Office in the respective project areas (if there are any) and submitted it to the higher management of the MInT for review and approval. Finally, the RP document shall be submitted to the WB for further review. The PMU in the MInT will review the RP document based on the comments and feedback given by the WB and re-submit the revised draft for WB's approval and clearance.

138. The final approved resettlement and compensation plans must include measures to ensure that the displaced persons are:
- Informed about their options and rights pertaining to project resettlement and compensation;
  - Consulted on, offered choices among, and provided with technically and economically feasible resettlement and compensation alternatives;
  - Provided prompt and effective compensation at full replacement cost for losses of assets and access, attributable to the project; and Enabled to restore livelihoods but preferably, to improve upon their pre-project living standards and conditions.

### **8.2.2 RP review and submission**

139. The PIU at the MInT will submit the RP document to the Regional Environmental Authority or Zonal Environmental Protection Office in the respective project areas for review. The purpose of review is to examine and determine whether the RP is an adequate assessment of the social/resettlement effects of the EARDIP SOP II sub-projects requiring land acquisition and of sufficient relevance and quality for decision-making. The PMU of the MInT will address the review comments from the Regional Environmental Authority or Zonal Environmental Protection Office in the respective project areas (if there are any) and submitted it to the higher management of the MInT for review and approval. Finally, the RP document shall be submitted to the WB for further review. The PMU in the MInT will review the RP document based on the comments and feedback given by the WB and re-submit the revised draft for WB's approval and clearance.

140. The final approved resettlement and compensation plans must include measures to ensure that the displaced persons are:
- Informed about their options and rights pertaining to project resettlement and compensation;
  - Consulted on, offered choices among, and provided with technically and economically feasible resettlement and compensation alternatives;
  - Provided prompt and effective compensation at full replacement cost for losses of assets and access, attributable to the project; and
  - Enabled to restore livelihoods but preferably, to improve upon their pre-project living standards and conditions.

### **8.3 RP Project Implementation and Procedures**

141. The RP project implementation requires the Borrower will not resort to forced evictions of affected persons. *Forced eviction* is defined as the permanent or temporary removal against the will of individuals, families, and/or communities from the homes and/or land which they occupy without the provision of basic infrastructure and services if relocation is in a new site, and provision and access to appropriate forms of legal and other protection including all applicable procedures and principles in the RF of the EARDIP SOP II. The following are the key procedures in the implementation of the RP for the ER-RDIP.

**Missing PAPs and Litigation:** In certain cases, there may be significant difficulties related to the payment of compensation to particular affected persons, for example, where repeated efforts to contact absentee owners have failed, where project affected persons have rejected compensation that has been offered to them in accordance with the approved plan, or where competing claims to the ownership of lands or assets are subject to lengthy legal proceedings. On an exceptional basis, with prior agreement of the Bank, and where the Borrower demonstrates that all reasonable efforts to resolve such matters have been taken, the Borrower may deposit compensation funds as required by the plan (plus a reasonable additional amount for contingencies) into an interest-bearing escrow or other deposit account and

proceed with the relevant project activities. Compensation placed in escrow will be made available to eligible persons in a timely manner as issues are resolved.: **Land handover:** As provided in the Ethiopian Proclamation No. 1161/2019 (Article 4) any holder who has been served with an expropriation order should handover the land to the Woreda or urban administration within ninety (90) days from the date of payment of compensation or, if the Project Affected Person refuses to receive the payment, from the date of deposit of the compensation in a bank account as described above in the name of the Woreda or Urban Administration as may be appropriate. As further stated in the same Article, the Project Affected Person should have the possibility of rejecting the compensation payment while undergo the due GRM or legal due process.

**Step 9: Linking Resettlement Implementation to Civil Works:** PAPs will need to be compensated, in accordance with this RP and subsequent Resettlement and Compensation Plan, before works can begin. For activities involving land acquisition or loss, denial or restriction to access of resources, it is required that provisions be made, for compensation and for other assistance required for relocation, prior to displacement. The assistance includes provision and preparation of resettlement sites with adequate facilities. In particular, land and related assets may be taken away only after compensation has been paid and resettlement sites and moving allowances have been provided to PAPs. For project activities requiring relocation or resulting in loss of shelter, the resettlement policy further requires that measures to assist the project affected persons are implemented in accordance with the individual RAPs.

In the Implementation Schedule of each RAP, details on resettlement and compensation must be provided. The schedule for the implementation of activities, as agreed between the Project Planning team and PAPs must include:

- target dates for start and completion of civil works,
- timetables for transfers of completed civil works to PAPs,
- dates of possession of land that PAPs are using (this date must be after payments of all compensation) and;
- the link between RAP activities to the implementation of the overall sub project.

When approving recommendations for resettlement during screening, PAPs must confirm that the resettlement plans contain acceptable measures that link resettlement activity to civil works, in compliance with this RF. Proper timing and coordination of the civil works shall ensure that no affected persons will be displaced (economically or physically) due to civil works activity, before compensation is paid and before any project activity can begin.

#### **8.4 Additional Assistance for Vulnerable PAPs**

144. Despite the Project having a positive impact on vulnerable people and women in various ways, impacts related to gender and other sources of vulnerability requires the development of appropriate approaches. The project depending on the scale of the impact of sub-components, during RP preparation will conduct vulnerable group identification and need assessment study and produce vulnerable group support plan with detail implementation plan. MInT and participating woredas/cities are the main responsible bodies for implementation of the activities listed below:

- I. Ensure the existence of joint property title for spouse and husband during resettlement compensation settlement;
- II. Deposit women's cash compensation in individual bank accounts in their names during resettlement planning;

- III. Deposit cash compensation on joint Bank accounts in the names of a husband and wife during resettlement planning;
  - IV. Provide livelihood training to women's groups organized in Micro and Small Enterprises (MSEs) with special attention to female headed households;
  - V. Special attention will be given to the impact of resettlement on women and other vulnerable groups during monitoring and evaluation of the RP. The income restoration measures will also target the vulnerable persons to ensure that they are reasonably assisted to overcome potential economic shock from the project and maintain the quality of life not less than their pre-project state.
  - VI. In the case of physically displaced persons, the elderly and the sick, the Borrower will provide arrangements to allow them to obtain adequate housing with security of tenure. Where these vulnerable groups own structures, the Borrower will compensate them for the loss of assets other than land, such as dwellings and other improvements to the land, at a replacement cost. Based on consultation with such vulnerable groups of people/PAPs, the Borrower will provide relocation assistance in lieu of compensation for land sufficient for them to restore their standards of living at an adequate alternative site.
  - VII. In such circumstances, the calculation of replacement cost defined in this RF establishes a minimum standard that should enable the purchase or construction of housing that meets acceptable minimum community standards of quality and safety, even though the house being replaced may have been substandard.
142. Identification of vulnerable people and identification of the cause and impacts of their vulnerability, preferably through an identification mechanism devised with, and implemented by the beneficiary community; this step is critical because often vulnerable people do not participate in community meetings, and their disability/vulnerability may remain unknown. To address the problem, hence, assistance may take the following forms, depending upon vulnerable persons' requests and needs:
- I. Assistance in the compensation payment procedure (e.g., specifically explain the process and procedures, make sure that documents are well understood);
  - II. Assistance in the post payment period to secure the compensation money and reduce risks of misuse/robbery;
  - III. Assistance in moving: providing vehicle, EA-RDIP SOP II and assistance at the moving stage, assist the person in identifying his/her resettlement plot;
  - IV. Assistance in building: providing materials, workforce, or building houses;
  - V. Assistance during the post-resettlement period, particularly if the solidarity networks that the vulnerable person was relying on have been affected: food support, health monitoring and the like.
  - VI. Health care if required at critical periods, particularly the moving and transition periods.

## 9. AFFECTED ASSETS AND VALUATION PROCEDURES

### 9.1 Organizational Procedures for Delivery Entitlements

143. As the provision in Article 9 of the Proclamation No. 1161/2019 requires, land Requiring Body shall submit to the City or Woreda Administration the decision that shows the size and exact location of the land to be expropriated at least one year before the commencement of the project (Sub-article 1) Accordingly, pay the money required for compensation and resettlement to the City or Woreda Administration, when it is decided that compensation and resettlement payment shall be made to the displaced people (Sub-article 2).
144. Article 8, Sub-article 2 of the Proclamation No. 1161/2019 set out the organizational procedures to be followed for delivery entitlements involving the expropriation of land for public purpose. Accordingly, landholders or their agents whose landholdings are to be expropriated for the purposes of components 1, 2, and 3 of the EARDIP SOP II shall submit landholding certificates or other proofs that show their landholding rights over the lands that is decided to be expropriated to the Urban or Rural Land Administration Office on the time schedule of the office.
145. As further stipulated in Article 8, Sub-article 1(c) of the same Proclamation, the Urban or Rural Land Administration Office requires to collect landholding rights and conduct inventory, amount and size of all compensable properties from displaced people or their legal representatives whose landholdings are determined to be expropriated. But properties added after the expropriation notification is given to the land holder are not compensated. According to Sub-article 1(d), the Urban or Rural Land Administration Office decide the legal rights of the holders by checking the authority of the documents collected as sub article 1 (c) of Article 8, determine the landholding rights or entitlements, calculate, determine, and the amount of the compensation and other related rights of the PAPs. Sub-article 1(e) requires the Urban or Rural Land Administration Office notify the land holder or his agent in writing to hand over the land expropriated for public purpose with the description of the amount of compensation the landholder shall be paid; and/or the size and location of the land or house in kind compensation.
146. Besides, the organizational procedure in the EARDIP SOP II requires the respective project target regions, Woreda or City Administrations to provide and facilitate all the administrative and organizational processes for delivery entitlements. Yet, the PIU in MINT closely work with and supervision the process for delivery entitlements.

### 9.2 Method of Asset Valuation

147. Valuation is the means of market comparison or estimated amount for which the property should exchange. In line with this, Proclamation No. 1161/2019, Article 2(8) defines **valuation** as means of a common compensation valuation method used to calculate the value of property on expropriated land. The basic goal of property valuation in the RP for EARDIP SOP II is to provide a measure of the utility derived through the access to and control of property.
148. Both the Ethiopian legal framework (Proclamation No. 1161/2019 and Regulation No. 472/2020), and WB ESS5, set out the same method of asset valuation to guide the RP for the EARDIP SOP II. That is, the **replacement cost**. It 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.

149. 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. Further, 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 affected persons. To ensure compensation at replacement cost, planned compensation rates may require updating in project areas where inflation is high or the period of time between calculation of compensation rates and delivery of compensation is extensive.
150. Replacement cost approach makes two basic guidelines. First, the compensation of lost assets and properties is based on the willingness of owners of a resource to give up their rights to that resource. Though serving public interest gets priority compared to group or individual interests; consensus and negotiation needs to be reached with the PAPs with regards the willing to give land for the required sub-components. Second, compensation standards for categories of land and fixed assets will be disclosed and applied consistently. Compensation rates may be subject to upward adjustment where negotiation strategies are employed. In all cases, a clear basis for calculation of compensation will be documented, and compensation distributed in accordance with transparent procedures. The process used for determining compensation values should be transparent and easily comprehensible to project-affected persons. Summary of the valuation method in Regulation No. 274/2020 is provided in **Annex 3**.

## **10. ELIGIBILITY CRITERIA FOR AFFECTED PERSONS**

151. Avoidance is the preferred approach in accordance with the mitigation hierarchy in ESS1. It is especially important to avoid physical or economic displacement of those socially or economically vulnerable to hardship as a result. When land acquisition or restrictions on land use (whether permanent or temporary) cannot be avoided, the Borrower will offer affected persons compensation at replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living or livelihoods, subject to the provisions of paragraph 26 through 36 of ESS5. The purpose of deciding on eligibility requirements in the RF for EARDIP SOP II is to ensure that PAPs experiencing a complete or partial loss of land, crops, trees, and other properties or access to natural resources are specifically identified and recognized as eligible for any kind of assistance.

### **10.1 Eligibility Criteria**

152. **Eligibility** is the definition of displaced persons and criteria for determining their inclusion or exclusion for compensation and other resettlement assistance, including relevant cut-off dates. The GoE has issued the legal frameworks. The eligibility for compensation is recognized in Article 44(2) of the 1995 Constitution. Further, the new Proclamation No. 1161/2019 is provided to address the public's concern on the previous Proclamation No. 455/2005. The new proclamation has included many changes in provisions including the provision of livelihood restoration of PAPs beyond compensation of the lost asset and property. According to Article 2 (3) *and* Article 12-14 *of the proclamation*, compensation is paid to those who have legally occupied the land and those who have property on such land developed through their labour and capital. As per these provisions, the lawful occupants are expected to produce evidence for their legal landholding. The most important evidence for this could be the landholding certificate.

153. However, these GoE legal documents only have provisions for those who have legal title and do not give any legal entitlement for the squatters and informal settlers. In this and other related discrepancies between the WB's Policy and National Legislations, the project will be implemented as per the ESS5. Paragraph 10 defines three categories of affected persons who are eligible for coverage under ESS5. While people in all three categories are entitled to assistance of some sort under ESS5, the nature of that assistance may vary, as subsequent paragraphs of ESS5 make clear.

#### **10.1.1 Category A**

154. Affected persons who have formal legal rights to land or assets are those who have formal documentation under national law to prove their rights, or are specifically recognized in national law as not requiring documentation. In the simplest case, an area is registered in the name of individuals or communities. In other cases, persons may have a lease on the land and therefore have legal rights. The implementation of the RP for EARDIP SOP II anticipates the affected persons in this category include farming households, urban households, and business owners.

#### **10.1.2 Category B**

155. Affected persons who do not have formal legal rights to land or assets, but who have a recognized or recognizable claim under national law can fall into a number of groups. They may have been using the land for generations without formal documentation under customary or traditional tenure arrangements that are accepted by the community and recognized by national law. In other cases, they may have never

been provided formal title or their documents may be incomplete or lost. They may have a claim for adverse possession if they have occupied land for a certain period of time as defined by national law, without the formal owner contesting the occupation. The RF for EARDIP SOP II classifies pastoral and agro-pastoral communities under this category.

### **10.1.3 Category C**

156. Affected persons who have no recognizable legal right or claim to the land or assets they occupy or use are eligible for assistance under ESS5. These can be seasonal resource users, such as herders, grazers, fishers, or hunters (although if the rights of such users are recognized by national law, they may fall into category (a) or (b)). They can also be persons occupying land in violation of applicable laws. Affected persons in these groups are not eligible for compensation for land, but are eligible for resettlement and livelihood assistance and compensation for assets.

## **10.2 Scope of Entitlements in EARDIP SOP II**

157. The scope of the entitlement in the EARDIP SOP II is determined based on the ESS5 as set out in paragraph 3 (a-h). This generally applies to permanent or temporary physical and economic displacement resulting from land acquisition or restrictions on land use for the implementation of Components 1, 2 and 3 of the EARDIP SOP II.

### **10.2.1 Physical displacement**

158. *Physical displacement* refers to the relocation, loss of residential land or loss of shelter of the affected persons due EA-DRIP related-land acquisition. The Ethiopian Proclamation No. 1161/2019, Article 13, Sub-article 1-5 set out the scope of physically displacement and type of compensations.

159. Likewise, the WB ESS5 paragraph 26 recognizes that, in the case of physical displacement, the Borrower will develop a resettlement plan that covers, at a minimum, the applicable requirements of the ESS5 regardless of the number of people affected. The resettlement plan will be designed to mitigate the negative impacts of physical displacement and, as warranted, to identify development opportunities. It will include a resettlement budget and implementation schedule, and establish the entitlements of all categories of affected persons (including host communities). Particular attention will be paid to gender aspects and the needs of the poor and the vulnerable. Details of the scope of physical displacement and types of resettlement compensation are provided in Paragraphs 27 through 32 of the ESS5.

### **10.2.2 Economic displacement**

160. *Economic displacement* refers to the loss of land, assets, or access to assets leading to loss of income sources or other means of livelihood caused due to land acquisition or restrictions on land use related to the implementation of Components 1, 2 and 3 of the EARDIP SOP II. Article 14(1) of the Proclamation No. 1161/2019 states that a person who lost economic benefit either permanently or temporarily without being displaced as a consequence of land expropriation shall be paid compensation. Further details on the scope of economic displacement and associated types of compensation payment are provided in Articles 15 to 17 of this proclamation.



161. Similarly, the WB provision state that in the case of project-related land acquisition affecting livelihoods or income generation, the Borrower’s resettlement plan will include measures to allow affected persons to improve, or at least restore, their incomes or livelihoods. The plan will establish the entitlements of affected persons and/or communities, paying particular attention to gender aspects and the needs of vulnerable segments of communities, and will ensure that these are provided in a transparent, consistent, and equitable manner (ESS5, paragraph 33). The provisions in paragraphs 34 through 35 stipulate further about the scope of economic displacement and types of compensation.
162. As recognized both in Ethiopian Proclamation No. 1161/2019 (Articles 13 through 17) and WB ESS5 (paragraphs 33 through 35) the types of compensation apply in the RP for EARDIP SOP II depend on whether: (a) the lost means of livelihood are land-based or not; and (b) individually or communally owned. The term “land-based” includes agricultural land, livelihood activities such as rotational cropping, grazing of livestock, and the harvesting of natural resources.

### ***10.2.3 Compensation Options***

In view of above, the types of compensation payment in the EARDIP SOP II will involve the following.

#### ***A. Replacement land***

163. The Ethiopian Proclamation No 1161/2019 (Article 13) states that for persons whose lost livelihood is land-based compensation payment should be in replacement land. Likewise, as per WB ESS5 (Paragraph 14), where livelihoods of displaced persons are land-based, the Borrower will offer the displaced persons an option for replacement land rather than in cash compensation, unless it can be demonstrated to the Bank’s satisfaction that equivalent replacement land is unavailable. Both, the cited Ethiopian and WB provision underscore that the replacement land should have a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost. However, cash compensation or (in the case of displaced persons under paragraph 10(c)) resettlement assistance in lieu of compensation for land is offered to those people who do not wish to continue their land-based livelihoods or who prefer to purchase land on their own. Compensation for land in urban areas will adhere to ESS5 (GP12.1c). That is, the market value of land of equivalent area and use, with similar or improved infrastructure and services, preferably located in the vicinity of the affected land, plus transaction costs such as registration and transfer taxes.

#### ***B. Community compensation***

164. The Ethiopian Proclamation No 1161/2019 (Article 13) states that compensation for communal landholding should be in replacement land. But, the Proclamation lacks further specification on the valuation method and manner of payment for permanent and temporary livelihood loss from communal land ownership. In contrast, the WB ESS5 provides a clear statement in this regard. That is, where land is collectively owned, the Borrower will offer the displaced community and persons an option for replacement land (Paragraph 14). Yet, as per ESS5 Paragraph 35 (b), where 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 the project will requires to implement mechanism to either allow continued access to affected resources or to provide access to alternative resources with equivalent livelihood-earning potential and accessibility. Where

common property resources are affected, benefits and compensation associated with restrictions on natural resource usage may be collective in nature.

**C. Cash compensation**

165. Cash compensation is considered for none land-based loss of property and assets including houses, structures like fences, fixed improvements, and business. Cash compensation will apply the principle of replacement cost: A method of valuation yielding compensation sufficient to replace asses plus the necessary transaction costs associated with asset replacement.

**D. In-kind compensation**

166. There are situation where the use of in-kind compensation is preferable. Particularly, when payment of cash compensation is considered, the ability of the affected persons or population to utilize cash to restore standards of living is assessed. For example, short-term consumption of cash compensation can sometimes result in hardship for subsistence-based economies or poorer households. In such cases, provision of in-kind compensation (for example, livestock or other moveable/transferable property) or vouchers earmarked for specific types of goods and services may be more appropriate. In either case whether cash, in-kind compensation, or some combination is provided the RP for the EARDIP SOP II should consider the possibility of providing training or other guidance to recipients to help them make effective use of what they receive. Backdrop to the above discussions, **Table 6** presents the entitlement matrix.

**Table 5 Entitlement Matrix**

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
Agricultural land	Partial loss of farmland, i.e., less than 20% of landholding affected and land remains economically viable 0.5 ha threshold	Farmer/title holder	Cash compensation for the harvest or product from the affected land or asset, equivalent to fifteen times (fifteen years) the highest annual income s/he generated during the last three years preceding the expropriation of the land. Depreciation and salvage value does not be deducted, PAPs are allowed to salvage materials and all cash compensation is based on prevailing/current market rates (i.e., any applicable transaction cost shall be covered).
		Tenant/ lease holder 1 and above years duration of lease	Cash compensation for the harvest or product from the affected land or asset, equivalent to fifteen times (fifteen years) the highest annual income s/he generated during the last three years preceding the expropriation of the land. Depreciation and salvage value does not be deducted, PAPs are allowed to salvage materials and all cash compensation is based on prevailing/current market rates.
	Loss of farmland greater than 20% of landholding lost	Farmer/ Title holder	<ul style="list-style-type: none"> <li>• Cash compensation for the harvest or product from the affected land or asset, equivalent to fifteen times (fifteen years) the highest annual income s/he generated during the last three years preceding the expropriation of the land where equivalent substitute land is not available. Depreciation and salvage value will not be deducted, PAPs will be allowed to salvage materials and all cash compensation will be at prevailing/current market rates.</li> <li>• Replacement land of same value of land lost and at location acceptable to PAPs where feasible.</li> <li>• Land for land replacement will be in terms of a new parcel of land of equivalent size and productivity with a secure tenure status at areas/ location acceptable to PAPs. Transfer of the land to PAPs shall be free of taxes, registration, and other costs. Where equivalent substitute land is given, the landholder shall be paid a one-year compensation equivalent to the highest income s/he annually used to generate in the last three years preceding the expropriation of the land.</li> <li>• Transfer of the land to the PAP shall be free of taxes, registration, and other costs.</li> <li>• <b>Relocation assistance (costs of shifting + assistance in reestablishing economic trees + allowance up to a maximum of 12 months while short- term crops mature)</b></li> </ul>
		Tenant/Lease holder	<ul style="list-style-type: none"> <li>• Cash compensation equivalent to fifteen times (fifteen years) the highest annual income s/he generated during the last three years preceding the expropriation of the land (i.e., with 1 and above years of lease).</li> <li>• <b>Relocation assistance (costs of shifting + assistance in reestablishing economic trees + allowance up to a maximum of 12 months while short- term crops mature)</b></li> </ul>
PAPs land used for grazing partially affected; remaining area	Title holder/farmer	Cash compensation for protected grasses on affected land for fifteen years. The amount of compensation for protected grass shall be determined based on the productivity of the land and the current market price of the grass per square meter as outlined in the Council of Ministers Regulation No. 472/2020	

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
Grazing land	sufficient for continued use-20% and 0.5 ha threshold	Renter/Lease holder	Cash compensation for protected grasses on affected land. The amount of compensation for protected grass shall be determined on the basis of the productivity of the land and the current market price of the grass per square meter
	PAPs land used for grazing severely affected; remaining area insufficient for use	Title holder/ farmer	<ul style="list-style-type: none"> <li>• Cash compensation for protected grasses on affected land for fifteen years. The amount of compensation for protected grass shall be determined on the basis of the productivity of the land and the current market price of the grass per square meter.</li> <li>• Replacement land of same value of land lost and at location acceptable to PAPs where feasible. Land for land replacement will be provided in terms of a new parcel of land of equivalent size and market potential with a secured tenure status at an available location that is acceptable to the PAP.</li> <li>• Transfer of the land to the PAP shall be free of taxes, registration, and other costs.</li> <li>• <b>Relocation assistance (costs of shifting + assistance in reestablishing economic trees + allowance up to a maximum of 12 months while short- term crops mature)</b></li> </ul>
		Renter/Lease holder	Cash compensation for protected grasses on affected land. The amount of compensation for protected grass shall be determined on the basis of the productivity of the land and the current market price of the grass per square meter
Commercial Land	Land used for business partially affected; remaining land viable for business purpose	Title holder/ business owner	Land for land replacement could be the best option where feasible or cash compensation for affected land, taking into account replacement cost for the lost property and viable business. Opportunity cost compensation equivalent to land plus 5% of net annual income based on tax records for previous year (or tax records from comparable business, or estimates where such records do not exist).
		Business owner is lease holder	<ul style="list-style-type: none"> <li>•Opportunity cost compensation equivalent to 10% of net annual income based on tax records for previous year (or tax records from comparable business, or estimates where such records do not exist)</li> <li>•Relocation assistance (costs of shifting)</li> <li>•Assistance in rental/ lease of alternative land/ property to reestablish the business</li> </ul>
	Assets used for business severely affected; remaining assets become insufficient for business purposes	Title holder/business owner	<ul style="list-style-type: none"> <li>• Land for land replacement or compensation in cash according to PAPs choice; cash compensation to take into account replacement values. Land for land replacement will be provided in terms of a new parcel of land of equivalent size and market potential with a secured tenure status at an available location, which is acceptable to the PAP.</li> <li>• Transfer of the land to the PAP shall be free of taxes, registration, and other costs.</li> <li>• Relocation assistance (costs of shifting + allowance).</li> <li>• Opportunity cost compensation equivalent to 6 months net income based on tax records for previous year (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher.</li> </ul>

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
			<ul style="list-style-type: none"> <li>The RP will adopt alternative methodologies for informal businesses that do not keep tax records to estimate the compensation amounts, commensurate with the extent of the affectation (relocation assistance-costs of shifting and assistance to obtain alternative site to re- establish the business). Absence of formal documentation will not be an obstacle for affected people to receive compensation.</li> </ul>
		Business person is lease holder	<ul style="list-style-type: none"> <li>Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher.</li> <li>Relocation assistance (costs of shifting)</li> <li>Assistance in rental/ lease of alternative land/ property (for a maximum of 6 months) to re-establish the business.</li> </ul>
Residential Land	Land used for residence partially affected; remaining land viable for present use	Title holder	Cash compensation at full replacement cost for affected assets situated on land without factoring depression
		Rental/lease holder	Cash compensation equivalent to 10% or affected %of lease/ rental fee for the remaining period of rental/ lease agreement (written)
	Land used for residence severely affected; remaining land insufficient for use	Title holder	<ul style="list-style-type: none"> <li>Cash compensation at full replacement cost without factoring depreciation or replacement land of same value of land lost and at location acceptable to PAPs where feasible</li> <li>Land for land replacement shall be of minimum plot of acceptable size under the zoning law/ s or a plot of equivalent size, whichever is larger, in either the community or a nearby resettlement area (i.e., which is acceptable by the PAPs)with adequate physical and social infrastructure systems as well as secured tenure status.</li> <li>When the affected holding is larger than the relocation plot, cash compensation to cover the difference in value will be provided</li> <li>Transfer of the land by government to the PAP shall be free of taxes, registration, and other costs.</li> <li><b>Relocation assistance (costs of shifting + assistance in reestablishing economic trees + allowance up to a maximum of 12 months while short- term crops mature)</b></li> </ul>
		Rental/lease holder	<ul style="list-style-type: none"> <li>Refund of any lease/ rental fees paid for time/ use after date of removal</li> <li>A residential house shall be given for two years free of charge until he constructs his residential housing or displacement compensation equal to two-year housing rentals estimated on the basis of the rental market comparable to the house of the displaced.</li> <li>Cash compensation equivalent to 3 months of lease/ rental fee</li> <li>Assistance in rental/ lease of alternative land/ property equivalent to the expropriated land in standard and size</li> </ul>

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
			<ul style="list-style-type: none"> <li>• Compensation for the breakup of their social ties and moral damage they suffer as result of the expropriation.</li> <li>• Relocation assistance,( Where the property on the land can be relocated and continue its service as before, the cost of removing, transporting, and erecting the property shall be paid as compensation.</li> <li>• <b>Relocation assistance (costs of shifting + assistance in reestablishing economic trees + allowance up to a maximum of 12 months while short- term crops mature)</b></li> </ul>
Buildings and structures	Structures are partially affected; remaining structures viable for continued use	Owner	Cash compensation for affected building and other fixed assets, taking into account Replacement costs of structures and materials. In addition, Cash assistance to cover costs of restoration of the remaining structure
		Rental/lease holder	Cash compensation for affected assets, taking into account replacement costs for assets and materials (verifiable improvements to the property by the tenant). Disturbance compensation equivalent to two months rental costs
	Structures severely affected; remaining structures not suitable for continued use	Owner	<ul style="list-style-type: none"> <li>• Cash compensation, taking into account replacement costs for structures and materials, for entire structure and other fixed assets without consideration of the depreciation costs, or alternative structure of equal or better size and quality in an available location, which is acceptable to the PAP.</li> <li>• Right to salvage materials without deduction from compensation</li> <li>• <b>Relocation assistance (costs of shifting + allowance)</b></li> <li>• <b>Rehabilitation assistance if required (assistance with job placement, skills training)</b></li> </ul>
		Rental/lease holder	<ul style="list-style-type: none"> <li>• Cash compensation for affected assets, taking into account at replacement cost for materials (verifiable improvements to the property by the tenant)</li> <li>• Relocation assistance (costs of shifting + allowance equivalent to four months rental costs)</li> <li>• Assistance to help find alternative rental arrangements</li> <li>• <b>Rehabilitation assistance if required (assistance with job placement, skills training)</b></li> </ul>
	Squatter/informal dweller	<ul style="list-style-type: none"> <li>• Cash compensation for affected structures without consideration of depreciation costs, taking into account replacement cost of the lost structure.</li> <li>• Right to salvage materials without deduction from compensation</li> <li>• <b>Relocation assistance (costs of shifting + assistance to find alternative secure accommodation preferably in the community of residence through involvement of the program)</b></li> <li>• Assistance in lieu of land compensation sufficient to provide such persons with an opportunity to reestablish their livelihood elsewhere.</li> <li>• Rehabilitation assistance if required assistance with job placement, skills training.</li> </ul>	

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
		Street vendor (informal without title or lease to the stall or shop)	<ul style="list-style-type: none"> <li>• Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher.</li> <li>• The RP will adopt alternative methodologies for informal businesses that do not keep tax records to estimate the compensation amounts, commensurate with the extent of the affectation (relocation assistance-costs of shifting and assistance to obtain alternative site to re- establish the business). Absence of formal documentation will not be an obstacle for affected people to receive compensation.</li> <li>• <b>Relocation assistance (costs of shifting)</b></li> <li>• Assistance to obtain alternative site to re- establish the business.</li> </ul>
<b>Standing crops</b>	Crops affected by land acquisition or temporary acquisition	PAP (owner, tenant, or squatter)	<ul style="list-style-type: none"> <li>• If the crop is not harvested, the compensation payable will be based on the amount of produce available and/or the amount of produce that the produce could produce if the crop had arrived. The cost of the property owner's deduction will be deducted until the crop or vegetable is harvested.</li> <li>• Revenue from crop surplus will be determined based on current market prices of the leftover produce.</li> <li>• If one crop is produced more than once in a year, the amount of the crop per year will be the sum of the produce produced during the year.</li> </ul> <p><b><i>Crop Revenue = (area of the land per hectare x current market price of crop per Quintal x yield from 1hectare per Quintal)</i></b></p> <p><b><i>Revenue from surplus crop product = (area of the land per hectare x yield from 1hectare per Quintal x current market price surplus of crop pro</i></b></p>
<b>Trees or Perennial Plants</b>	Trees or perennial plants lost	Title holder/farmer/rental	Cash compensation at full replacement cost based on type, age and productive value of affected trees
<b>Temporary land acquisition</b>	Temporary acquisition	PAP (whether owner, renters, or squatter)	Cash compensation at full replacement cost for any affected assets for that temporal time period plus compensation for loss of income during the period and it is also similar for renters
<b>Communal land</b>	Lost benefit and livelihood from use of communal land	Member of the community using communal land	<p>Cash compensation based on the use of the communal land; or the lost benefits and livelihoods of displaced people as well as its benefit to the community</p> <p>Members of the community using the communal land should be identified and shall be compensated the lost benefit and livelihoods which were originally obtained from the communal land</p> <p>Private and communal property on the expropriated communal land shall be identified and included on the compensation package whenever appropriate</p>

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
Impacts on Fence	Fence	Owners	<ol style="list-style-type: none"> <li>1. Fence compensation is calculated by calculating the price of the existing square meter or cubic meter required to build a new fence that is equivalent to the fenced fence.</li> <li>2. If the construction material of the fence cannot be estimated per square meter or cubic meter, it can be calculated at a single price.</li> <li>3. Based on number 1, it is possible that the reimbursement shall be made as the property to be relocated shall be payable.</li> <li>4. If there are walls and fences with better technology, if the owner wants to take them, the compensation will be reimbursed based on the compensation calculation of the property.</li> </ol> <p><b>Fence Compensation = amount of fence in square/cubic meter x single price of fence per square/cubic meter</b></p>
Impacts on breakup of social ties and moral damage	breakup of social ties and moral damage	PAP (Individual/HH/ Group)	<ul style="list-style-type: none"> <li>-Compensation for termination of social ties and compensation for psychological damage will be paid only once.</li> <li>-Compensation for termination of social networking and compensation for psychological damage may be paid from a sum of 25,000 to 60 thousand birr;</li> <li>-Discontinuation of social ties and compensation for psychological damage is paid to displaced PAPs who are settling 5 km or more away from their original place of residence.</li> <li>-If the survivors of a neighborhood are excluded from their possession, they may be compensated for by the disruption of social ties and psychological compensation if approved by concerned government bodies.</li> <li>-The Directives of the psychology shall determine the time and place for the formation of social networks.</li> </ul>
Graveyards	Relocation of graveyard	PAPs (families) of the deceased family members	<ul style="list-style-type: none"> <li>•Compensate fully for the relocation of the graveyard that covers all the expenses of removal of the gravestones, preparing another burial ground, relocation/reburial and all the religious or cultural ceremonial expenses.</li> <li>•The owner of the burial ground shall be clearly notified on the prescribed time to vacate the burial ground.</li> <li>•If the cemetery owner does not raise the cemetery within the timeframe provided, the body that cleared the ground may be properly lifted and placed in an alternate location.</li> <li>•There shall be no compensation for psychological damage in respect of the cemetery, but need process of agreement to move through and respectful process with family, witness participation.</li> </ul> <p><b>Cemetery compensation= cost of corpse pick up+ burial ground preparation cost+ cost of corpse transfer and relocation+ cost of religious and cultural ceremonies.</b></p>
	Disproportion impact due to age, sex, disability, etc.	Vulnerable people to be screened from the PAPs	<ul style="list-style-type: none"> <li>•Special measures for effective participation, compensation, assistance and livelihood restoration will be defined in the RP. This is to ensure food security during this transitional period. Additional</li> </ul>



Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
Assistance for vulnerable Groups			<p>assistance will also be offered to particularly vulnerable individuals and households during and after relocation.</p> <ul style="list-style-type: none"> <li>•Additional support (in addition to the entitled compensation and relocation allowance) to support during relocation and restoration of livelihood).Such support could be in terms of labour during the reconstruction of affected houses, or in terms of money to cover expenses associated to failure of using his/her labour to rehabilitate or adjust at the relocated area. Furthermore, they should be linked to assistance programs and networks.</li> </ul>
Utilities	Relocation of utilities	Those accessing the services of the utilities (schools, health centers, water, electric, etc.)	Utilities to be reestablished in the affected area; provision of similar temporary services until full resumption (especially water service) under the new arrangement.
Relocation and Shifting	Forced to relocate or shift	All Affected Households	Relocation allowance includes cost associated with re –establishing residential houses, mobility costs and other ancillary costs (labour, transport, land clearing and labeling and other relevant costs etc.)
Livelihood	Loss of livelihood or source of income	Households for LR support	<ul style="list-style-type: none"> <li>•Livelihood restoration measures will be planned and provided supplementary to the compensation paid for lost assets. To restore or improve their income level and livelihood; and ensure an improved standard of living or foster development benefits.</li> <li>•Depending on the severity of impact on the livelihoods of the affected households, livelihood restoration interventions will be designed to ensure that affected persons are not worse off in the end, and if possible have improved livelihoods and standards of living. Measures will be designed in close consultation with PAPs and stakeholders at different levels (Woreda to Federal). The RP document will provide further details on the planned livelihood restoration measures once the impacts on household’s livelihoods are assessed and appropriate support measures identified. MoA will assist in the provision of materials, training for alternative livelihood options, provision of crop seeds and seedlings for economic trees, etc as per the requirement of WB ESS5, and this RF framework. The LRP will be fully integrated in and implemented as part of the RP.</li> <li>•The alleviation of economic displacement will be considered complete when affected persons or communities have received compensation and other assistance as per the requirements of the World BankESS5, and are believed to have been provided with adequate opportunity to reestablish their livelihoods. Thus, for better management and positive comprehensive outcome; LRP will be integrated with RP during its preparation and implementation.</li> </ul>

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
Impact on Grass	Loss of grasses	Owners or users of pasture affected by the Project	<p>-If the grass on the land being cleared is ready to be harvested, it may be collected at the time specified by the developer. The cost of picking up the grass should be covered.</p> <p>-If the site is urgently needed and there is not enough time to harvest the grass, the estimate of the grass is calculated at the current local market price and compensation</p> <p><b>Compensation of Grass = area coverage of the grass with meter square x the yield of grass with current local price per meter square.</b></p>
Impact on Pastoralists	Disproportion impact due to poor development, discrimination and disaster vulnerability, etc.	Vulnerable pastoral and agro-pastoral individuals and groups	<ul style="list-style-type: none"> <li>• Special measures for effective participation, compensation, assistance and livelihood restoration will be defined in the RP. This is to ensure food security during this transitional period. Additional assistance will also be offered to particularly vulnerable individuals and households during and after relocation.</li> <li>• Additional support (in addition to the entitled compensation and relocation allowance) to support during relocation and restoration of livelihood). Such support could be in terms of labour during the reconstruction of affected houses, or in terms of money to cover expenses associated to failure of using his/her labour to rehabilitate or adjust at the relocated area. Furthermore, they should be linked to assistance programs and networks.</li> <li>• Assistance in the compensation payment procedure (e.g. specifically explain the process and procedures, make sure that documents are well understood);</li> <li>• Assistance in the post payment period to secure the compensation money and reduce risks of misuse/robbery;</li> <li>• Assistance in moving: providing vehicle, EARDIP SOP II and assistance at the moving stage, assist the person in identifying his/her resettlement plot;</li> <li>• Assistance in building: providing materials, workforce, or building houses;</li> <li>• Assistance during the post-resettlement period, particularly if the solidarity networks that the vulnerable person was relying on have been affected: food support, health monitoring, etc; and</li> <li>• Health care if required at critical periods, particularly the moving and transition periods</li> </ul>

#### **10.2.4 Project entitlement exclusion criteria**

167. The entitlement exclusion criteria for the RP of the EARDIP SOP II will be determined as per the WB ESS5 (Paragraphs 5 through 9). Accordingly, these are described as follow.

##### **A. Claim after cut-off date**

168. The scope of the entitlement in the EARDIP SOP II's RF will not apply to settlements and fixed structures built after the cut-off date. The cut-off date for determining eligibility for compensation or other assistance is intended to help prevent encroachment by opportunistic settlers. It is most effective when it is well communicated, documented, and disseminated, including by providing clear demarcation of areas designated for resettlement. Individuals taking up residence in, or use of, the project area after the cut-off date are not eligible for compensation or resettlement assistance. Similarly, the loss of fixed assets (such as built structures, fruit trees, and woodlots) built or planted after the cut-off date is not compensated, except where it can be demonstrated that such post-cut-off date improvements were needed to maintain the livelihoods of the affected person during the period between the cut-off date and displacement.

##### **B. Incomes or livelihoods with no direct relation to the project**

169. The eligibility criteria for the RP in the EARDIP SOP II excludes impacts on incomes or livelihoods that are not a direct result of land acquisition or land use restrictions imposed by the project. Rather, such impacts will be addressed in accordance with ESS1.

##### **C. Legally recorded transactions**

170. The entitlement criteria in the RF for the EARDIP SOP II exclude voluntary, 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. However, where such voluntary land transactions may result in the displacement of persons, other than the seller, who occupy, use or claim rights to the land in question, the entitlement eligibility stated in the preceding section will apply.

## 11. GRIEVANCE REDRESS MECHANISM

171. For projects such as EARDIP SOP II with high or substantial environmental and social impacts, grievances are a fact of life. How the project responds (or is perceived to be responding) when such grievances surface is important and can have significant implications for the overall implementation of the project. A grievance mechanism should be scaled to fit the level of risks and impacts of the project. It should flow from the project's broader process of stakeholder engagement and business integrity principles and integrate the various elements of engagement discussed in the preceding sections.

### 11.1 Potential Grievances/Disputes in the EARDIP SOP II

172. During the implementation of the EARDIP SOP II, grievances and dispute may arise in the course of the implementation of sub-components involving involuntary resettlement. The reasons, among others, may be related to the following issues:

- (i) Targeting for project beneficiaries.
- (ii) Valuation of assets and compensation.
- (iii) Disagreement on plot boundaries, either between the affected person and the expropriation agency or between two neighbors.
- (iv) Disputed ownership of a given asset (two or more affected people claim that the affected asset is theirs);
- (v) Successions, divorces, and other family issues resulting in disputed ownership or disputed shares between inheritors or family members.
- (vi) Where affected people opt for a resettlement-based option, disagreement on the resettlement package (the location of the resettlement site does not suit them, proposed housing or resettlement plot characteristics, or agricultural potential are not adequate in their view) may arise.  
and
- (vii) Disputed ownership of businesses and business-related assets (quite usually, the owner and the operator of a business may be distinct individuals, which give rise to dispute in the event of compensation).

### 11.2 Project-Specific Grievance Redress Mechanism (GRM)

173. Regardless of scale, involuntary resettlement from the implementation of the EARDIP SOP II may give rise to grievances among affected households and communities on issues ranging from rates of compensation and eligibility criteria to the location of resettlement sites and the quality of services at those sites. Hence, project-specific grievance redress mechanism will be established/strengthened to allow PAPs to complain about any decision or activities regarding inclusion in the census, eligibility and temporary or permanent loss of their land, assets or sources of income and their compensation.

174. To mitigate this, therefore, project-specific grievance mechanism shall be put in place from the beginning of the social and environmental assessment process and exist throughout construction, operations as well as resettlement planning and implementation through to the end of project life. The following are the guiding principles of the project-specific GRM:

175. **Transparency:** For affected communities and other stakeholder groups seeking to have their complaints resolved, the perception of transparency and "fairness of process" is important. A good process can enhance outcomes and give people satisfaction that their complaints have been heard, even if the outcome is less than optimal. When designing grievance procedures, think about whether they will be

readily understandable, accessible and culturally appropriate for the local population. It is important to clarify at the outset who is expected to use this procedure, and to assure people that there will be neither costs nor retribution associated with lodging a grievance. The entire process – from how a complaint is received and reviewed, through to how decisions are made and what possibilities may exist for appeal – should be made as transparent as possible through good communication.

176. **Scale the mechanism to project needs:** The project's GRM should be designed to fit the context and needs of the particular project component or sub-component. Project sub-components that requires no land acquisition might have simpler means of addressing complaints, such as through community meetings, community liaison personnel and suggestion boxes allowing for anonymity. However, project sub-components (such as sub-component 1.1 and sub-component 1.2) that require land acquisition are likely to generate serious grievances from the PAPs and, thus, need a more formalized process and grievance redress mechanism, and a higher level of dedicated resources for receiving, recording, tracking, and resolving complaints.
177. **Put it in writing and publicize it:** The project's grievance procedures should be put into writing, publicized, and explained to relevant stakeholder groups. Simply put, people should know where to go and whom to talk to if they have a complaint, and understand what the process will be for handling it. As with all information, it should be provided in a format and language readily understandable to the project-affected communities and/or communicated orally in areas where literacy levels are low. As a general rule, the project GRM should not be overly complicated to use, nor should it require legal counsel to complete.
178. **Make it accessible:** The project's GRM should make it easy for people to raise concerns and feel confident that these will be heard and acted upon can reap the benefits of both a good reputation and better community relations. One of the best ways to achieve this is to localize the project's GRM points of contact. Hire people with the right skills, training, and disposition for community liaison work and get them into the field as quickly as possible. Maintaining a regular presence in the local communities greatly helps to personalize the relationship with the MInT and engender trust. Talking with a familiar face who comes to the village regularly, or lives nearby, creates an informal atmosphere in which grievances can be aired and sorted out, or referred up the chain of command.
179. **Response time and transparency matter:** It is good practice for the project GRM to publicly commit to a certain time frame in which all recorded complaints will be responded to and to ensure this response time is enforced. This helps allay frustration by letting people know when they can expect to be contacted by the project area focal personnel and/or receive a response to their complaint. Combining this with a transparent process by which stakeholders can understand how decisions are reached inspires confidence in the project's GRM system. During critical time periods, such as construction, it is important to have an immediate response to time-sensitive complaints, such as a fence being knocked down by a contractor, for example, and livestock getting out.
180. **Integrating with traditional grievance resolution system:** The project-affected communities have a long established traditional mechanism of conflict resolution. In all project areas, the traditional forms of managing grievances can even be recognized and used by the government structures. Thus, it is imperative for the project to use traditional conflict resolution mechanism to manage grievance related to the project in addition to the project GRM and formal legal system.

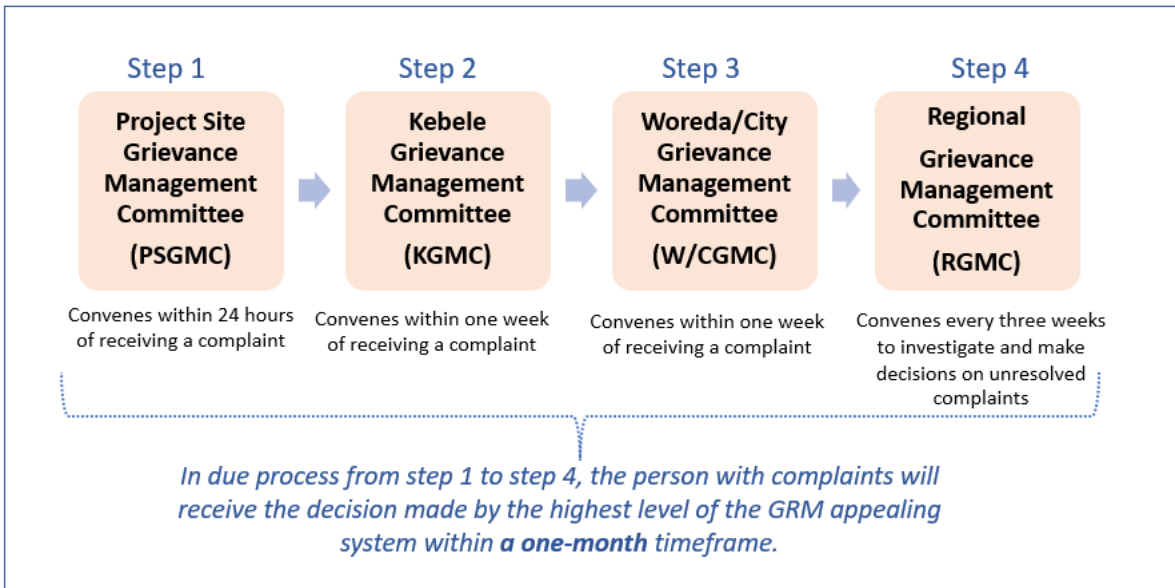
181. **Gender-sensitive:** The project will ensure that the Grievance Mechanism is gender-sensitive during committee formation and implementation. It will ensure that women are represented in the GRM committee and the GRM equally address grievances received from men and women as well as vulnerable groups.

182. **Don't impede access to legal remedies:** If the project is unable to resolve a complaint, it may be appropriate to enable complainants to have recourse to external experts. These may include public defenders, legal advisors, legal NGOs, or university staff. MInT or PCs required to work in collaboration with these third parties and affected communities to find successful resolution of the issues. However, this is not always possible, and situations may arise where complainants will choose to pursue further legal system. In such a case, MInT will inform the person with complaints his right to resort to the formal Court System.

**11.3 Proposed Institutional Setup and GRM Procedures for EA-RDIP SOP II**

183. For a well-organized and well-functioning grievance redressing system that combines the aforesaid guiding principles, the RF proposes the following institutional setup and GRM procedures for EA-RDIP SOP II.

**Figure 1- Overview of GRM Procedures and Timeline**



**11.3.1 Project Site Grievance Management Committee (PSGMC)**

184. To make the project GRM accessible to the project-affected communities, the Project Site Grievance Management Committee (PSGMC) serve as the grassroots level of entry point. The members of PSGMC include clan leaders, community elders, religious leaders, and representatives of women, youth and other DVGs. The PSGMC will handle grievance in a culturally appropriate manner and provide opportunities to utilize the customary conflict resolution system before referring to the next level of appeal. Also, this venue will help to resolve issues and complaints of affected person at the earliest point to make the project GRM process faster and cost-effective.

### ***11.3.2. Kebele Grievance Management Committee (KGMC)***

185. In case agreement is not reached through the mediation of the PSGMC, the person with the complaints presented his/her case to the Kebele Grievance Management Committee (KGMC). The members of the KRMC shall include the Kebele administration or council member, the project area focal person, representatives of project-affected communities (clan leader and elected community elder), and representatives of DVGs and HUCs. Like the PSGMC, the process of resolving grievance through KGMC will look all the possible opportunities to solve grievance based on the customary system. Still this venue will help to resolve issues and complaints of affected person at the earliest point to make the process faster and cost-effective.

### ***11.3.3. Woreda/City Grievance Management Committee (W/CGMC)***

186. If the complaint not resolved by KGMC, the project affected person shall be advised to present his/her complaints to the next level of Appeal Hearing Body, that is, the Woreda/City Grievance Management Committee (W/CGMC). The members of the W/CGMC shall be composed of the Woreda/City Administration, representatives of the Woreda/City Council, EA-RDI project area focal person, Woreda/City Women and Social Affairs Office Head and social expertise related to DVGs. The W/CGMC shall review the decision by the KGMC and try to resolve the complaints presented.

### ***11.3.4. Regional Grievance Management Committee (RGMC)***

187. In events where aggrieved party not satisfied with the resolution made by the W/CGMC, he or she shall be referred to the next level, that is, Regional Grievance Management Committee (RGMC) for re-consideration of the resolution by the W/CGMC. The members of the RGMC shall be composed of the regional administrator (the president or vice), representative of the Regional Council, Social Safeguards Specialist in PIU, Regional Women and Social Affairs Bureau Head and Social expertise working for DVGs and HUCs. The RGMC will be committed and seriously review the decision by the W/CGMC to resolve the received complaints and, thus, make all the possible efforts to satisfy the grieved party. But, in an event of dissatisfaction, the party with complains can have the right to resort to the court system.

### ***11.3.5. Formal Legal/Court System Option***

188. The project-specific GRM will not prevent the rights of the project-affected party with complaints. In events where the grievance is not resolved by the RGMC at the Regional/City Administration level, then the affected party shall be advised to take the cases to the regular court system. This would also assist in creating an alternative space for project-affected parties who would otherwise not be able to voice out their concerns through the project GRM structure for fear of reprisals despite repeated assurances of protection.

189. Also, the project GRM is complementary to other existing formal grievance redress mechanisms within the legal and administrative structures including Police, Anti-Corruption Office, and Human Rights Commission. Project affected parties shall also be informed about the existing legal and formal mechanisms and be allowed to make use of them wherever they find it necessary.

#### 11.4 Special Consideration for the Disadvantaged and/or Vulnerable Groups

190. As describe above, the institutional setup of the project GRM considers the voice of the disadvantaged and vulnerable groups (DVGs) and Historically Underserved Communities (HUCs) by including their representative in the PSGMC and KGMC.

#### 11.5 GRM Steps and Timeline

191. As shown above, the project grievance process will be simple and administered as far as possible at the local levels to facilitate access, flexibility and ensure transparency. To achieve this, the project GRM involves the following steps and timeframe alongside each step.

192. **Step 1:** Receiving complaints at PSGMC meeting place. The means of receiving complaints provides multiple options for submission of grievances by project-affected persons in order to minimize barriers that may prevent others from forwarding their issues. These channels include the following:

- (a) *In person:* This may be verbal or written submissions done at any time through face to face interactions with members of the PSGMC.
- (b) *Grievance box:* Grievance boxes placed in strategic places of project implementation sites or communities where project affected parties would drop in their grievances at any time.
- (c) *Phone Call or SMS:* The project-affected parties with complaints can make a call and text SMS to any of the members of the PSGMC for presenting his/her complaints orally and to arrange the meeting with the committee for submission in written.
- (d) The members of the PSGMC will meet within one day after the complaint is being received to resolve the case and let the person with the complaints know the decision within 24 hours.
- (e) If agreement not reached, the PSGMC will submit the case to KGMC in the same day.

193. **Step 2:** The KGMC will meet within 24 hours after receiving unresolved cases of complaints from the PSGMC for decision. The KGMC will let the PSGMC know the decision within the same day which in turn let know the person with complaints within one day.

194. **Step 3:** Given the members may not be available running for their public duties, W/CGMC will sit for meeting to investigate the complaints received from the KGMC with a week time and decision will be made accordingly.

195. **Step 4:** As members of the RGMC are higher officials busy for several public duties, they will meet every three weeks to investigate and make decision on the unresolved complaints received from the W/CGMC. As the RGMC mostly likely receive complex issues, the process of decision making will yet take another one week time as appropriate.

196. **Step 5:** In due process from step 1 to step 4, the person with complaints will receive the decision made by the highest level of the GRM appealing system within one month time. If still not satisfied with the decision made by the RGMC, the person will be informed the right to appeal through the formal court system and he or she can be decision accordingly.

#### 11.6 Grievance Log

197. Whether it is simply keeping a log book (in the case of minor complaints) or maintaining a more sophisticated database (for project sub-components with more serious E&S impacts), keeping a written record of all complaints is critical for effective grievance management. The record should contain the



name of the individual or organization; the date and nature of the complaint; any follow-up actions taken; the final result; and how and when this decision was communicated to the complainant. However, overly personal data (such as copy of ID, house number and the like) should therefore be optional and kept confidential unless required to disclose to authorities. In addition to informing the complainant of the outcome (in writing where appropriate), it is also good practice as part of the broader community engagement process to report back periodically to communities and other stakeholder groups as to how the project has been responding to the grievances it has received.

### **11.7 The World Bank Group Grievance Redress Service**

198. According to World Bank Grievance Redress, communities and individuals who believe they are adversely affected by a Bank-supported project may submit complaints to existing project-level grievance redress mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed to address project-related concerns and impacts. Project affected communities and individuals may submit their complaint to the Bank's Independent Inspection Panel, which determines whether harm occurred, or could occur, because of the Bank's noncompliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the Bank's attention and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's corporate GRS, see <http://www.worldbank.org/GRS>, and Bank's Inspection Panel, see [www.inspectionpanel.org](http://www.inspectionpanel.org). The Bank's GRS will be shared with the project affected community as part of project information disclosure. Considering the very low literacy level of the project affected communities to access the Bank's GRS through website, the GRM provide alternative means including but not limited to posting the phone number of the Bank's GRS and Inspection Panel at the Country Office on community notice board.

### **11.8 Capacity Building Training for the GRM Committees**

199. To enhance the responsiveness and effective functioning of the GRM committee members from regional to community level, Cluster Area Project Personnel (CAPP) and Project Areas Focal Person (PAFP), capacity training will be provided. Topics of training include but not limited to the following:

- World Bank's Environmental and Social Framework ESF.
- Guiding principles of the GRM for EARDIP SOP II.
- GRM steps and timeline.
- Issues of GBV/SEA involving project related land acquisition and special attention in grievance handling.
- Project SHE/SH Prevention and Response Action Plan.
- Special consideration in grievance management related to disadvantaged or vulnerable groups and historically underserved communities.
- Other GRM topics as deemed necessary.

200. Likewise, the GRM in RP or LRP provide awareness raising trainings for the project affected women and communities on the principles, procedures and mechanisms of reporting allegations of GBV/SEA involving project related land acquisition and associating involuntary economic and physical displacement.

201. Project affected women and communities will be provided with adequate information to use the GBV Action Plan of the project.

## 12. IMPLEMENTATION SCHEDULE, BUDGET AND ARRANGEMENTS FOR FUNDING

### 12.1 Implementation Schedule

202. It is essential that the timeframes and action plans associated with the RPs are linked to the sub-component implementation schedule and that has to be agreed with the PAPs. In particular, The RP implementation schedule should pay due attention to the following key issues:

- The implementation of project activities with potential physical and/or economic displacement will not commence until specific resettlement plan as describe above has been finalized and approved by the World Bank.
- The resettlement plan should provide implementation schedule indicating how the resettlement activities are linked to the implementation of the sub-component activities.
- Target dates for start and completion of the resettlement.
- Timetables for transfer of completed civil works to PAPs;
- Adequate and reasonable notice for all affected persons prior to the scheduled date of eviction.
- information on the proposed evictions, and, where applicable, on the alternative purpose for which the land or housing is to be used, to be made available in reasonable time to all those affected.
- Evictions are not to take place in inclement weather or at night, or during festivals or holidays unless the affected persons consent otherwise; and
- Dates of possession of land that PAPs are using must be after transfer date for completed civil works to PAPs and for payments of all compensation.

### 12.2 Proposed RF Implementation Budget

203. As already explained, all the project components except component 4 require land acquisition and, hence, with potential resettlement impacts. However, it is not possible to provide an estimated budget for the total cost of resettlement that may be associated with the implementation of these project components at this stage. Thus, costs related to the required mitigation measures for the activities under the Components 1, 2 and 3 with potential adverse resettlement are not set out in the RF budget proposed here. These will be assessed and internalized by beneficiary institutions as part of the overall subproject cost. It is extremely difficult to estimate the proportion of project costs that can be expected to be devoted to mitigation measures. However, a rough rule of thumb is that they should be expected to cost between 2% and 5% of the total project cost. **Annex 10** provides indicated outline of a RP budget.

### 12.3 Arrangements for Funding

204. RP preparation and implementation costs, including cost of compensation, will be considered an integral part of the Project cost and will be contributed as a counterpart fund by the Government of Ethiopia, in particular participating regions with technical support of the PIU at the MInT. Mitigation costs and compensation for physical and economic displacement can be significant; therefore, potential costs are estimated early in the project design phase and integrated into project design and development. Early assessment of these costs is important to determine the relative costs and viability of alternative project designs, technologies, or sites.

205. The assessment of resettlement costs at an early stage of project development takes into account the level of uncertainty involved, and should build in contingencies, as appropriate. This is particularly the

case in for the resettlement impacts of the project in urban areas where resettlement costs are likely to increase significantly over time. Resettlement cost estimates and contingencies can then be adjusted during project design and implementation. Resettlement plans and budgets should be prepared in tandem with other project design aspects, while a range of designs is still being assessed and considered.

206. The World Bank loan under the EARDIP SOP II sub-components will not be used to finance compensation or for resettlement purposes. Therefore, compensation and land acquisition for resettlement sites (if any) will be fully funded by the GoE and the EARDIP SOP II target regions. An indicative RP budget outline can be found in **Annex 10**.

### **13. INFORMATION DISCLOSURE PLAN**

207. In line with the requirements in ESS10, the project will continue to engage with, and provide enough information to, stakeholders throughout the life cycle of the project in a manner appropriate to the nature of their interests and the potential environmental and social risks and impacts of the project.
208. Public disclosure of the RF/RPs will be made to PAPs and other stakeholders for review and comments on entitlement measures and other issues in the implementation of the RF. The purpose of the disclosure is to receive comments and suggestions from PAPs and incorporate appropriate suggestions accordingly.
209. This Resettlement Framework will be disclosed in a form, manner and language comprehensible to PAPs and at a place accessible to the potential PAPs and other stakeholders for review and comments on entitlement measures. The PIU in the MInT will disclose and post this RF in the websites of the MInT. The RF will also be disclosed at World Bank's external website. Comments and critiques made on the RF by affected-communities and other stakeholders will be taken for consideration. A half day workshop will be held in the project area for potential PAPs, stakeholders, representatives of civil societies, local leaders with the objective of disclosing the RF.
210. The project Stakeholder Engagement Plan (SEP) can be referred for details of the strategies and timeline for the disclosure of the RF.

## 14. MONITORING AND EVALUATION OF IMPACTS

211. Monitoring and Evaluation (M&E) is a process to be taken to oversee the implementation of RP from its initial stage to its final stage of completion. M&E needs to look into the extent to which all the details indicated in the RP document are implemented. Challenges encountered in the implementation of RP and processes passed through are recorded to provide immediate responses, and also to be used to enhance the implementation of the RP.

### 14.1 Internal Monitoring and Evaluation

212. To ensure the effective implementation of RP or track the progress for timely corrective measures, the major issues of focus for internal monitoring are the following once:

- **Timely formation of Compensation and Valuation Committees for Inventories of Properties/Asset affected:** Inventory of properties/assets affected need to be undertaken by Compensation and Valuation Committee. The PIU, CAPP and PAFP will monitor the qualification, experience and gender mix of the members of the committee in line with the provisions in the Proclamation No. 1161 /2019 and Council of Ministers Regulation 472/2020. Also, PIU, CAPP and PAFP will monitor the duties of the committee to suit to the principles and procedures of RF for the Project.
- **Provision of trainings to Compensation and Valuation Committees:** Prior to undertaking inventories of properties/assets affected, PIU in cooperation with CAPP and PAFP will provide members of the committee adequate trainings on the purpose of taking the inventories of properties/assets affected and how to undertake inventories of all assets/properties affected in consultation with and full participation of the PAPs should be given. Preparations to take the required inventories have to be made, trainings have to be given to those who would be engaged in taking inventories etc. All these will be properly monitored by the PIU in cooperation with CAPP and PAFP and immediate action will be taken to minimize the gap this could create on the implementation of the RP.
- **Taking inventories of properties/assets would be affected:** As indicated above, taking inventories of properties/assets would be affected need to be taken properly to avoid grievances that could be raised due to missing of properties/assets recording, lack of taking considerations in qualities and quantities, size of properties/assets in terms trees and tree fruits, age, farmland management, etc., and monitoring if all would be affected are properly recorded and presented for valuation professionals/institution or committee.
- **Valuation of properties/assets would be affected:** When valuation is carried, it will be properly monitored and checked by PIU in cooperation with CAPP and PAFP if it is in compliance with the provisions in Proclamation No.1161/2019 and Council of Ministers Regulation No 472/2020. Valuation for buildings, fences, annual crops, perennial crops, trees, protected grass, permanent improvement of rural land, relocated property and others will be checked if properly done based on the format given as per the Proclamation No. 1161/2019 and Regulation No. 472/2020 (for details see **Table 6, Annexes 3 and 4**). The time frame set for the valuation process will also be monitored.
- **Approval of Aggregated amount of Compensation to be paid and Solicitation of the budget:** After appropriate valuation is made, it is expected that an aggregated amount of compensation to pay for PAPs would be determined. Approval of the estimated amount of compensation to be paid and solicitation of the budget has to be made within the timeframe set. This also needs monitoring of process to be effective within the given time. Once, all the process of inventory taking of the properties/assets would be affected, valuation, approval of the estimated budget

for compensation payment and its solicitation is made on time, compensation payment to PAPs would be effective on time. Monitoring of all the processes indicated above have to be made and after that compensation payment becomes effective. In the process of compensation payment, the PIU in coordination with CUPP and PAFP will monitor:

- ✓ Eligibility certificate for ownership of farmland, presence of both spouses that would be affected, and others who have legal rights for compensation.
  - ✓ Adequate arrangements and orientation on payment process of compensations for the PAP.
  - ✓ Payment of compensation and settlement of any grievances/disputes raised by the PAPs.
- **Valuation of Compensation for Non-title Holders:** World Bank ESS5 entitles compensation for assets to all affected individuals regardless of landholding rights to land titles (including squatter settlements). Thus, compensation payment will be monitored for compliance with this provision.
  - **Land preparation and construction of new houses of PAPs with adequate support:** Right after compensation payment for PAPs become effective, land preparation for construction of residence houses outside of the influence of the project area would be started and need to be completed within the time framework set as indicated in this RF. Total of four months are estimated for construction of new residence houses to be established in each rural Kebele from which residence houses would be removed due to project-related land acquisition for Components 1, 2 and 3.
  - **Livelihood Restoration and Improvement Programme Implementation:** Livelihood restoration and improvement programme interventions that would contribute to a development of better living standard for PAPs is identified above. Furthermore, the livelihood restoration activities will be developed following an extensive consultation with the affected PAPs. For the implementation of such development interventions, regular monitoring is required and this has to be made on time. The above issues and others related to checking the achievement of the acquisition of land and resettlement process against the planned time schedule, ensuring channels of communication and consultations at all levels including all the Woreda Administrations, target regions, PAPs and other concerned stakeholders in the implementation of RP will be monitored all the way through; and these need to be oversee by the PIU in coordination with CUPP and PAFP.
  - **Reporting:** The Project Contractor will prepare all required reports and submits to the Monitoring Consultant. The Monitoring Consultant in connection with the performance of the project works will prepare monthly, quarterly and annual progress reports and finally the completion report and submit to the PIU. In turn, the PIU will submit the progress reports on regular basis and the completion report to the funding organization as per the agreement to be made. The progress reports will outline any problems encountered (administrative, technical or financial) and give recommendations on how these problems may be overcome. The reports (quarterly, annual and completion) will be prepared in hard and soft copies to the Employer on the format prepared by the Monitoring consultants and as approved by the PIU. This will be ensured through implementation of continues monitoring, and periodic performance audit and evaluation in line with the ESMF and overall project M&E program.

## 14.2 External Monitoring and Evaluation

213. External M&E will also be carried out to measure outputs and impacts of the RP. An independent consultant is required who will be hired to carry out M&E of the RP and audit the implementation of the RP and environmental and social impact mitigation (ESIM) measures/ Management Plan. The consultant will start conduct monitoring and evaluation of the implementation of the RP prior to the start-up of the

construction works and then could continue to monitor the progress of implementation of the RP and mitigation measures Plan.

214. Part of the monitoring process of RP will be an integral part of RP implementation process, that include overseeing of the restoration and livelihood promotion process of PAPs. It will be taken as part of a compliance monitoring of the different activities outlined to be implemented in the RP and to check to the extent the recommendations are implemented.

215. An independent consultant with appropriate social expertise will be hired to conduct an independent monitoring and evaluation of RP and environmental and social mitigation measures implementations on a continuous base till the sub-components are completed or to make follow-up on the process of implementation of the RP and environmental and social mitigation measures. The same procedure will be employed in relation to the implementation of the LRP. To this end, **Table 7** presents the tentative implementation time framework.

**Table 6 Tentative implementation time framework taking into consideration of appropriate months depending on crop seasons (Ploughing, harvesting, slack period and preparation for farming)**

Step by step schedule	Timeframe to be implemented
Formation of Committees in all the project-affected Woredas to be engaged in taking of inventories of properties/assets would be affected	Formation of committees who would be engaged in taking inventories of properties/assets would be affect in the case of farmland areas need to be done by December 2023.
Provision of trainings to Committees those who would be engaged in taking inventories of properties/assets would be affected and Valuation Committees	It is appropriate time to provide trainings to those who be engaged in taking inventories of properties/assets that would be affected and also for those who would be engaged in valuation of the properties. The duration taken is two month and it could be handled within two month in all the project-affected Woredas.
Taking inventories of properties/assets would be affected due to the project construction works.	The appropriate time for pastoralists, agro-pastoralists, and farmers to participate and get to know about the inventories of the properties/assets taken for compensation payment. (Open time). Crops are usually on the farmland and it right time to take inventories of the properties would be affected.
Valuation of properties/assets would be affected due to the undertaking of the Components 1, 2 and 3.	Valuation of the properties/assets affected would be made. (Open time). Three months may be enough for estimation of valuation and making the final
Approval of aggregated amount of Birr to be paid as Compensation for PAPs	(Three months) are estimated to be appropriate (Open time)
Solicitation of budget for Compensation payment	Open time when to pay compensation ( three months for solicitation) budget to paid as compensation for PAPs
Provision of capacity building training for RF implementers and payment of Compensation for PAPs	(Two months but as to when it is open both for training RF Implementers and paying compensation for PAPs are estimated.
Land preparation and construction of new residence houses of PAPs with adequate support	Four months are estimated for the implementation of construction of new residence houses.

Step by step schedule	Timeframe to be implemented
Preparation of PAPs to move into the new residence houses and provision of support	(Open time when to move) PAPs are expected to move to their new residence houses.
Livelihood restoration and improvement programme implementation	Throughout the life cycle of the project, Livelihood Restoration and Improvement Programme Implementation will be carried out along the life span of EARDIP SOP II
Monitoring and Evaluation of RP.	Throughout RP implementation

### 14.3 Indicators of the EARDIP SOP II Impacts

216. A number of objectively verifiable indicators (OVIs) shall be used to monitor the impacts of the compensation and resettlement operations. These indicators will be targeted at quantitatively measuring the physical and socio-economic status of the PAPs, to determine and guide improvement in their social wellbeing. Therefore, monitoring indicators to be used for the RP will have to be developed to respond to specific site conditions. As a general guide, **Table 8** provides a set of indicators which can be used.

**Table 7. Types of Verifiable Indicators**

<i>Item</i>	<i>Auditable Criteria</i>
Number of PAPs whose compensation (and valuation) is not completed	Changes (+/-) in PAPs conditions during transition process
Number of sub-components unable to settle compensation after two years	Changes (+/-) in PAPs income and livelihood conditions
Number of grievances filed	Quality of grievances or disputes resolved (qualitative)
Number of grievances resolved	Number of grievances resolved within the shortest possible time framework.
Number of PAPs receiving a LRP	Changes (+/-) in affected households income levels
Pre-project production versus present production levels (crops for crops, land for land)	Equal or improved production per affected household/homestead

#### 14.3.1 Indicators to determine status of affected people

217. A number of indicators would be used in order to determine the status of affected people (land being used compared to before, standard of house compared to before, level of participation in project activities compared to before, how many people have access to road and market compared to before, transportation standards and others). Therefore, the resettlement and compensation plans will set two major socio-economic goals by which to evaluate its success:



- Affected individuals, households, and communities are able to maintain their pre-project standard of living, and even improve on it; and
- The local communities remain supportive of the project.

### **14.3.2 Indicators to measure RP performance**

218. In order to assess whether the resettlement goals are met or not, the resettlement and compensation plans will indicate parameters to be monitored, institute monitoring milestones and provide resources necessary to carry out the monitoring activities. For example the following parameters and verifiable indicators will be used to measure the resettlement and compensation plans performance:

- Consultation on compensation options, process and procedures.
  - Adequacy of compensation through reestablishment of PAPs.
  - Adequacy of specific measures targeting vulnerable people.
  - Amount of money disbursed over planned.
  - Activities implemented versus planned in the implementation schedule.
  - Effectiveness of the grievance mechanisms.
  - Transparency of the entire process.
  - Consultation and participation with stockholders, especially vulnerable PAPs.
  - Employment opportunities created and availed.
  - Percentage of individuals selecting cash or a combination of cash and in kind compensation
- 
- The number of grievances and time and quality of resolution
  - Ability of individuals and families to re-establish their pre-displacement activities, land and crops or other alternative income
  - Number of impacted locals employed by the civil works contractors

### **14.4 Completion Audits**

247. The monitoring requirement include a completion audit. The key objectives of a completion audit are to:

- a) Evaluate whether the implementation of the RPs complies with the requirements of the national legislations and ESS5 as specified in the RF/RP;
- b) Evaluate whether MInT efforts to restore the livelihoods and living standards of the affected individuals and groups have been successful. The completion audit measures whether the livelihoods and living standards of the affected individuals and groups meet or exceed those enjoyed prior to displacement, and if that is not the case, what additional measures, if any, are needed to help improve, or at least restore, livelihoods and living standards; and
- c) Verify that all physical inputs committed to in the resettlement plans have been delivered, and all agreed services have been provided.

248. For all sub-components with significant involuntary resettlement impacts, MInT will commission an external completion audit of the RPs when all mitigation measures have been substantially completed. The completion audit will be undertaken by competent professionals.

## ANNEXES

### Annex 1: Glossary of Terms

**Census:** A field survey carried out to identify and determine the number of Project Affected Persons (PAPs) or Displaced Persons (DPs) as a result of land acquisition and related impacts. The census provides the basic information necessary for determining eligibility for compensation, resettlement, and other measures emanating from consultations with affected communities and the local government institutions.

**Compensation:** The payment in kind, cash or other assets given in exchange for the acquisition of land including fixed assets, is called compensation. These include other impacts resulting from activities to rehabilitate or cushion the impacts from displacement.

**Cutoff Date:** The cut-off date is the date set once census and all detailed asset inventory of persons affected within the EARDIP SOP II area boundaries have been completed. This is the date on and beyond which any person whose land is occupied for EARDIP SOP II, will not be eligible for compensation.

**Economic Displacement:** *Economic displacement* refers to the loss of land, assets, or access to assets leading to loss of income sources or other means of livelihood resulting from the EARDIP SOP II project-related land acquisition or restrictions on land use.

**Grievance Mechanism:** The RF contains a grievance mechanism based on policies and procedures that are designed to ensure that the complaints or disputes about any aspect of the land acquisition, compensation, resettlement, and rehabilitation process, etc. are being addressed. This mechanism includes a procedure for filing of complaints and a process for dispute resolution within an acceptable time period.

**Implementation Schedule:** The RF contains an implementation schedule that outlines the time frame for planning, implementation, and monitoring and evaluation of the RPs for sub-component sub-components, if applicable.

**Involuntary resettlement:** Resettlement is considered involuntary when EARDIP SOP II project affected persons or communities do not have the right to refuse land acquisition or restrictions on land use that result in displacement.

**IP/HUCs:** It is used to refer exclusively to a distinct social and cultural group possessing the following characteristics in varying degrees: (a) self-identification as members of a distinct social and cultural group and recognition of this identity by others; (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; (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.

**Land:** Land refers to all types of agricultural and/or non-agricultural land and any structures thereon whether temporary or permanent and which may be acquired by the project.

**Land acquisition:** Land acquisition refers to all methods of obtaining land for the EARDIP SOP II project activities, which may include outright purchase, expropriation of property, and acquisition of access rights, such as easements or rights of way. Land acquisition for the purpose of the EARDIP SOP II project 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" includes anything growing on or permanently affixed to land, such as crops, buildings and other improvements, and appurtenant water bodies.

**Project affected persons (PAPs) or Displaced Persons (DPs):** Project affected persons (PAPs) or Displaced Persons (DPs) are persons affected by land and other assets loss as a result of the implementation of the EARDIP SOP II project activities. These person(s) are affected because they may lose, be denied, or be restricted access to economic assets; lose shelter, income sources, or means of livelihood. These persons are affected whether or not they will move to another location. Most often, the term DPs applies to those who are physically relocated. These people may have their: standard of living adversely affected, whether or not the Displaced Person will move to another location ; lose right, title, interest in any houses, land (including premises, agricultural and grazing land) or any other fixed or movable assets acquired or possessed, lose access to productive assets or any means of livelihood.

**Project Impacts:** Impacts on the people living and working in the EARDIP SOP II project-affected areas, including the surrounding and host communities are assessed as part of the overall evaluation of the project.

**Project Implementing Unit (PIU):** Some projects make use of project implementing units (PIUs), which are generally separate units within the project recipient's agency. The PIU is often composed of full-time staff devoted to implementing the project, and have been encouraged to have separate teams with environment and social specialists who can carry out the activities, for example, as outlined in the RF or RP.

**Rehabilitation Assistance:** Rehabilitation assistance is the provision of development assistance in addition to Assistance compensation such as livelihood support, credit facilities, training, or job opportunities, needed to assist PAPs or DPs restore their livelihoods.

**Replacement Cost:** Replacement cost refers to the amount sufficient to cover full recovery of lost assets and related transaction costs. The cost should be based on Market rate (commercial rate) according to Ethiopian laws for sale of land or property. It is normally calculated based on a willing buyer-willing seller basis, but also applies in Ethiopia to acceptable market valuation or from an assessment from the Land Commission and government value.

**Resettlement Plan (RP):** The RP is a resettlement instrument (document) to be prepared when sub-component locations are identified. In such cases, land acquisition leads to physical displacement of persons, and/or loss of shelter, and /or loss of livelihoods and/or loss denial or restriction of access to

economic resources. RPs are prepared by the implementing agency and contain specific and legal binding requirements to resettle and compensate the affected people before project implementation.

**Resettlement Assistance:** Resettlement assistance refers to activities that are usually provided during, and immediately after, relocation, such as moving allowances, residential housing, or rentals or other assistance to make the transition smoother for affected households.

**Resettlement Framework (RF):** The RF is an instrument to be used throughout the project's implementation. The RF sets out the objectives and principles, organizational arrangements, and funding mechanisms for any resettlement, that may be necessary during implementation. The RF guides the preparation of Resettlement Plans (RPs), as needed, for sub-components.

**Restrictions on land use:** Restrictions on land use refers to limitations or prohibitions on the use of agricultural, residential, commercial, or other land that is directly introduced and put into effect as part of the implementation of the EARDIP SOP II project. These may include restrictions on access to legally designated parks and protected areas, restrictions on access to other common property resources, restrictions on land use within utility easements, or safety zones.

**Rights and Entitlements:** Rights and entitlements are defined for PAPs and DPs (with the cut-off date) and cover those losing businesses, jobs, and income. These include options for land-for-land or cash compensation. Options regarding community and individual resettlement, and provisions and entitlements to be provided for each affected community or household will be determined and explained, usually in an entitlement matrix.

**Security of tenure:** Security of tenure means that resettled individuals or communities are resettled to a site that they can legally occupy, where they are protected from the risk of eviction and where the tenure rights provided to them are socially and culturally appropriate.

**Social ties discontinuance and moral damage compensation means** the payment to be made to displaced people for the breakup of social ties and moral damage suffered.

**Annex 2: Summary of Proclamation No. 1161/2019: Expropriation of Land holdings for Public Purposes, Payments of Compensation and Resettlement of Displaced People Proclamation**

Dimension	Description
Scope of Application	Article 3 states that this Proclamation shall apply throughout the country in rural and urban centers in matters relating to land expropriation; payment of compensation; and resettlement of landholders whose land is expropriated for public purpose.
Resettlement Principles	<p>Article 4 of the Proclamation stipulates on the resettlement principles as follows:</p> <ul style="list-style-type: none"> <li>• Expropriation of land for public purposes shall be made only on the basis of approved land use plan; urban structural plan; or development master plan (sub-article 1).</li> <li>• Compensation and resettlement Assistance Compensation for the expropriated land shall sustainably restore and improve the livelihood of displaced people (sub-article 2).</li> <li>• The amount of compensation to be paid at Federal, or Regional or Addis Ababa or Dire Dawa level for similar properties and economic losses in the same areas shall be similar (sub-article 3).</li> <li>• Where land is expropriated for public purpose, the procedure shall be transparent, participatory, fair and accountable (sub-article 4).</li> </ul>
Procedure to Expropriate Land	<p>Article 5 (sub-articles 1-5) incorporates the provisions on <b><i>decision of expropriation for public purposes:</i></b></p> <ul style="list-style-type: none"> <li>• The appropriate Federal Authority, or a Regional, Addis Ababa, Dire Dawa cabinet shall decide on the basis of an approved land use plan; or master plan; or structural plan whether the expropriated land directly or indirectly brings better development and is beneficial to the public (sub-article 1).</li> <li>• The Master Plan; referred under sub article 1 of this Article shall have detailed action plan (sub-article 2).</li> <li>• The budget necessary to cover the costs of compensation and resettlement and the responsible body that shall cover these costs shall be made clear at the time when expropriation for public purpose is decided (sub-article 3).</li> <li>• Land holders may file objections on the public purpose decision where their land is expropriated in the absence of the fulfillment of the requirements provided under sub articles (1) and (2) of this Article (sub-article 4).</li> <li>• Not with standing to sub-article 1 of the Article 5, a Regional<sup>7</sup> Addis Ababa, Dire Dawa cabinet may delegate a Woreda or City Administration to decide on land expropriation for public purpose (sub-article 5)</li> </ul>

Dimension	Description
Powers to Clear Landholdings	Article 6 stipulates that the City or Woreda administration has the power to order evacuation and takeover land decided to be expropriated for public purpose under Article 5 of this proclamation.
Procedure of the Landholdings Handover	<p>Article 8 of the Proclamation incorporated the provisions on procedure of the landholdings handover as follows:</p> <ul style="list-style-type: none"> <li>• As per sub-article 1, the City or Woreda Administration shall follow the following orders when land holders handover their lands: <ul style="list-style-type: none"> <li>a) Shall consult land holders who are to be displaced at least one year before they handover their holdings on the type; benefits and general process of the project.</li> <li>b) notwithstanding to paragraph (a) of this Article, land holders who are to be displaced may be consulted on the type; benefits and general process of the project in less than one year if the concerned Federal or Regional State decides that the land is required urgently for investment.</li> <li>c) Collect landholding rights and conduct inventory, amount and size of all compensable properties from displaced people or their legal representatives whose landholdings are determined to be expropriated. Properties added after the expropriation notification is given to the land holder are not compensated.</li> <li>d) Decide the legal rights of the holders by checking the authority of the documents collected as sub article 1 (c) of this article, calculate ,determine, and pay the amount of the compensation and other related rights.</li> <li>e) Notify the land holder or his agent in writing to hand over the land expropriated for public purpose with the description of the amount of compensation the landholder shall be paid; and/or the size and location of the land or house in kind compensation.</li> <li>f) Where the building is state owned the order for handing over shall be given to the Housing Administration Authority.</li> <li>g) Pay compensation or provide substitute land before the displacement of people from their landholding.</li> </ul> </li> <li>• Sub-article 2 set out that landholders or their agents whose landholdings are to be expropriated shall submit landholding certificates or other proofs that show their landholding rights over the lands that is decided to be expropriated to the urban or rural land administration office on the time schedule of the office.</li> <li>• Land holder who is served with notice to hand-over his landholding shall take the compensation and replacement plot or house within 30 days of notice (sub-article 4).</li> </ul>

Dimension	Description
	<ul style="list-style-type: none"> <li>• Where the land holder who is served with notice fails to comply with the order within the time prescribed under sub article 4 of this Article, the compensation payment shall be deposited in the closed bank account of the city or Woreda Administration (sub-article 5).</li> <li>• The land holder may be forced to handover the land within 120 (one hundred and twenty) days of the payment in cash or in kind compensation; or after the cash is deposited in the bank (sub-article 6).</li> <li>• Where there is no permanent property or crop on the expropriated land, the land holder shall hand over his landholding within 30 (thirty) days of the payment of compensation to the City or Woreda Administration (sub-article 7).</li> <li>• Where the land expropriated is under illegal occupation, the occupant shall evacuate without claim for compensation within 30 (thirty) days of notice (sub-article 8)</li> <li>• Where the landholder fails without justifiable reason ,to hand over his landholding within the time prescribed under sub articles 6 and 7 of this article, the City; or Woreda Administration can take over the expropriated land directly, and as may be necessary, may ask cooperation of the police force (sub-article 9).</li> </ul>
<b>Responsibilities of the Land Requiring Body</b>	<p>As set out in Article 9 of the Proclamation:</p> <ol style="list-style-type: none"> <li>1. Land Requiring Body shall submit to the City or Woreda Administration the decision that shows the size and exact location of the land to be expropriated at least one year before the commencement of the project.</li> <li>2. Pay the money required for compensation and resettlement to the City or Woreda Administration, when it is decided that compensation and resettlement payment shall be made to the displaced people.</li> <li>3. City or Woreda Administration shall not require handing over of the land until payments are made to landholders who may be displaced as per sub-article 2 this Article.</li> </ol>

### Annex 3: Summary the Regulation No. 472/2020

Dimension	Description
<b>Compensation Assessment</b>	<b>Compensation for Building (Article 16):</b> The amount of compensation for a building shall be determined based on the current cost price of construction materials of the demolished building and current labour cost, Article 16 [sub article 1 (a)]. It shall include also current cost for constructing floor tiles of the compound, septic tank and other structures attached to the building and the estimated cost of demolishing, lifting, reconstructing, installing and connecting utility lines of the building, Article 16 [sub article 1 (b)]. The amount of compensation for a building shall be determined based on the current market price per square meter for a similar building or current cost of constructing a comparable building, Article 16 [sub article 1 (c)].
	<b>Compensation for fences:</b> The amount of compensation for a fence shall be determined by calculating the cost of existing square meter or meter cube needed to rebuild a similar fence with the demolished fence or by producing a single value if the construction material of the fence cannot be estimated per square meter (Article 17).
	<b>Compensation for property to be Relocated (Article 18):</b> The amount of compensation for a relocated property shall be determined by computing the estimated costs of labour, material and transport to be incurred at market value for removing, transferring and installing the property.
	<b>Compensation for Crops (Article 19):</b> If the crop or vegetable is not harvested, the amount of compensation payable will be based on the amount of produce available and the market value that the produce could produce if the crop or vegetable were harvested (sub-article 3). Compensation for crop surplus will be determined based on the current market price of the leftover produce (sub-article 5). If one crop is produced more than once in one year, the amount of the crop produced during the year will be the sum of the produce produced during the year(sub-article 6).
	<b>Compensation for perennial crops (Article 20):</b> Where the perennial crop is ripe when the land is expropriated, the owner may collect the fruit within a prescribed time and where the owner fails to collect the production within the specified time, he shall be compensated for the production .Where the land is urgently required and the owner is not given adequate time to collect the production, he shall be compensated the market price of one year production based on the average yield of similar perennial crop production in the area. The cost incurred to grow the perennial crop shall be calculated on the basis of the local market and shall be paid. Input costs incurred along a given year’s production costs like; costs for fertilizer, seed, chemicals, labor and technologies will be included.
	<b>Compensation for fruitless trees (Article 21):</b> The amount of compensation for trees shall be determined on the basis of the level of growth of the tree, and the current local price per cubic meter or per unit. The owner of trees may, instead of compensation, cut and collect the trees within the period fixed. Input costs incurred along a given year’s production costs like; costs for fertilizer, seed, chemicals, labor and technologies will be included.
	<b>Compensation for protected grass (Article 22):</b> The amount of compensation for protected grass shall be determined on the basis of the productivity of the land and the current local market price of the grass per square meter.
	<b>Compensation for licensed miner (Article 23):</b> The compensation shall be paid for the landholder by a licensed miner shall be determined based on mining law (sub-article 1) and compensation shall not be paid for a miner who holds land without a license(sub-article 2).
	<b>Compensation for Burial-ground (Article 24):</b> The amount of compensation for a burial-ground shall be determined by the estimating costs to be incurred for removing the gravestones, preparing another burial-ground, transferring and relocating the corpse and for conducting religious and cultural ceremonies in relation to the process.
	<b>Compensation for rural land (Article 25):</b> The amount of annual production of the three years of production shall be calculated at the present rate before the rural owner is removed.
	<b>Compensation for permanently displace rural land holder (Article 26):</b> Where substitute land to be given to the expropriated land holder and where the residential or commercial building of the holder is to



Dimension	Description
	<p>demolished, he shall be given freely a comparable house for two years or a two year estimated rental value for his demolished houses a resettlement compensation. Where a substitute house is to be given to the displaced house owner, he shall be paid a one-year rent as resettlement compensation.</p> <p><b>Compensation for permanently displaced urban landholder (Article 28):</b> Where substitute land to be given to the displaced urban landholder, and where the property is residential or commercial building, a comparable building shall be given for two years free of charge or he shall be entitled to a two years rental based on the demolished building and current price.</p> <p><b>Compensation for severed social relationship and moral damage (Article 30):</b> The amount of compensation for severed social relationship and moral damage shall be 25,000- 60,000. The amount of money is a lump sum one. All PAPs are not entitled, but those who are severely affected and who needs to reestablish their livelihood through social and moral support. An objective assessment will be carried out to identify the actual beneficiaries of this support scheme.</p>
<b>Valuation Formula [Article 13(1-6)]</b>	<p><b>Compensation for building</b>= Current building cost + permanent improvement cost</p> <p><b>Compensation for Fence</b> = unit price of fence in meter square /meter cube X total size of the fence in meter square /meter cube</p> <p><b>Compensation for relocated property</b>= cost of removal + cost of loading/offloading + cost of transport +cost of installation or and connection</p> <p><b>Compensation for crops</b>= area per hectare x current market value of crop per quintal production per hectare in quintal +cost of permanent improvement on land</p> <p><b>Compensation for ripe perennial crops</b>=yield of perennial crop from a single plant /legs in kilogram x the number of plats legs + cost incurred to grow perennial crops with the current +cost of permanent improvement on land</p> <p><b>Compensation for unripe perennial crops</b>= number of plant legs X cost incurred to grow</p> <p><b>Compensation for fruitless trees</b>=(large trees in number X Local current price of one tree +(medium tree in number X local current price of one tree )+(small tree in number x local current price of one tree )+(number of seedling/unripe tree x local current price of one seedling unripe tree )+cost of permanent improvement on land</p> <p><b>Compensation for protected grass</b>= area covered by the grass with square meter x yield of grass with current local per meter square +cost of permanent improvement on land</p> <p><b>Burial Ground compensation</b>=cost of corpse pickup burial ground preparation cost +cost of corpse transport and relocation +cost of religious and cultural ceremonies</p> <p><b>For rural land holder who does not receive replacement farm land displacement compensation</b>= annual income x15</p>
	<p><b>For rural land holder who is not granted a replacement farm land and is temporarily removed developmental compensation</b>= Temporary land lease rate per hectare x Annual income per year</p>
<b>Support for Displaced People</b>	<p>Support for displaced rural landholders shall be determined by directive that shall be issued by regional slates. Two years house rent shall be paid to displaced urban land holders and support unit they build new house where they are given substitute land</p>
<b>Providing Substitute Land or Housing- Article 33 (1-2)</b>	<p>Where the displaced are elderly and people with disabilities, they shall be given substitute lands in accessible and convenience areas as much as practical. Substitute housing shall be provided where substitute land is not given and the displaced pays the full price at once</p>
<b>Resettlement Package-Article 35</b>	<p>Resettlement package: This package shall contain residential housing, livelihood option ,social services like road, health clinic, schools religious site, training counseling and credit access etc.</p>

## Annex 4: Resettlement Plan

The scope of requirements and level of detail of the resettlement plan vary with the magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about (a) the proposed project and its potential impacts on the displaced persons and other adversely affected groups, (b) appropriate and feasible mitigation measures, and (c) the legal and institutional arrangements required for effective implementation of resettlement measures.

### Minimum Elements of a Resettlement Plan

1. Description of the project. General description of the project and identification of the project area.
2. Potential impacts. Identification of:
  - a) The project components or activities that give rise to displacement, explaining why the selected land must be acquired for use within the time frame of the project;
  - b) The zone of impact of such components or activities;
  - c) The scope and scale of land acquisition and impacts on structures and other fixed assets;
  - d) Any project-imposed restrictions on use of, or access to, land or natural resources;
  - e) Alternatives considered to avoid or minimize displacement and why those were rejected; and
  - f) The mechanisms established to minimize displacement, to the extent possible, during project implementation.
3. *Objectives*. The main objectives of the resettlement program.
4. *Census survey and baseline socioeconomic studies*. The findings of a household-level census identifying and enumerating affected persons and with the involvement of affected persons, surveying land, structures, and other fixed assets to be affected by the project. The census survey also serves other essential functions:
  - a) Identifying characteristics of displaced households, including a description of production systems, labor, and household organization; and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population;
  - b) Information on vulnerable groups or persons for whom special provisions may have to be made;
  - c) Identifying public or community infrastructure, property or services that may be affected;
  - d) Providing a basis for the design of, and budgeting for, the resettlement program;
  - e) In conjunction with establishment of a cut-off date, providing a basis for excluding ineligible people from compensation and resettlement assistance; and
  - f) Establishing baseline conditions for monitoring and evaluation purposes. As the Bank may deem relevant, additional studies on the following subjects may be required to supplement or inform the census survey:
    - g) Land tenure and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, nontitle-based usufruct systems (including fishing, grazing, or use of forest areas) governed by local recognized land allocation mechanisms, and any issues raised by different tenure systems in the project area;
    - h) The patterns of social interaction in the affected communities, including social networks and social support systems, and how they will be affected by the project; and
    - i) Social and cultural characteristics of displaced communities, including a description of formal and informal institutions (e.g., community organizations, ritual groups, nongovernmental

organizations (NGOs)) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

5. *Legal framework.* The findings of an analysis of the legal framework, covering:
  - a) The scope of the power of compulsory acquisition and imposition of land use restriction and the nature of compensation associated with it, in terms of both the valuation methodology and the timing of payment;
  - b) The applicable legal and administrative procedures, including a description of the remedies available to displaced persons in the judicial process and the normal time frame for such procedures, and any available grievance redress mechanisms that may be relevant to the project;
  - c) Laws and regulations relating to the agencies responsible for implementing resettlement activities; and
  - d) Gaps, if any, between local laws and practices covering compulsory acquisition, imposition of land use restrictions and provision of resettlement measures and ESS5, and the mechanisms to bridge such gaps.
  
6. *Institutional framework.* The findings of an analysis of the institutional framework covering:
  - a) The identification of agencies responsible for resettlement activities and NGOs/CSOs that may have a role in project implementation, including providing support for displaced persons;
  - b) An assessment of the institutional capacity of such agencies and NGOs/CSOs; and
  - c) Any steps that are proposed to enhance the institutional capacity of agencies and NGOs/CSOs responsible for resettlement implementation.
  
7. *Eligibility.* Definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.
  
8. *Valuation of and compensation for losses.* The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation for land, natural resources, and other assets under local law and such supplementary measures as are necessary to achieve replacement cost for them.
  
9. *Community participation.* Involvement of displaced persons (including host communities, where relevant):
  - a) A description of the strategy for consultation with, and participation of, displaced persons in the design and implementation of the resettlement activities;
  - b) A summary of the views expressed and how these views were taken into account in preparing the resettlement plan;
  - c) A review of the resettlement alternatives presented and the choices made by displaced persons regarding options available to them; and
  - d) Institutionalized arrangements by which displaced people can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such vulnerable groups as historically underserved communities, ethnic minorities, the landless, and women are adequately represented.
  
10. *Implementation schedule.* An implementation schedule providing anticipated dates for displacement, and estimated initiation and completion dates for all resettlement plan activities. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

11. *Costs and budget.* Tables showing categorized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.
12. *Grievance redress mechanism.* The plan describes affordable and accessible procedures for third party settlement of disputes arising from displacement or resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.
13. *Monitoring and evaluation.* Arrangements for monitoring of displacement and resettlement activities by the implementing agency, supplemented by third-party monitors as considered appropriate by the Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of results for a reasonable period after all resettlement activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.
14. *Arrangements for adaptive management.* The plan should include provisions for adapting resettlement implementation in response to unanticipated changes in project conditions, or unanticipated obstacles to achieving satisfactory resettlement outcomes.

***Additional Planning Requirements Where Resettlement Involves Physical Displacement***

When project circumstances require the physical relocation of residents (or businesses), resettlement plans require additional information and planning elements. Additional requirements include:

15. *Transitional assistance.* The plan describes assistance to be provided for relocation of household members and their possessions (or business equipment and inventory). The plan describes any additional assistance to be provided for households choosing cash compensation and securing their own replacement housing, including construction of new housing. If planned relocation sites (for residences or businesses) are not ready for occupancy at the time of physical displacement, the plan establishes a transitional allowance sufficient to meet temporary rental expenses and other costs until occupancy is available.
16. *Site selection, site preparation, and relocation.* When planned relocation sites are to be prepared, the resettlement plan describes the alternative relocation sites considered and explains sites selected, covering:
  - a) Institutional and technical arrangements for identifying and preparing relocation sites, whether rural or urban, for which a combination of productive potential, locational advantages, and other factors is better or at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;
  - b) Identification and consideration of opportunities to improve local living standards by supplemental investment (or through establishment of project benefit-sharing arrangements) in infrastructure, facilities, or services;
  - c) Any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;

- d) Procedures for physical relocation under the project, including timetables for site preparation and transfer; and
- e) Legal arrangements for regularizing tenure and transferring titles to those resettled, including provision of security of tenure for those previously lacking full legal rights to land or structures.

17. *Housing, infrastructure, and social services.* Plans to provide (or to finance local community provision of) housing, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health services); plans to maintain or provide a comparable level of services to host populations; any necessary site development, engineering, and architectural designs for these facilities.

18. *Environmental protection and management.* A description of the boundaries of the planned relocation sites; and an assessment of the environmental impacts of the proposed resettlement and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).

19. *Consultation on relocation arrangements.* The plan describes methods of consultation with physically displaced persons on their preferences regarding relocation alternatives available to them, including, as relevant, choices related to forms of compensation and transitional assistance, to relocating as individual households, families, or with preexisting communities or kinship groups, to sustaining existing patterns of group organization, and for relocation of, or retaining access to, cultural property (e.g., places of worship, pilgrimage centers, cemeteries).

20. *Integration with host populations.* Measures to mitigate the impact of planned relocation sites on any host communities, including:

- a) Consultations with host communities and local governments;
- b) Arrangements for prompt tendering of any payment due the hosts for land or other assets provided in support of planned relocation sites;
- c) Arrangements for identifying and addressing any conflict that may arise between those resettled and host communities; and
- d) Any measures necessary to augment services (e.g., education, water, health, and production services) in host communities to meet increased demands upon them, or to make them at least comparable to services available within planned relocation sites.

#### ***Additional Planning Requirements Where Resettlement Involves Economic Displacement***

If land acquisition or restrictions on use of, or access to, land or natural resources may cause significant economic displacement, arrangements to provide displaced persons with sufficient opportunity to improve, or at least restore, their livelihoods are also incorporated into the resettlement plan, or into a separate livelihoods improvement plan. These include:

21. *Direct land replacement.* For those with agricultural livelihoods, the resettlement plan provides for an option to receive replacement land of equivalent productive value, or demonstrates that sufficient land of equivalent value is unavailable. Where replacement land is available, the plan describes methods and timing for its allocation to displaced persons.

22. *Loss of access to land or resources.* For those whose livelihood is affected by loss of land or resource use or access, including common property resources, the resettlement plan describes means to obtain substitutes or alternative resources, or otherwise provides support for alternative livelihoods.

23. *Support for alternative livelihoods.* For all other categories of economically displaced persons, the resettlement plan describes feasible arrangements for obtaining employment or for establishing a business, including provision of relevant supplemental assistance including skills training, credit, licenses or permits, or specialized equipment. As warranted, livelihood planning provides special assistance to women, minorities, or vulnerable groups who may be disadvantaged in securing alternative livelihoods.
24. *Consideration of economic development opportunities.* The resettlement plan identifies and assesses any feasible opportunities to promote improved livelihoods as a result of resettlement processes. This may include, for example, preferential project employment arrangements, support for development of specialized products or markets, preferential commercial zoning and trading arrangements, or other measures. Where relevant, the plan should also assess the feasibility of prospects for financial distributions to communities, or directly to displaced persons, through establishment of project-based benefit-sharing arrangements.
25. *Transitional support.* The resettlement plan provides transitional support to those whose livelihoods will be disrupted. This may include payment for lost crops and lost natural resources, payment of lost profits for businesses, or payment of lost wages for employees affected by business relocation. The plan provides that the transitional support continues for the duration of the transition period.

**Annex 5: ESMF and RF Screening Form Template**

Type of EARDIP SOP II Sub-component:

Location (include map/sketch) (e.g., region, district)

Type of Activity: (e.g. new construction, rehabilitation, periodic maintenance)

Estimated Cost in Birr:

Proposed Date of Works Commencement:

Technical Drawing and Specifications Reviewed: Yes/No

This report is to be kept short and concise.

**1. Site Selection**

<b>Physical data:</b>	<i>Yes/No answers and bullet lists preferred except where descriptive detail is essential.</i>
Site area in ha	
Extension of or changes to existing alignment	
Any existing property to transfer to project	
Any existing property to transfer to project	

Any existing property to transfer to project

**2. Impact identification and Classification**

When considering the location of the EARDIP SOP II subproject, rate the sensitivity of the proposed site in the following table according to the given criteria. Higher ratings do not necessarily mean that a site is unsuitable – it indicates a real risk of causing adverse impacts involving resettlement and compensation. The following table should be used as a reference.

Issues	Site sensitivity		
	Low	Medium	High
<b>Involuntary Resettlement</b>	Low population density; dispersed population; legal tenure is well- defined; well-defined water rights	Medium population density; mixed ownership and land tenure; well-defined water rights	High population density; major towns and villages; low-income families and/or illegal ownership of land; communal properties; unclear water rights

### 3. Checklist of Impacts

EARDIP SOP II sub-components	Potential for Adverse Impacts				
	None	Low	Medium	High	Unknown
Economic or physical resettlement required					
New settlement pressures created					
Other (specify)					

### 4. Potential Adverse Impacts on Pastoral and Agro-Pastoral Communities

Potential Adverse Social Impacts:	<i>Yes/No answers and bullet lists preferred except where descriptive detail is essential.</i>
Will activity entail restriction of access of to Pastoral and agro-pastoral communities to lands and related natural resources	<input type="checkbox"/> YES <input type="checkbox"/> NO If yes exclude from Project
Will activity entail commercial development of natural and cultural resources critical to Pastoral and agro-pastoral communities	<input type="checkbox"/> YES <input type="checkbox"/> NO If yes state clearly how benefits will be maximized for IPs?
Will activity entail physical relocation of to Pastoral and agro-pastoral communities? <input type="checkbox"/> YES <input type="checkbox"/> NO If yes exclude from project	<input type="checkbox"/> YES <input type="checkbox"/> NO If yes exclude from Project

### 5. Detailed Questions

<b>Public participation/information requirements: Yes/No answers and bullet lists preferred except where descriptive detail is essential.</b>	
Does the proposal require, under national or local laws, the public to be informed, consulted or involved?	
Has consultation been completed?	
Indicate the time frame of any outstanding consultation process.	
<i>Refer to relevant legislative acts in Ethiopia.</i>	
<i>Land and resettlement: Yes/No answers and bullet lists preferred except where descriptive detail is essential</i>	
What is the likelihood of land purchase for the woreda/town/city investment project?	
How will the woreda/town/city go about land purchase?	
Will people's livelihoods be affected in any way, therefore requiring some form of compensation?	
Will people need to be displaced, and therefore require compensation and resettlement assistance?	
Are the relevant authorities aware of the need for a Resettlement Process, involving a census, valuation, consultation, compensation, evaluation and monitoring?	



What level or type of compensation is planned?	
Who will monitor actual payments?	

Refer to the Resettlement Framework

**6. Actions**

<b>Actions:</b>	
List outstanding actions to be cleared before woreda/town/city investment project appraisal.	
<i>Approval/rejection If the proposal is rejected for environmental reasons, should the subproject be reconsidered, and what additional data would be required for reconsideration?</i>	

**Recommendations:**

- Requires RP is to be submitted on date.....
- Requires Census and Land Inventory to be submitted on date.....
- Does not require further environmental or social studies.....
- Reviewer: Name..... Signature .....

## Annex 6: Census Survey and Land Asset Inventory

### 1. Socio-economic Household Datasheet of EARDIP SOP II Project PAPs

Name of Interviewer	Signature	Date
1.		
Name of Supervisor		
1.		
Name of Head of Extended Family:		
Number of Nuclear Families in Extended Residential Group (including household of head of extended family)		
Region: _____; Zone: _____; Woreda: _____; Kebele: _____; Sub-Kebele: _____; Site/Village: _____		
<b>Level of education</b>	a. No formal education b. Non-formal education (read & write, traditional education) c. Elementary School (Grades 1 to 6) d. Junior Secondary (Grade 7 & 8) e. Senior Secondary (Grades 9 to 10) f. Preparatory (10+1 and 10+ 2) g. Certificate or Diploma (Grade 10 + 1 or 2 Years) h. First Degree or equivalent i. Second Degree and Above	( _____ )
What is your household's livelihood?	1. Pastoralist <sup>10</sup> 2. Agro pastoralist <sup>11</sup> 3. Other (specify)	( _____ )
What are the main sources of income of your household?	a. Salary/Wage Employment (Civil Service, NGO, ...etc) b. Self-employed (Merchant, Mason, Carpenter, ... etc) c. Petty Trade (Market stall, grain, food stuff, local liquor) Remittance d. Casual Labour	( _____ )

<sup>10</sup>**Pastoralists:** people who derive at least 50% of their living from animals that graze mainly naturally occurring vegetation and who follow a transhumance way of life.

<sup>11</sup>**Agro-pastoralists:** people whose livestock contribute less than 50% to household income, who have a substantial interest in cropping or agricultural related source of income such as trading in livestock, and who maintain a partial transhumance.

	e. Unemployed f. Farmer (Smallholder), Indicate size of landholding (ha) g. Livestock production (meat, milk, poultry etc h. Support from family i. Renting house j. Other (Specify)	
Number of rooms (excluding kitchen, toilet and bathroom)	Construction type a. earth, b. tin, c. bamboo, d. cement, e. mixed, f. bricks, g. other, specify	( _____ )
Household assets	a. Sewing machine b. Radio/TV c. Phone (mobile or land line) d. Motorcycle or scooter e. Bicycle f. Three wheeler/rickshaw/van (non-motorized/ cart) g. Car/van (motorized) h. Other specify	( _____ )
Farm assets	a. 2-Wheel tractor and accessories b. 4-wheel tractor and accessories c. Insecticide/pesticide sprayers d. Water pump e. Tube well/Agro well f. Poultry (other animals) shed g. Other specify	( _____ )

**2. Land Asset Inventory for EARDIP SOP II project Investment Sub-component Affected People**

<b>A. General Information about Project Component:</b>	
Type/brief description of component	
Site location	
Total amount of land (community assets expropriated) required for subproject (m <sup>2</sup> )	
When was site selected?	

Why was this site selected, and why is this amount of land necessary?	
Attach land plan or map	
Type/brief description of component	
Type of cultural/historical/archaeological heritage	

<b>B. Information on Each Land Acquisition/Expropriation:</b>	
Identification number	
Ownership (private, Municipal or Treasury)	
Name and address of registered owners	
Gender (Male/Female)	
Type of Ethnic/racial	
Ethnic Minority (if yes, describe)	
Educational Level	
Primary occupation	
Monthly Income	
Location of job/business (within or outside the acquired land)	
Total size of plot (m <sup>2</sup> )	
Amount of plot required (m <sup>2</sup> )/% taken	
Expropriation status (if complete, give date of completion)	
Compensation amount (estimated or actual)	
If municipal or state land, are private individuals living on it?	
If municipal or state land, are private individuals using it for economic gain (cropping, grazing, fruit trees)?	
Will structures (houses, shops, utility buildings) or fixed assets (fences, wells, etc.) be affected? If so, list all structures and assets by purpose, name of owner or user, size (m <sup>2</sup> ), and compensation amounts (actual or estimated).	

<b>C. Information about Affected People:</b>	
If houses (legally owned or occupied by squatters) are to be demolished, how many families reside there, and how many people are in each family?	

Are residents owners or tenants or squatters?	
If shops are to be demolished, how many people are paid employees?	
Do any of the affected people (owners, tenants, family members) need special assistance? If so, how many (by category: elderly living alone, blind, physically disabled, mentally impaired, or other such as??)? What special assistance will be provided?	

--

<b>D. Temporary Impacts:</b>	
Identify all plots of land that must be used temporarily during the construction phase, but which will not be permanently expropriated.	
Describe compensation or other assistance negotiated with the owner for temporary use.	
Describe measures taken to ensure that land is returned to original or improved condition after temporary use is complete.	

--

<b>E. Consultation:</b>	
Description of Consultation undertaken with Project Affected People –PAPs (land and asset owners, people using the premises for businesses, squatters etc. ?	
Public notification (means of notification ex. Workshops, radio announcement, public notices in the site, etc.)	
Who was invited?	
Who attended it?	
What kind of Contact information was provided?	
Issues raised during consultations	
What procedures agreed were agreed on as next steps?	
What Information was collected about the PAPs (affected households, business etc.	
How and when were the PAPs notified?	
Who met with the PAPs?	

How many meetings were held and which phase?? did they reach?	

<b>F. Grievance Procedures:</b>	
Place and address to register grievance/complaints (e.g. , which office number or address was given or was there a phone line established, etc)	
Advertised—public awareness of the process	
Which Project level person (s) were designated to follow-up on the resolution of the grievances?	
Consultative Grievances group/committee including community /municipality members, local authorities to review the negotiation process	
Court/payment for court process	

<b>Total number of people affected by the land acquisition plan (sum of all categories above) and use attachment, if needed</b>	
---	--

Reviewed By (Name and Title) \_\_\_\_\_  
Signature \_\_\_\_\_

**Annex 7: Sample Grievance and Resolution Form**

<b>Complaint Form</b>		
Complaint Number		Copies to forward to:
Name of the Recorder		(Original)Receiver Party
Region/ULG/Kebele		(Copy)Responsible Party
Date		
<b>Information about the Complainant</b>		
Name:		
Telephone Number		
Address		
Kebele/Community		
Region/ULG		
Signature of Complainant		
<b>Description of the Complaint:</b>		
<p>-----</p> <p>-----</p> <p>-----</p> <p>-----</p> <p>-----</p>		

## **Annex 8: Sample Table of Contents for Consultation Report**

### **1. Introduction**

1.1 Project Description

1.2 Applicable Laws, Regulations, and Policies to Public Engagement

1.3 Project Lenders

### **2. Stakeholder Analysis**

2.1 Areas of Influence/Stakeholders

2.2 Description of Stakeholders

### **3. Stakeholder Engagement**

3.1 Previous Consultation Activities

3.2 Implemented Community Engagement Activities

3.3 Project Sponsor's Community Engagement Plan

3.3.1 Phase 1 – Initial Stakeholder Consultation

3.3.2 Phase 2 – Release of the RAP Terms of Reference

3.3.3 Phase 3 – Release of RAP Consultation Report

### **4. Summary of Key Issues**

### **5. Future Consultation Events**

5.1 Phase 4 – Release of the RAP

5.2 Phase 5 – Ongoing Project Communications

### **6. Disclosure**

#### **Plan Tables**

Table 2.1: Consultation Activity Summary

Table 3.1: Initial Government Agency Consultations

Table 3.2: Summary of NGO Meetings

Table 3.3: Sub-County Committee Composition

Table 3.4: Summary of Community Discussions

Table 3.5: Local Community Comments

Table 4.1: Summary of Key Issues and Responses

Table 5.1: Summary of Future Consultation Activities per Stakeholder Group



**Template for Table on Consultation Activity Summary**

<b>Location and communities Represented</b>	<b>Meeting Dates</b>	<b>Attendees</b>	<b>Discussion Summary</b>
Example:			

### Annex 9: Indicative Outline of a RP Budget

Description	Unit	Quantity	Estimated Cost		Responsible Agency
			Unit Cost	Total	
<b>Asset acquisition</b>					
Land					
Structure					
Crops and economic trees					
Community infrastructure					
<b>Land Acquisition and Preparation</b>					
Land					
Structures					
Crops areas and others					
Community infrastructure					
<b>Relocation</b>					
Transfer of possessions					
Installation costs					
<b>Economic Rehabilitation</b>					
Training					
Capital Investments					
Technical Assistance					
Monitoring					
Special assistance budget for vulnerable PAPs					
Budget for consultation and disclosure of RP/LRP					
Contingency Budget (10%)					
<b>Number</b>	<b>Item</b>	<b>Costs</b>	<b>Assumptions</b>		
1	Compensation for loss of Land	/hectare	For land acquisition purposes, based on Ethiopian average market cost, or from similar projects		
2	Compensation for loss of Crops	/hectare of farm lost	Includes costs of labor invested and average of highest price of staple food crops and Ethiopian market prices		
3	Compensation for loss of access to pastoralists	If applicable	Those affected would be provided with shared access, or alternate routes (decision agreed through consultation and participation of all)		
4	Compensation for loss of access to fishing resources.	If applicable	Data provided from the revised socioeconomic study will determine market values of catch, fish products etc.		
5	Compensation for Buildings and Structures	If applicable	This compensation may be in-kind or cash. Costs for basic housing needs should include		

			ventilated pit latrines, outside kitchen, and storage.
6	Compensation for Trees	/year/tree	Includes costs of labor invested and average of highest price of trees (and tree products) and Ethiopian market Prices
7	Cost of Relocation Assistance/Expenses	/household	This cost reflects the moving and transportation allowance
8	Cost of Restoration of Individual Income		Assumed to be higher than the GDP/capita in Ethiopia
9	Cost of Restoration of Household Income		These costs reflect the livelihood restoration program of the RP
10	Cost of Training Farmers, pastoralists and other PAPs		This is a mitigation measure involving capacity building and involves PAPs and affected communities
11	Cost of establishing/operating GRMs.		These costs reflect the GRMs established and operated



### Annex 11: Contact Address of Participants in the RF Study

<b>No</b>	<b>MDAs</b>	<b>Position</b>
<b>Federal Level</b>		
1	National ID Program Office	Executive
2	National ID Program Office	M&E Director
3	National ID Program Office	Program Director
4	MoWSA-Women Rights Protection	Executive
5	Development Bank of Ethiopia-DBE	Acting for External Fund, credit and Grant Finance
6	Development Bank of Ethiopia-DBE	Senior Electrical Energy Expert
7	Development Bank of Ethiopia-DBE	Senior Social and Environment Officer
8	Development Bank of Ethiopia-DBE	Acting Manager M and E
9	<b>MInT</b>	Director General Digital Transformation Program (DTP)
10	<b>F/EPA</b>	Head for Pollution Control Dpt.
11	Ethiopian Communication Authority (ECA)	Deputy Director General
12	F/EPA	Head ESIA Department
13	EthERNet (MoE)	Director General
14	Project Coordinator for Ethiopia Digital Foundations Project (EDFP)	MInT/PIU
<b>No</b>	<b>Office</b>	<b>Position</b>
<b>Regional Level</b>		
15	Afar-Science, Innovation and Technology Commission	Director-ICT
16	Afar-Science, Innovation and Technology Commission	Team Leader-ICT
17	Afar-BoWSA	Director
18	Afar-BoWSA	Women Right Protection Unit Leader

19	Afar-BoWSA	Capacity Building Unit Leader
20	EPA	Director
21	Peace and Security	Director
22	Trade & Industry	Director
23	MInT	Head
24	Women and Child Affair	Deputy Head
25	EPA	Deputy Head
26	MInT	Deputy Head
27	EPA	Planning Director
28	MInT	Product and engineering service
29	MInT	HR director
30	MInT	Research and Award Director
31	BoWCA	
32	EPA	Climate Change Expert
33	BoWCA	Finance Head
	MInT	IT Director
34	Peace and Security bureau (Previous Head for Environment bureau)	Deputy Head
35	Women & Social Affairs	Bureau, Planning Director
36	MInT	Information Systems Directorate Director
37	MInT	ICT Infrastructure Supply & Maintenance Directorate Director
38	MInT	Technology Training Directorate Director
39	MInT	Commissionaire
<b>N o</b>	<b>Office</b>	<b>Position</b>
40	Rural Land Administration	Engineer
41	Trade Office	Head

<b>42</b>	Peace and Security Office	Head
<b>43</b>	Women and Child Office	Head

**Annex 12: List of Participants in the Community Consultation**

No	Social Status
1	Student (8 <sup>th</sup> ) Grader
2	Women
3	Clan Leader
4	Housewife
5	Clan Leader
6	Community Member
7	Community Member
8	Community Member
9	Community Member
10	Community Member
11	Community Member
12	Community Member
13	Community Member
14	Community Member
15	Community Member
16	Community Member
17	Women Affairs



## Minuets:

### **A. Potential benefits to the community**

249. **Pastoral Community:** Special focus for pastoral communities to benefit from the project (access to connectivity and Digital services).
250. **project will benefit citizens, refugees, Internally Displaced Persons (IDPs), businesses, public sector** through improved access to connectivity, an environment enabling digital services and provision of digital skills:
- e) **Citizens.** Citizens in rural and borderland communities including women would benefit from wider opportunities to participate in the digital economy through activities that promote digital inclusion. Network coverage for mobile broadband is expected be expanded to at least 98 percent of the population in Ethiopia, with an extension from 3G to 4G and beyond. Approximately 10,000 beneficiaries will directly receive training on digital skills with at least 30 percent women.
  - f) **Refugees and Internally Displaced Persons /IDPs.** At least 600,000 refugees, Internally Displaced Persons/IDPs and people in host communities, will be supported through connectivity coverage, and wider host communities will benefit from community wide impact of increased connectivity. Beyond connectivity coverage, access to mobile and emergency response Information and Communication Technology (ICT) infrastructure would allow for emergency-response.
  - g) **Businesses.** Commercial Information and Communication Technology/ICT service providers, including mobile network operators (MNOs) and internet service providers (ISPs), will directly benefit from the project through contracts for infrastructure deployment and capacity purchase as well as local Information Technology/IT procurement. Other businesses are indirect beneficiaries, who will benefit from the reforms supported, including a secure environment for online services and wider network coverage.
  - h) **Public sector.** The main direct beneficiaries of the project include the Ministry of Innovation and Technology (MInT), and the Ethiopian Communications Authority (ECA) (Ethiopia) will receive targeted financial and technical assistance. However, public institutions (including unconnected government offices, healthcare centers, schools, universities, Technical,

Vocational and Education Training/TVETs) will also benefit from improved access to connectivity and access to shared digital infrastructure (e.g. Internet Exchange Points/IXPs, data hosting solutions). In addition, at least 1,500 civil servants, including female staff will be trained in management or use of digital systems and digital skills.

### **B. For Reference during Consultation: Potential Adverse Impacts of the Project**

The implementation of all the project components except component 4 requires land acquisition that may cause adverse resettlement impacts:

- However, the potential adverse impact from the undertaking of the activities under component 1 is higher compared to that of components 2 and 3. This is for two major reasons:
  - a) The first reason is that the implementation of most activities under component 1 depends on land acquisition. Sub-component 1.1 will finance capital expenditure (CapEx) associated with the network infrastructure development, including the construction of terrestrial fiber optic backbone network infrastructure, transmission towers, other fixed connecting stations, and access roads to transmission towers and fixed connecting stations. Sub-component 1.2 will finance public capital expenditure /CapEx to construct 4G broadband Radio Access Networks in borderland areas, last-mile network expansion and low-cost online facilities, such as Wi-Fi hotspots.
  - b) The second reason justifies that both sub-components 1.1 and 1.2 will undertake the construction of linear infrastructure. Sub-component 1.1 will construct national backbone network infrastructure involving roll-out of up to 1,400km while both sub-component 1.1 and sub-component 1.2 will undertake the construction of access roads to transmission towers and other fixed connecting stations.
  - c) Therefore, the implementation of the activities of component 1 requires acquisition of ample land. The associated potential adverse impacts of physical and economic displacement and restrictions on land use and access to natural resources on local communities and persons would be high as well.
- Component 2 will involve the construction of cyber security infrastructure as intends in sub-component 2.1 and the construction of secure exchange and data storage infrastructure as proposed under sub-component 2.2.
- Likewise, Component 3 comprise activities that necessitate the project acquire land acquisition: the construction of payment systems infrastructure in support of interoperable cross-border payment systems (sub-component 3.1) and upgrading

the National Research and Education Networks (NRENs) and establishing new NRENs in different public universities (sub-component 3.2).

- Further, the implementation of component 2 and component 3 could stimulate private investments in new digital infrastructure development through Private Capital Mobilization (PCM) financing modality. This requires additional project related land acquisition that may have adverse resettlement impacts for the local communities and persons.
- Though the activities require land acquisition, the potential adverse resettlement impacts from the implementation of component 2 and component 3 are likely to be smaller in terms of geographical footprint in comparison with that of component 1.

The above descriptions indicate that the physical and economic displacement associated with project related land acquisition may give rise to severe economic and social risks to the project affected communities and persons. This justifies the Eastern Africa-Regional Digital Integration Program needs to prepare LMP, SEP, SRA & MP, ESMF, SA, GBV-AP and RF that proposes appropriate measures and implementation to mitigate the adverse resettlement impacts from project related land acquisition.

1. What benefit do you expect from the project?

- Benefits for the communities?
  - *Getting a working opportunity, because there is a big network problem in our area, we will be a sufficient network user.*
- Benefits for vulnerable groups such as remote communities, refugees and Internally Displaced Persons/IDPs?
  - *There are no evacuees in this area, only shelters*

2. What potential risks do you perceive as a result of the implementation of the project?

- *Providing a solution from the local community even if the project is not harmful to the environment as long as it is beneficial to our country and region.*
- Let the participants express their concerns. Probe: Assess on what serious concerns participants express about the potential adverse impacts of involuntary displacement (physical and economic) due to project-related land acquisition.
- Access restriction or livelihood disruption?

- Disproportionate project impacts on Historically Underserved Communities and other vulnerable groups?
  - Potential Hazardous and e-wastes during project construction and operation?
  - Does the project have any risk/impact on the ecologically sensitive natural resources?
  - Can the project activity cause disruption of wildlife migratory routes?
  - Do the project activities result in nuisances from noise or smell?
3. What possible mitigation mechanisms do you suggestion on addressing the above discussed potential risks/impacts of the project?
- ***It will be solved through local/remedial/mediation method***
    - Resettlement handling (valuation method, compensation payment, Grievance Redress Mechanism/GRM)?
    - Community engagement in planning the mitigation measures?
    - Handling the right way (e.g. if there is forest resource along the linear project)?
4. Are there ecologically sensitive areas (Forest reserves, National parks, wildlife reserves, water resources (rivers, ponds, lakes, reservoirs)?)
- ***No***
5. What are the social, cultural and economic factors of the local community that undermine the participation and active role of women in all spheres of life? Probe: assess who make decision in the household, who take part in community meetings, does proper ownership system give equal right to women, and compare boys and girls in terms of school enrollment.
- ***In terms of women's participation, in the local community, girls are housewives and housekeepers, but the opportunity to participate equally as men is narrow***
6. Actively engage the vulnerable and disadvantaged group. Probe: Take notes of what political, social and economic structures of the community are identified by the group to cause potential disproportionate adverse resettlement impacts of the project. What special

needs they underscore for the mitigation measures in this regard? What are the role and participation of women and youth and other vulnerable Groups/VGs in Information Communication and Technology/ICT/Digital services management in the context of implementation?

➤ *Advising the local community to provide them with special support in the form of animals or material*

➤ *Monitoring the implementation of the project by paying due attention to the community*

- In planning
- In implementing
- For actual benefits (e.g. promoting women owned business enterprises, promoting Marginalized and Vulnerable Groups/MVGs for job opportunities created by the project)

7. What methods of engagement/means of communication are preferred by the project-affected local community? Probe: See if participants prefer community meeting, engaging through community representative, community notice board, local radio transmission, or other suggested means of communication.

➤ *In the area of radio transmission / dagu / information exchange method*

8. What are the most common security and environmental hazard threats in the area? Probe: the potential risks can be general one or specifically related to the Eastern Africa-Regional Digital Integration Project/EARDIP SOP II. On the other hand, the types of risks can be either existing or anticipated one.

➤ *There is no security problem in the area*

**Note: The common security risks and hazards includes-** *Armed robbery, armed conflict between government and non-government forces, theft to construction materials at project site, access blockage to some project regions and Woredas/Cities, risk of Gender Based Violence (GBV)/Sexual Exploitation and Abuse (SEA)/Sexual Harassment (SH)/Violence Against Children (VAC)/Violence Against Women (VAW), local conflict occurs between ethnic groups and clans, labor influx and women trafficking, trespassing, community protests, unmet community expectations, or where benefit sharing is perceived to be lacking or unfair, acts of violence,*

*burglary of work place/residence, arrest and detention, intimidation, abduction, financial corruption and safety hazards at project sites.*