RESETTLEMENT POLICY FRAMEWORK

LESOTHO RENEWABLE ENERGY AND ENERGY ACCESS PROJECT

LREEAP RPF FINAL VERSION NOVEMBER 5, 2019
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ABBREVIATIONS

BOS  Bureau of Statistics
BP   Bank Procedure (World Bank)
CAPEX  Capital Expenditures
CC   Community Council
CLO  Community Liaison Officer
CPLO Community Participation and Liaison Officer
DA   District Administrator
DCS  District Council Secretary
DoE  Department of Energy
EA   Environmental Assessment
EDM  Electricity de Mozambique
ESIA  Environmental and Social Impact Assessment
ESMF Environment and Social Management Framework
ESMP  Environmental and Social Management Plan
ESIA  Environmental and Social Impact Assessment
GC   Grievance Committee
GIS  Geographic Information System
GM   grievance Mechanism
GRM  Grievance Redress Mechanism
GO   Grievance Officer
GoL  Government of Lesotho
GP   Good Practice (World Bank)
HIV/AIDS Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
IAP  Interested and Affected Party
IFC  International Finance Corporation
kV   kilovolts
LAA  Land Administration Authority
LCN  Lesotho Council of Non-Governmental Organizations
LDS  Lesotho Demographic Survey
LEC  Lesotho Electricity Company (Pty) Ltd
LEWA  Lesotho Electricity and Water Authority
LHWP Lesotho Highlands Water Project
LNDC  Lesotho National Development Corporation
LRI  Livelihood Restoration/Improvement
LRP  Livelihood Restoration Plan
LSPP Department of Lands, Surveys and Physical Planning
LREEAP Lesotho Renewable Energy and Energy Access Project
LV   Low Voltage
M   Maloti
m   meter
M & E Monitoring and Evaluation
MEC  Monitoring and Evaluation Consultant
MV   Medium Voltage
<table>
<thead>
<tr>
<th>acronym</th>
<th>full form</th>
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<tbody>
<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
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<tr>
<td>NSDP</td>
<td>National Strategic Development Plan</td>
</tr>
<tr>
<td>O&amp;M</td>
<td>Operation and Maintenance</td>
</tr>
<tr>
<td>OP</td>
<td>Operational Policy (World Bank)</td>
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<tr>
<td>OVC</td>
<td>Orphans and Vulnerable Children</td>
</tr>
<tr>
<td>PAC</td>
<td>Project Affected Communities</td>
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<tr>
<td>PAP</td>
<td>Project Affected People</td>
</tr>
<tr>
<td>PCB</td>
<td>Polychlorinated Biphenyls</td>
</tr>
<tr>
<td>PIU</td>
<td>Project Implementation Unit</td>
</tr>
<tr>
<td>RAP</td>
<td>Resettlement Action Plan</td>
</tr>
<tr>
<td>RIC</td>
<td>Resettlement Implementation Consultant</td>
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<tr>
<td>RPF</td>
<td>Resettlement Policy Framework</td>
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<tr>
<td>RWG</td>
<td>Resettlement Working Group</td>
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<tr>
<td>SADC</td>
<td>Southern African Development Community</td>
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<tr>
<td>SIA</td>
<td>Social Impact Assessment</td>
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<tr>
<td>SREP</td>
<td>Scaling Renewable Energy Program (SREP)</td>
</tr>
<tr>
<td>STIs</td>
<td>Sexually Transmitted Infections</td>
</tr>
<tr>
<td>ToR</td>
<td>Terms of Reference</td>
</tr>
<tr>
<td>USD</td>
<td>United States Dollars</td>
</tr>
<tr>
<td>WASCO</td>
<td>Water and Sewage Company</td>
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<tr>
<td>WB</td>
<td>World Bank</td>
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## DEFINITION OF TERMS

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
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<tbody>
<tr>
<td>Associated activities</td>
<td>Any subprojects or activities that are directly related to the Project.</td>
</tr>
<tr>
<td>Census</td>
<td>A field survey carried out to identify and determine the number of Project Affected Persons (PAPs), their assets, and potential impacts. The census will be carried out in accordance with the procedures, satisfactory to the relevant government authorities, and the World Bank Environmental and Social Operational Policies.</td>
</tr>
<tr>
<td>Compensation</td>
<td>The payment in kind, cash or other assets given in exchange for the taking of land, or loss of other assets, including fixed assets thereon, and any other losses (such as loss of income, etc.) in part or whole.</td>
</tr>
<tr>
<td>Cut-off date</td>
<td>The date of completion of the census and assets inventory of PAPs within the project area boundaries. Persons newly occupying the project boundaries after the cut-off date are not eligible for compensation and/or resettlement assistance. Similarly, fixed assets (such as built structures, crops, fruit trees, and woodlots) established after the cut-off date, unless authorized by LEC or DoE, will not be compensated. This is the date on and beyond which any person newly occupying or using land in the project area will not be eligible for compensation.</td>
</tr>
<tr>
<td>Economic displacement</td>
<td>Loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood.</td>
</tr>
<tr>
<td>Eligibility</td>
<td>The criteria for qualification to receive resettlement or livelihood restoration benefits.</td>
</tr>
<tr>
<td>Entitlement</td>
<td>Resettlement or livelihood restoration entitlements are the sum of compensation provided to persons in their respective eligibility categories. The entitlement may comprise of cash or in-kind compensation, relocation costs, income rehabilitation assistance, transfer assistance, income substitution and relocation and any other compensation or assistance required to achieve the objectives of OP4.12.</td>
</tr>
<tr>
<td>Grievance</td>
<td>An issue, concern, problem or claim (perceived or actual) that an individual or community group wants the Lesotho Electricity Company (LEC) to address and resolve.</td>
</tr>
<tr>
<td>Grievance Redress</td>
<td>A locally accessible, formalized way to accept, assess and resolve feedback or complaints from individuals or communities who believe they are adversely impacted by the Project.</td>
</tr>
<tr>
<td>Information disclosure</td>
<td>The process of making information available to affected people and other interested parties, particularly with regard to the environmental and social aspects of the program. Disclosure of information should be done in a timely manner, in publicly accessible locations, and in languages and formats readily understood by affected groups to ensure informed participation.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
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</tr>
<tr>
<td>Land</td>
<td>Land, including anything growing on or permanently affixed to land, such as crops, buildings and other improvements.</td>
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</table>
| Land acquisition | Methods of obtaining land for project purposes, which may include outright purchase, expropriation of property and acquisition of access rights, such as easements or right of way. Land acquisition may also include:  
  - Acquisition of unoccupied or unutilized land whether or not the landholder relies upon such land for income or livelihood purposes;  
  - Repossession of public land that is used or occupied for individuals or households;  
  - Project Impacts that result in land being submerged or otherwise rendered unusable or inaccessible. |
| Livelihood | The full range of means that individuals, families and communities utilize to make a living, such as wage-based income, agriculture, fishing, foraging, other natural resource-based livelihoods, pretty trade and bartering. |
| Livelihood restoration | Consists of the entitlements for affected persons and/or communities who are economically displaced, to provide them with adequate opportunity and resources to at least restore, if not improve, their livelihoods. |
| Physical displacement | Relocation, loss of residential land or loss of shelter. |
| Project Affected Household | A family or collection of PAPs forming a nuclear or extended family that coexists or lives within the same house or compound. |
| Project Affected Person (PAP) | Persons who, as a result of Project activities, for reasons of the involuntary taking or voluntary contribution of their land and other assets, undergo direct economic and/or social adverse impacts, regardless of whether or not they are required to physically relocate. These PAPs may have their:  
  - Standard of living adversely affected, whether or not the PAP must move to another location;  
  - Right, title, interest in any house, land or any other fixed or movable asset acquired or possessed, temporarily or permanently, adversely affected;  
  - Access to productive assets adversely affected, temporarily or permanently;  
  - Business, occupation, work or place of residence or habitat adversely affected. |
| Replacement cost | Method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. In terms of land, this may be categorized as follows;  
  - Replacement cost for agricultural land means the pre-project or pre-displacement, whichever is higher, value of land of equal productive potential or use located in the vicinity of the affected land, plus the costs of preparing the land to levels similar to those of the affected land, including any registration, transfer taxes and other associated fees; |
<table>
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<tr>
<th><strong>Replacement cost for houses and other structures</strong></th>
<th>means the prevailing cost of replacing affected structures of the quality similar to or better than that of the affected structures. Such costs shall include: building materials, transporting building materials to site, any labour and contractors’ fees; and any registration costs.</th>
</tr>
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<tr>
<td><strong>Resettlement Action Plan (RAP)</strong></td>
<td>A resettlement instrument to be prepared when subproject 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. RAPs are prepared by the LEC impacting on PAPs and their livelihoods. RAPs contain specific and legally binding requirements to be abided by to resettle and compensate the affected parties before implementation of the project activities causing adverse impacts. A detailed template for RAP development is attached to this document in Annex 1.</td>
</tr>
<tr>
<td><strong>Restrictions on land use</strong></td>
<td>Limitations or prohibitions on the use of agricultural, residential, commercial or other land that are directly introduced and put into effect as part of the Project. These may include restrictions on access to common property resources, restrictions on land use within easements or safety zones.</td>
</tr>
<tr>
<td><strong>Stakeholder Engagement</strong></td>
<td>Broad, inclusive and continuous process between the LEC and those potentially affected by the Project that spans the life of the Project. It includes broad participation and input to project design and procedures, including consultations, information disclosure and dissemination, and in the case of RAPs participation in the selection of resettlement sites and structuring of compensation/assistance packages.</td>
</tr>
<tr>
<td><strong>Vulnerable</strong></td>
<td>Disadvantaged or vulnerable refers to those who may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project’s benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the mainstream consultation process and as such may require specific measures and/or assistance to do so. Identification of vulnerable groups and individuals will consider, among other things, age, including the elderly and minors, and including in circumstances where they may be separated from their family, the community or other individuals upon which they depend, those below the poverty line, the landless, the elderly, women and children, indigenous groups, ethnic minorities, orphans, and other disadvantaged persons.</td>
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EXECUTIVE SUMMARY

This Resettlement Policy Framework (RPF) is prepared by the Lesotho Electricity Company (LEC) and the Department of Energy (DoE) in accordance with the Government of Lesotho’s legal framework, and the World Bank’s Environmental and Social Operational Policies (safeguards policies), specifically OP 4.12 on Involuntary Resettlement. This RPF is for the Lesotho Renewable Energy & Energy Access Project (LREEAP). The project is planned to be implemented across the country. A single Project Implementation Unit (PIU) located at DoE will execute project activities and have an overall Project Coordinator.

This RPF will guide the preparation and implementation of RAPs/ARAPs to mitigate the direct social and economic impacts resulting from land acquisition in order to advance construction activities of components 1 and 2 of, including activities undertaken by those economic zones and mini-grids that are critical for the design and performance of LREEAP, i.e., meet the criteria set forth in OP4.12. ¹ This RPF sets out the principles and objectives governing the preparation and implementation of plans to address social risks and impacts and establish mitigation measures for physical or economic displacement as a result of land acquisition or land use change. These plans will be prepared when the specific impact location (s) of component 1 and 2 subprojects of the LREEAP and their associated facilities and activities are known. The aim is to ensure that adverse socio-economic impacts of the project or associated facilities on PAPs are adequately mitigated and PAPs are not worse off because of the project and the associated facilities intervention.

While designing and implementing components 1 and 2 activities, the LEC and DoE shall be required to follow resettlement principles, organization arrangements and design requirements stated in OP 4.12. The Government of Lesotho has agreed to adhere to OP 4.12 of the World Bank which requires that involuntary resettlement should be avoided to the extent possible². Where involuntary resettlement is unavoidable, the project shall minimize and adopt appropriate measures

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¹ OP 4.12 applies to all components of the project that result in involuntary resettlement, regardless of the source of funding. It also applies to other activities resulting in involuntary resettlement, that in the judgment of the Bank, are: (a) directly and significant related to the Bank assisted project, (b) necessary to achieve the objective as set forth in the project document, and (c) carried out, or planned to be carried out contemporaneously with the project.

² The policy aims to avoid involuntary resettlement to the extent feasible, or to minimize and mitigate its adverse social and economic impacts.
to mitigate adverse social and economic impacts on displaced persons (and on host communities receiving displaced persons-if any). All such measures will be carefully planned and implemented.

Where involuntary resettlement is unavoidable, the LEC and DoE, through the PIU shall prepare a Resettlement Action Plan (RAP); and the Government agreed to provide prompt compensation and resettlement assistance to PAPs to assist them in their efforts to improve or at least restore their livelihoods and living standards to pre-displacement level or better. Compensation and resettlement assistance shall cover permanent or temporary physical and economic displacement resulting from land acquisition or restrictions on land use in connection with components 1 and 2 activities of the LREEAP.

When preparing the RAP for components 1 and 2, the PIU shall conduct a socioeconomic study targeting potential PAPs as well as carry out a census surveys to: a) identify Project Affected Persons (PAPs) in the affected area, b) establish characteristics and typology of affected households, c) provide information on vulnerable groups and people, d) determine the magnitude of potential losses – partial or full and, e) establish communication systems to ensure two way communication channel from PAPs to the LREEAP and from LREEAP to PAPs.

PAPs who will be affected by components 1 and 2 activities of the LREEAP or its associated activities shall be eligible to receive compensation and resettlement assistance. PAPs who: i) have formal legal rights to land or assets; ii) do not have formal legal rights to land or assets, but have a claim to land or assets that are recognized or recognizable under national law - such claims could be derived from adverse possession or from customary or traditional tenure arrangements; and iii) who have no recognizable legal right or claim to the land or assets they occupy or use, shall be entitled for compensations for lost assets and resettlement assistances.

The process used for determining compensation values and resettlement assistance shall be transparent and easily comprehensible to PAPs. The entitlement matrix provided in the body of this RPF shall guide the project when determining entitlements due to PAPs. The project shall publicly declare the cut-off date for each subproject site to determine eligibility of PAPs. The cut-off date is provided to safeguard against encroachment or opportunists.
LEC and DoE through the Project have undertaken legal framework analysis to determine the fit between Lesotho’s country laws and regulations and Bank’s policy requirements and proposed measures to fill gaps as shown in Table 2 of this RPF. Gaps have been observed in compensation for: i) agricultural (including fallow) land or pastureland, ii) land in urban areas, iii) loss of access to natural resources, iv) physical displacement, v) economic displacement and, vi) disclosure. Gap filling measures to be included in project legal document are recommended in Table 2.

When calculating compensation amount of affected properties and means of livelihoods, the Project shall follow the principle of full replacements cost. The valuation exercise will ensure that affected properties valuation is consistent with the OP 4.12 provisions and the valuation method shall be transparent.

This RPF has also identified the institutional arrangements and coordination mechanism for RAP implementation including: line ministries, local authorities, traditional chiefs and community organizations that will be engaged by the project. Though LEC has capacity in resettlement and compensation, the PIU’s capacity to plan and implement RAP and to ensure compliance with OP 4.12 requirements needs to be strengthened. The PIU shall take responsibility for the implementation and coordination of resettlement related activities under the Project. It shall be responsible for ensuring that compensation and resettlement payments to all PAPs are made promptly and prior to commencement of construction activities.

The Project will establish and implement a Grievance Redress Mechanism (GRM) to take into consideration the views of affected persons and communities expressed during the resettlement planning and implementation processes and to address any complaints or claims such persons may have with respect to the Project and the resettlement/livelihood restoration process. Information shall be disclosed and explained to PAPs as early as possible and on a regular basis throughout the project cycle. The grievance mechanism shall be available at no cost and will be easily accessible (in both format and location).
The PIU will be responsible for (i) land acquisition for all construction activities as well as implementation & monitoring of E&S instruments. The Overall cost of RAP shall be borne by LEC and DoE. Adequate financial resources enough to cover all compensation and resettlement assistance costs and other related costs shall be provided for by LEC and DoE, including enough contingency to offset unforeseen expenses that may arise during RAP implementation. This RPF has been prepared by LEC and DoE as an instrument to guide resettlement preparation and implementation and will be used throughout the project life cycle of the LREEAP.
CHAPTER 1: PROJECT BACKGROUND

1.1. INTRODUCTION

Electricity demand continues to increase as the source of energy and facilitates technological advance and in turn stimulates the economy by providing gains in productivity. This is reflected by the steady increase in consumption of electricity in sectors that are perceived to be the economic drivers namely mining, construction and textile. It is therefore imperative for the Department of Energy and the Lesotho Electricity Company (LEC) to ensure reliable and efficient supply of electricity. Electricity reliability measures the consistency of services on demand as provided by the utility to customer.

While electricity access is low in Lesotho, the country has potential to achieve universal access by 2030 using clean, renewable energy resources. Nationwide, about 38% of households have access to electricity, comprising 60% for urban and peri-urban households and 18% for rural households. Almost all those with access to electricity are grid connected. A larger part of the country is largely mountainous with low population densities making access to the grid very difficult. Most of the rural communities are in these mountainous areas. The rural households rely on paraffin and candles as sources of energy for lighting, heating and cooking and majority of households use wood and dung. Burning these fuels in the home can lead to negative health outcomes. Gathering these fuels can also be time-consuming for households; according to African Clean Energy’s 2015 survey of 2,652 rural households in Lesotho, households – mostly women and children - spent 31 hours per month travelling for fuel. A number of these rural communities are involved in subsistence farming with no value addition due to lack of modern technologies which could be run by electricity. Basic social services like health and education are also disadvantaged due to lack of electricity.

As such, Government of Lesotho is preparing a project, the Lesotho Renewable Energy and Energy Access Project (LREEAP), scale up renewable energy-based off-grid electrification and increase access to electricity in rural and peri-urban areas of Lesotho. This project will support the extension of the main grid to industrial, commercial and residential customers in identified economic zones located in the rural and peri-urban areas. Also, in alignment with the off-grid component of the
Scaling Renewable Energy Program (SREP) Investment Plan, LREEAP will invest in the deployment of mini-grids in peri-urban and rural areas of Lesotho. The project will provide households and public facilities (schools, health centers, etc.) with an off-grid electricity connection, as well as support water pumping and productive activities using solar power technology.

1.2. PURPOSE OF THE RPF

The RPF has been prepared in line with international good practice and the World Bank’s environmental and social operational policies (“safeguards policies”) and it takes into consideration Lesotho national environmental legislation, as far as applicable. The Resettlement Action Plan (RAP) which will later be developed using this framework will also follow the same. The project specifically triggers World Bank OP 4.12 on Involuntary Resettlement which is essentially meant “to avoid or minimize involuntary resettlement and, where this is not feasible, to assist displaced persons in improving or at least restoring their livelihoods and standards of living in real terms relative to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher”.

In addition, the Lesotho’s Environment Act 10 of 2008 and the Land Act 2010 emphasize the need for continued public consultation, undertaking of the environment and social impact assessment with the view to avoid or mitigate the environmental impacts which will affect the livelihoods of Basotho at large. Both documents have provision for land acquisition and compensation procedures where need arises. The aforementioned Acts also make allowance for the development of the RAP where resettlement is possible with the view to mitigate the risk of impoverishment of the resettled PAPs. The RAP (together with all its supplemental plans/ guidelines) will enable LEC and DoE (as well as their contractors) to identify in advance and plan to mitigate any adverse social risks and impacts that may arise, during the whole project cycle.

The RAP will also address temporary use of land by the Contractors. Temporary land acquisition may be required during construction phase for storages facilities. Temporary land acquisition for such use shall be covered by lease agreement. Civil works Contractor will lease land required temporarily during construction on a voluntary basis where land owner will have the right to say
no (e.g., willing leaser-willing lessee basis). The maximum period for temporary use of land will be defined on the lease agreement. Lease rates to be paid should be commensurate to current market land lease rate, plus compensation for any loss of crops or trees at gross value of the lease period’s harvest of crops on the affected lands. The Contractor shall also be required to fully restore (or other assets) and return them to the owner/PAP following the temporary use of the land and at the end of the lease period. Compensation and resettlement assistance payments related to land leased for temporary use shall be the responsibility of the contractor and shall be paid upon concluding the lease agreement. No contractor shall acquire land and use land without completing lease agreement and without paying the required amount agreed upon.

This RPF is also intended to ensure that any positive project impacts can be further harnessed to ensuring long term sustainability of the project. LEC and the DoE being project implementers, will have the overall responsibility in implementing the RAP to ensure full compliance to the mitigation measures proposed in the RPF and the subsequent RAP. This RPF will also serve as a reference to LEC and DoE, the key stakeholders namely contractors, sub-contractors, external consultants and other statutory agencies to ensure that the project adopts a strategic approach to mitigate or avoid negative impacts.

This RPF is therefore designed to:

- Establish the resettlement and compensation goals and principles for the LREEAP;
- Describe the applicable legal and administrative framework;
- Define the approach to be taken for resettlement and compensation where applicable;
- Identify categories of PAPs, and define criteria for determining the eligibility of the various categories to receive compensation and other forms of resettlement assistance;
- Develop an entitlement framework that defines the type of compensation and resettlement assistance to which the various categories of PAPs would be entitled, based on the type of loss they would experience as a result of the Project;
- Describe requirements for consultation with PAPs and other stakeholders, including a grievance mechanism through which people affected by the Project may raise their concerns; and
- Set out the relevant organizational arrangements and institutional responsibilities.
The RPF seeks to clarify how OP4.12 applies to the Project and takes account of local conditions and regulations. If any statements in the RPF itself or in any annexes or referred documents is inconsistent with OP4.12 in a manner that is unfavorable to the affected persons, the provisions of OP4.12 shall prevail.

1.3. PROJECT PDO AND COMPONENTS

The Project Development Objective is to increase access to electricity in rural and peri-urban areas of Lesotho.

The project is divided into four components namely:

- Component 1: Grid extension to Peri-Urban Areas of Lesotho
- Component 2: Rural Electrification by Mini-grids,
- Component 3: Technical Assistance and,
- Component 4: Contingent Emergency Response Component.

These Components will be detailed in the sections to follow. The project’s components that are likely to entail land acquisition are activities to be undertaken under components 1 and 2. It is worth mentioning that at this phase of the project preparation, the land acquisition requirements of components 1 and 2 and costs of acquiring land cannot be determined as the exact location(s) of impact(s) is/are not yet known. Therefore, most of the assessment is based on desktop studies and aerial photographs.

1.3.1. Component 1: Grid extension to Peri-Urban Areas of Lesotho

This component, to be implemented by LEC, will finance the design, procurement of materials and construction works required to electrify select industrial and commercial loads in peri-urban areas of Lesotho, as well as provide connections to residential customers nearby. This component will create roughly 6 new connections in economic development zones (with the potential of providing electricity to 252 companies) along with approximately 1400 residential customers nearby.
The component will contribute towards construction of MV and LV distribution lines (33kV/11kV) as well as the upgrading of existing or construction of new substations (Figure 1). Grid connections to the selected areas will cater for agriculture productive use such as in Butha-Buthe, industrial loads such as in Mokhotlong and Berea, and electrification in the highlands such as Qacha’s Nek, which all have high potential for economic development.

This component will fund the connection of residential customers living within 600m of existing and proposed distribution transformers in each zone, which according to LEC will range in cost from US$300 to US$1000 per connection. The number of connections realized will depend on the sites finally selected for development by DoE in collaboration with LEC and LNDC.

Subsequent RAPs will be developed for each Grid extension cluster under component 1, including any facilities determined to be associated. The RPF and the subsequent RAPs will identify, implement, mitigate and/avoid and monitor the resettlement risks of Component 1 in accordance with the National laws and the WB social safeguards.

**Figure 1:** Target Areas for Grid Extension (highlighted in blue)
1.3.2. Component 2: Rural Electrification by Mini-Grids

This component will support the electrification of areas where electricity supply through mini-grids represents the least-cost option from a country’s perspective, as underpinned by the EMP and geospatial analysis.

Sub-component 2A: Rehabilitation and Upgrading of LEC Mini-Grid at Semonkong (SREP Loan US$ 3.5 million, SREP Grant US$ 2 million). This component will fund the rehabilitation and upgrading of Semonkong, a hydro-based mini-grid with diesel as an alternative electricity supply source (Figure 2). Semonkong, located 113km from the heart of Maseru, is operated by LEC. However, due to technical challenges and low hydrology, the hydro turbine is currently inoperable and installed capacity (180 kW of hydro and 500kW of diesel) at the site does not meet the demand of its service area. Therefore, rehabilitation of the turbine,

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3 Current demand totals 500kW but doesn’t include suppressed demand and self-generation.
expansion of generating capacity by adding 1.5 MW of solar PV and 500kWh of storage, and the upgrading of the operational mechanisms for the simultaneous production of electricity by multiple supply sources is required and will be funded by the project. In addition, the expansion of the distribution network and connections to approximately 100 additional customers, both residential and commercial, as well as appropriate metering solutions for new and existing customers will also be funded through the project.

Figure 2: Proposed location for activities under sub-component 2A

One or more RAPs will be developed for the Semonkong Grid extension works under component 2A, including any facilities determined to be associated. The RPF and the subsequent RAPs will identify, implement, mitigate and/avoid and monitor the resettlement risks of Component 2A in accordance with the National laws and the WB social safe guards.


Sub-component 2B: Mini-grid Deployment Under PPP Models (IDA US$ 10 million, SREP Loan US$ 4.5 million). This subcomponent will support the electrification of areas where electricity supply through mini-grids represents the least-cost option from the country’s
perspective, as underpinned by geospatial analysis. This component will fund the deployment of several mini-grids using private sector-led business models and help create state-of-the-art sub-projects using mini-grids that will i) test various PPP business models for service delivery, iii) improve availability of mini-grid market information thereby attracting private sector participants, iv) offer technical support for due diligence and project implementation, and v) create customer awareness about different tiers of service offered by mini-grids.

Up to 38 mini-grid sites will be selected in agreement with the Department of Energy based on the high priority areas proposed by GoL (who identified 30 potential mini-grid sites\(^4\)) and geospatial analysis (which has identified 55 potential sites for development). Care will be taken to select sites with significant potential for economic development and job growth in diverse areas of the country, including the highlands. The mini-grids will service all households and community (education, health, agricultural resource) facilities in the specified service area. Commercial customers and other anchor loads will be encouraged to connect as well. Based on preliminary analysis, it is expected that roughly 4800 customers will be connected to mini-grids developed within this sub-component.

The technical focus will be on solar hybrid systems, i.e., solar generation with battery\(^5\) storage, and diesel back-up; mini-hydro\(^6\) may also be considered on a case by case basis given Lesotho’s extensive hydro potential throughout the country. The mini grids will be built to standards specified by LEWA (LEWA’s rural service standards or to Lesotho’s grid code standard in order to allow for integration to main grid in the future). Prepaid metering and smart meter systems will be required to mitigate revenue collection risk and enhance the bankability of the mini grid sub-projects.

The component will be implemented under a market-based approach whereby the private sector develops mini grids to deliver electricity services on a build-own-operate basis, with financial

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4 UNDP-GEF is funding pre-feasibility studies for RE-based mini-grids in twenty village communities spanning five of the Lesotho’s ten districts. Results of this study will inform the selection of mini-grid sites.

5 This approach is consistent with World Bank’s recent initiative to promote battery storage.

6 Sub-projects that trigger OP/BP 4.37 Safety of Dams will not be eligible for funding under this project. If proposed sub-projects trigger OP/BP 7.5 International Waterways and there is significant potential for economic development and job growth at the site, project re-structuring may ensue.
support offered through a single funding window: minimum subsidy tender. DoE will be responsible for providing payments to developers toward capital expenditures (CAPEX) through a clear and transparent process. For areas that private developers consider too risky, DoE is considering fully public financed approaches, with private sector participation in constructing and operating of the mini grid. This could be incorporated as a separate tender under this sub-component depending on uptake of the minimum subsidy tender and private sector interest to enter these areas. The assessment of this approach will be completed during the first year of the project.

The sites will be divided into two to three lots to encourage economies of scale in procurement and efficiency in O&M. By increasing the deal size, this window aims to attract some of the international private developers to enter the mini grid market in Lesotho.

Selected companies will obtain community and district-level agreement. DoE will manage land acquisition of sites before tender. LEWA will grant mini-grid operators licenses or license exemptions once construction is complete and technical standards verified. Selected companies will operate the mini-grids, providing O&M and retail services to its customers.

This component will be complemented by extensive TA to (a) confirm the sites through further feasibility studies and techno-economic analysis; (b) promote productive and efficient use of energy by users; (c) provide technical, legal, and procurement support to effectively design the bidding documents and supervise the construction of the mini-grid assets; and (d) increase capacity of local mini-grid developers.
Figure 3: Potential Mini-grid Sites with more than 100 customers and located >25km from existing MV infrastructure

Subsequent RAPs will be developed for each mini-grid under Component 2 (including any ancillary and associated facilities). The RPF and the subsequent RAPs will identify, implement, mitigate and/avoid and monitor the resettlement risks of sub-components A and B in accordance with the National laws and the WB social safe guards.
CHAPTER TWO: POLICY AND LEGAL FRAMEWORK

This chapter will review all the policies, regulations and legislation that will regulate the planning and development of the proposed project.

2.1. NATIONAL POLICY AND LEGAL FRAMEWORK

Table 1 below indicates the all the relevant national laws, policies and regulations:

<table>
<thead>
<tr>
<th>Legislation, Policy, Regulation, Guideline</th>
<th>Relevance to the Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Constitution of Lesotho (1993)</td>
<td>The mandate on the environment is derived from section 36 of the Constitution of Lesotho, which states that Lesotho shall adopt policies designed to protect and enhance the natural and cultural environment of Lesotho for the benefit of both present and future generations and shall endeavor to assure to all its citizens a sound and safe environment adequate for their health and well-being. Therefore, the project needs to ensure that no Mosotho is deprived of their livelihood whether present or future. This will be mitigated through a RAP which will be developed and approved by the World Bank.</td>
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<td></td>
<td>Section 17 (1) of the same Constitution states that “No property, movable or immovable, shall be taken possession of compulsorily, and no interest in or right over any such property shall be compulsorily acquired, except where the following conditions are satisfied, that is to say - (a) The taking of possession or acquisition is necessary in the interests of defense, public safety, public order, public morality, public health, town and country planning or the development or utilization of any property in such manner as to promote the public benefit; and (b) The necessity therefore is such as to afford reasonable justification for the causing of any hardship that may result to any person having an interest in or right over the property; and (c) Provision is made by a law applicable to that taking of possession or acquisition for the prompt payment of full compensation.” In as much as the project is for the benefit for all Basotho as per clause (a) of this section, compensation will be paid for the land acquisition in line with all the relevant</td>
</tr>
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</table>


laws and regulation hence the development of this RPF and subsequently the RAP.

Section 17 (2) also gives right to the stakeholders to take the developer who is LEC or the Department of Energy to the courts of law should compensation not be provided where it is due. This project aims to abide by all the laws and regulations governing land compensation and acquisition even though the Act provides high level grievance mechanism.

| **Environment Act (2008)** | The Environment Act is meant for the protection of the environment and all its resources, hence sections 19(1) and 20 (1) which require preparation of a Project Brief (PB) and/or ESMP which entails mitigation measures to offset adverse impacts of proposed from development projects. Section 25 (1) specifies that no person shall operate, execute or carry out a project or activity specified in the First Schedule without license/approval issued by the Director of the Department of Environment (DoE). The RAP will therefore be developed in compliance with the Act to ensure protection of the public through unharmed environment.

The Guidelines for Environmental Impact Assessment in Lesotho (2009) sets out the steps to be taken in carrying out the ESIA process, and the DoE uses this document in reviewing the ESIA and as such compliance to the guidelines is critical for the development of the practical, implementable and easy to monitor RAP.

Public Participation is one of the requirements for this Act and its regulations in order to ensure that all interested and affected stakeholders are consulted. The consultation will assist the developer which is LEC in this case to incorporate all the views of the stakeholders during the project cycle and to ensure that appropriate action is taken to mitigate or avoid the concerns raised by the interested or affected parties amongst many.

Section 95 of the same Act indicates the need for information dissemination to the public about the project and as such, this project will align itself to the provisions of this Act in order to ensure that the public is aware of the projects, its potential impacts and benefits and also to gather information from the public as well ownership of the project by the public. |

| **Historical, Monuments, Relics, Fauna and Flora Act (1967)** | This Act calls for the protection and preservation of all the historical monuments and it prohibits their destruction as |
well. Upon implementation, care will be taken to not harm any of the listed items in the Act through the RAP. These include crave yards amongst others.

<table>
<thead>
<tr>
<th><strong>Public Health Order (1970)</strong></th>
<th>It provides for among other things requirements for human dwellings and operating in healthy housing and including issues of sanitation as a measure of disease prevention. This will also be taken care of during the development of the RAP.</th>
</tr>
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<tr>
<td><strong>Land Act (2010)</strong></td>
<td>Governs land ownership and occupation, and the acquisition of property for public and development purposes. The Act also covers the grant of title to land; the administration of land; the expropriation of land for public purposes; the grant of servitudes; and the creation of land courts and the settlement of disputes relating to land Sections 53 and 54 make provision for the establishment of public servitudes by the Government, a local council or a statutory corporation and the payment of compensation which this project will abide through the development, implementation and monitoring of the RAP. Section 56 stipulates that compensation for compulsory acquisition of property shall be at market value. Section 58 (2) states that “in assessing compensation, regard shall be had: • To the value of the property as certified by an odd number of valuers, one of whom shall be the Government valuer, having regard to the present and future replacement value; and • To the expenses incidental to any necessary change of residence or of place of interest.” Compliance through the RAP is critical. Section 60 stipulates that that in all cases of compulsory acquisition compensation must be paid before conclusion of expropriation. Section 10 (1) of the Act confers joint title to property to both spouses married in community of property (under civil, customary or any other law, irrespective of the date on which the marriage was entered into), and equal powers in land transactions.</td>
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<td><strong>Local Government Act (1997)</strong></td>
<td>This Act provides for establishment of local authorities and lists several public/community considerations during project construction and operation. The project team will align with the provision of the need for community consultations and</td>
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<tr>
<td>Legal Capacity of Married Persons Act (2006)</td>
<td>This is the Act that confers equal powers on both husband and wife married in community of property which means that it gives equal capacity to dispose of the assets of the joint estate, contract debts for which the joint estate is liable and administer the joint estate. This Act requires that both spouses must give consent when entering into any agreements concerning the joint estate. The project will be in line with the provisions of this Act during the compensation process and land acquisitions and will be documented in the RAP.</td>
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<tr>
<td>Workmen’s Compensations Act (1977)</td>
<td>This Act provides for the compensation of workmen for injuries suffered in the course of their employment and to provide for the payment of medical expenses in respect of such injuries and for connected purposes. The project will align itself with the provision of this Act for all concerned (developers and contractors and suppliers)</td>
</tr>
<tr>
<td>Energy Policy (2015-2025)</td>
<td>The vision of the policy is that energy will be universally accessible and affordable in a sustainable manner with minimal impact on the environment. One of its goals is to ensure security of energy supplies to meet the national requirements from diversified sources that are subject to local resources, regional agreements and economic feasibility and to ensure that the energy sector will contribute towards poverty alleviation in Lesotho through the creation of income generating opportunities that sustain and improve the lives of people in the country through facilitating the provision of affordable technologies and services. The project is aligned to the vision and goals of the policy as its main object is to ensure a reliable supply of electricity which will in turn ensure the security of supply and to contribute towards poverty alleviation through economic development.</td>
</tr>
<tr>
<td>Forestry Act (No. 91 of 1998) and National Forestry Policy (2008).</td>
<td>The Act provides for the sustained management of forests and forest reserves, and for the protection and preservation of forests and forest produce. The project will align itself to the protection of forests as electricity network is not supposed to be next to or above forests for safety reasons and subsequently protection of the public/communities.</td>
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<tr>
<td>Lesotho Labor Code Act (2000 amendment).</td>
<td>Lays down the rules on working conditions, in particular the protection of the health and safety of workers. Among other things, it states: employers’ obligations, workers’ rights, settlement of disputes, disputes of rights, code of good practice. According the Labor Code, the minimum age for work is 15 (Article 124(1) of the Labor Code; Article 228(1) of the</td>
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Children’s Protection and Welfare Act (20; 21), and Minimum Age for Hazardous Work is 18 (Article 125(1) of the Labor Code; Article 230(1) of the Children’s Protection and Welfare Act (20; 21). The project will observe the requirements of these laws and regulations regarding child-labor.

| Gender and Development Policy (2003) | The overall goal of the policy is to take gender concerns into account in all national and sectoral policies, programmes, budgets and plans in order to achieve gender equality in the development process. The Policy indicates that the above can be achieved through:  
- Ensuring equal opportunities for males and females in the development process to promote better standards of living and to achieve economic efficiency for all.  
- Ensuring equal access to education, training, and health services and control over resources like land and credit.  
- Ensuring that gender sensitive laws exist and are enforced.  
- To promote equal:  
  i. Opportunities and participation in politics and decision-making.  
  ii. Decision-making in sexuality matters to reduce the spread of HIV/AIDS and other STIs.  
- To provide direction for development of effective awareness creation programmes on causes and gender-based violence and of mechanisms geared at eradicating such problems.  
- To guide in allocation of resources and public expenditure in a manner that ensures equal beneficiary of both males and females.  
- To set guidelines for public awareness and promotion of the link between gender equality and development through media  
- To conserve positive and mitigate negative aspects of Basotho culture to promote equality of men and women and boys and girls also to sustain social stability and peaceful co-existence.  
- To facilitate the promotion of life skills’ acquisition to overcome gender and development problems |

| Decentralization Policy (2014) | The purpose of the decentralization policy is to deepen and sustain grassroots-based democratic governance and promote equitable local development by enhancing citizen participation and strengthening the local government system, while maintaining effective functional and mutually accountable linkages between central and local government’s entities. The specific objectives of the Policy are to:  
  i. increase citizens’ access to public services; |
ii. ensure quality and accountable service delivery at local levels;
iii. increase participation of citizens and non-state organizations in governance and service delivery;
iv. promote equitable economic development;
   promote livelihood and economic security;
v. enhance local autonomy by ensuring that local government institutions are sustainably capacitated and organized with a strong collective voice;
vi. promote the preservation of national values, identity and unity by re-positioning and empowering the chieftainship and other traditional institutions

| National Strategic Development Plan 2012/13 – 2016/17 | This plan sets out the following:
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<tr>
<td></td>
<td>1. Pursue high, shared and employment creating economic growth</td>
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<td>2. Develop key infrastructure</td>
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<td></td>
<td>3. Enhance skills base, innovation and technology adoption for accelerated development</td>
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<tr>
<td></td>
<td>4. Improve health, combat HIC and AIDS and reduce vulnerability</td>
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<td></td>
<td>5. Reverse environmental degradation and adapt to climate change</td>
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<td>6. Build effective institutions and promote peace and democratic governance. The project will therefore align itself to the goals set out by the NSDP especially bullet 2, 3, 4 and 5 through the development of the implementable RAP.</td>
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2.2. INTERNATIONAL AND REGIONAL CONVENTIONS/TREATIES

Declaration on Gender and Development by SADC.
This declaration emphases against discrimination on a person based on gender amongst other things. It is through the declaration that Member states committed to numerous aspects such as protecting and promoting the rights of women and children and also making sure that quality health services and reproductive services are accessible to women and men. The project is fully in line with the Declaration as reliable and accessible electricity is an enhancer of the community development which include access health services and to water through boreholes.

The Stockholm Convention on Persistent Organic Pollutants
Stockholm Convention is aimed at protecting the human health and the environment against the persistent organic pollutants which are chemicals that accumulate in the environment for long periods of time and are distributed geographically. The project will observe the articles of this convention and abide by them through elimination of procurement of PCB containing oil for the transformer oil and also disposal of PCB containing oil and equipment in order to minimize the exposure of the public to the PCB.

United Nations Framework Convention on Climate Change
This is a treaty that aims to minimize the greenhouse gas emissions to an acceptable limit that do not harm the environment or accelerate climate change. The project will not be emitting any greenhouse gases and therefore will not be contributing to the acceleration of climate change which has had adverse impacts to the Basotho through extreme weather patterns.

United Nations Conventions to Combat Desertification
The UNCCD is a convention meant to combat desertification and mitigate the effects of drought through effective actions at all levels. It also encourages implementation of long-term strategies that improve productivity of land and the rehabilitation, conservation and sustainable management of land and water resources in order to improve living conditions in particular at community level. LEC though its numerous activities adhere to the principles and objectives of the convention as there are donga rehabilitation initiatives guided by the Ministry of Forestry and Land Reclamation. These activities are undertaken in collaboration with the different Basotho communities as well as
means of improving their livelihood. The proposed project also will continue to assist Basotho in projects through donga rehabilitation activities where donga’s threaten the extended grid.

**World Bank Safeguards Policies**

The World Bank Environmental and Social Safeguards Guidelines and Operational Policies enable the integration of environmental and social considerations into the development, planning and execution of development projects. These policies are designed to: (i) protect the environment and society from the potential negative effects of projects, plans, programs and policies; (ii) reduce and manage the risks associated with implementation of project activities; and (iii) assist in better decision-making to ensure sustainability of activities. The Bank Environmental and Social Safeguard Policies provide guidance to the World Bank on the process, scope and extent of environmental and social assessment required for project evaluation. In developing this RPF care has been taken that: “All environmental and social assessments to be carried out under this assignment shall be in accordance with World Bank safeguards operational policies and procedures”, with the understanding that, where national legislation does not adequately address issues, the World Bank standards will apply.

The operations of the World Bank are guided by a comprehensive set of policies and procedures, dealing with the Bank's development objectives and goals, the instruments for pursuing them, and specific requirements for Bank- financed operations. The core of this guidance lies in the Bank’s Operational Policies (OPs), which are critical to ensuring that potentially adverse environmental/social consequences are identified, minimized and mitigated so as to prevent “undue harm to people and their environment in the development process”.

The following Operational Policies (OPs) and Bank Procedures (BPs) are triggered by the Project:

- **OP 4.01 Environmental Assessment**: “to help ensure the environmental and social soundness and sustainability of investment projects”. This will assist in the protection of the environment for the benefit of the present and future generations.

- **OP 4.04 Natural Habitats**: “to promote environmentally sustainable development by supporting the protection, conservation, maintenance, and rehabilitation of natural habitats and their functions”. Once the natural habitats are protected, the living patterns of communities are maintained.
• **OP 4.11 Physical Cultural Resources**: “to assist in preserving physical cultural resources and avoiding their destruction or damage, including resources of archaeological, paleontological, historical, architectural, religious (including graveyards and burial sites), aesthetic, or other cultural significance”. This is in line with the Historical monuments Act of Lesotho which protects the cultural heritage of Basotho and as such, the project will have to ensure protection cultural heritage of the communities around the project area through the development of the RAP.

• **OP 4.12 Involuntary Resettlement**: “to avoid or minimize involuntary resettlement and, where this is not feasible, to assist displaced persons in improving or at least restoring their livelihoods and standards of living in real terms relative to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher”. OP 4.12 identifies three categories of affected people:
  o Those who have formal legal rights to land, including customary and traditional rights recognized under the laws of the country;
  o Those who do not have formal legal rights to land but have a claim to such land or assets provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan. “Such claims could be derived from continued possession of public lands without government action for eviction (that is, with the implicit leave of the government)”;
  and
  o Those who have no recognizable legal right or claim to the land they are occupying.

Category (a) and (b) people should be compensated for the land they lose, as well as provided with other agreed-upon assistance. Category (c) people should be provided with resettlement assistance in lieu of compensation for the land they occupy as well as other assistance as necessary, if they have occupied the area prior to an agreed cut-off date for entitlements. All three categories should be provided with compensation for loss of assets other than land. OP 4.12 requires that displaced people are provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project; provided assistance (such as moving allowances) during relocation; and provided with residential housing or housing sites.
The policy requires that the taking of land and related assets may occur only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided. Guidance is given to the identification and protection of vulnerable people, stating that they need be given special attention to remove the barriers that stand in the way of their equal participation in projects, or through special project components and targeting strategies tailored to their needs. In projects such as grid extensions, involuntary resettlements is avoidable most of the times. However, in small grids such as component 3, it may not be avoidable and as such, the RAP will manage the risks associated with involuntary resettlements and the project PIU will implement and monitor such.

- **OP 4.20 Gender and Development** aims “to reduce poverty and enhance economic growth, human well-being, and development effectiveness by addressing the gender disparities and inequalities that are barriers to development”. This project will aim to achieve the implementation of this OP through inclusion of all sexes in the project RAP.

**World Bank Resettlement Requirements**

The World Bank’s policy on involuntary resettlement (OP 4.12) applies to components 1 and 2 activities of the project; potentially including the six economic development zones being served by all the mini-grids (see social due diligence framework: Annex G)

*For the six economic development zones to be served/connected to the mini-grids, each will be evaluated as part of the mini-grid subproject screening set forth in Chapter 5 below.*

The policy shall also apply to all economically and /or physically affected persons, regardless of the number of people affected, the severity of impact and the legality of land holding. The OP 4.12 further requires particular attention to be given to the needs of vulnerable groups especially those below the poverty line, the landless, the elderly, women and children, indigenous groups, ethnic minorities, orphans, and other disadvantaged persons.

The World Bank’s Policy requires that a resettlement action plan (RAP) shall be prepared and cleared by the Bank prior to a subproject being approved for Bank financing. The Bank also requires that the provision of compensation and other assistance to Project Affected Persons, to
restore livelihoods when these are affected appreciably, shall be done prior to the displacement of people. The policy requires that possession of land for project activities may take place only after compensation has been paid and resettlement assistance delivered, and the affected area cleared in accordance with the respective RAP. Resettlement sites, new homes and related infrastructure, public services and moving allowances and livelihood restoration support must be provided to the affected persons in accordance with the provisions of the RAP.

2.3. GAP ANALYSIS BETWEEN THE NATIONAL LEGAL FRAMEWORK AND OP 4.12

Table 2 below tabulates the compliance requirements of the involuntary resettlement aspects of the proposed project with GoL legislation and World Bank safeguards policies. An understanding is that, where national legislation does not adequately address issues, the World Bank OPs will apply. This RPF has been completed in compliance with the requirements of the legislation as elaborated in sections above and policies, to ensure that all related future RAPs will conform to the principles and standards contained in this document.
Table 2: Compliance status of GoL legislation with World Bank policies

<table>
<thead>
<tr>
<th>Components</th>
<th>World Bank Standards Required</th>
<th>National Legislation</th>
<th>Measures to Address Discrepancies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition and Involuntary Resettlement</td>
<td>Involuntary resettlement refers to both physical displacement (relocation or loss of shelter) and economic displacement (loss of assets or access to assets that leads to loss of income sources/other means of livelihood).</td>
<td>Mostly covered by the following legislation: • <strong>Lesotho Constitution, 1993</strong>: provides for the protection of every Mosotho in a way that every Mosotho has a right to a healthy environment. Though this does not specifically indicate compensation or resettlement issues. • <strong>Environment Act No. 10 of 2008</strong>: Sections 19 to 27 provides for the development, implementation and monitoring of documents such as the RPF and the RAP for the protection of the citizens of Lesotho and the environment at large. It defines the ground rules for environmental management, including the requirements for ESIA's and environmental audits and also provides for the implementation of the National Environmental Policy (1998) and Guidelines for Environmental Impact Assessment in Lesotho (2009) which sets out the process to be followed for the development of the ESIA. • <strong>Land Act No. 8 of 2010</strong>: It provides for fair and objective land compensation and outlines the procedures that need to be followed when addressing land acquisition and compensation issues. • <strong>Energy Policy (2015 – 2025)</strong>: this framework is fundamentally meant to support energy access, within the dimensions of reliability and affordability in order to drive the economy and improve livelihoods of the people of Lesotho.</td>
<td>The Compensation and Resettlement Policy Framework is consistent with World Bank OP4.12. The higher standard will prevail, specifically, in accordance with World Bank policy: • Economic or physical displacement is recognized for formal, traditional and informal (‘illegal’) owners. • Compensation rates will be consistent regardless of type of ownership. • Where land is impacted by project investments, land for land compensation will be preferred. • Compensation related to resettlement impact is an upfront cost. Affected persons, communities and households must be compensated prior to commencement of civil works. • Where economic displacement is unavoidable, the transitional support provided to re-establish or replace livelihoods must be delivered within the first years of relation to ensure timely support. • All provisions related to cut off date, census surveys and</td>
</tr>
<tr>
<td>Physical and economic displacement</td>
<td>Implementation of actions are to be managed through RAPs. RAPs will be developed: designed to mitigate negative impacts of displacement; identify development opportunities; include a resettlement budget and schedule; establish entitlements of all categories of affected people (including host communities).</td>
<td></td>
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<tr>
<td>Resettlement Action Plan (RAP)</td>
<td>Minimizing adverse effects Where involuntary resettlement is unavoidable, adverse effects will be minimized, with appropriate measures taken to mitigate impacts planned/implemented: • Alternative project designs will be explored. • Forced eviction will be avoided. • Compensation will be provided for loss of assets. • Disclosure of information, consultation and informed participation of those affected will take place. • Livelihoods/standards of living of displaced people will be ensured/improved.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimizing adverse effects</td>
<td>Minimizing adverse effects Where involuntary resettlement is unavoidable, adverse effects will be minimized, with appropriate measures taken to mitigate impacts planned/implemented: • Alternative project designs will be explored. • Forced eviction will be avoided. • Compensation will be provided for loss of assets. • Disclosure of information, consultation and informed participation of those affected will take place. • Livelihoods/standards of living of displaced people will be ensured/improved.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The poor and vulnerable</td>
<td>Particular attention will be paid to the needs of the poor and vulnerable.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Census**  
A full census will be conducted for each project component, including appropriate baseline data of affected people to determine eligibility and discourage inflow of ineligible persons.

**Cut-off date**  
A cut-off date for eligibility will be established, documented and disseminated throughout each project component and area.

**Compensation**  
The following minimum requirements on compensation and benefits should be adhered to:

- Compensation for asset loss at full replacement cost and other assistance to help improve or restore livelihoods and/or standards of living.
- Community engagement and consultation and informed participation of PAP in planning, implementation, and monitoring and evaluation of compensation.
- Transparent and consistent compensation standards.
- Land based compensation offered where feasible.
- If people are required to move: (i) offered choices in resettlement options, including adequate replacement housing with security of tenure, or (ii) cash compensation where appropriate; and (ii) provided with relocation assistance.
- Take possession of acquired land/related assets only after compensation has been made available and, where applicable, resettlement sites and moving allowances have been provided.
<table>
<thead>
<tr>
<th>Components</th>
<th>World Bank standards required</th>
<th>National legislation</th>
<th>Measures to address discrepancies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic displacement</td>
<td>Those affected by economic displacement, regardless of physical displacement:</td>
<td>• Not specifically covered by legislation.</td>
<td>World Bank OP4.12 will guide the project implementation regarding economic displacement caused by or associated with the project.</td>
</tr>
<tr>
<td></td>
<td>• Provided with adequate opportunity to re-establish their livelihoods.</td>
<td>• Guidance could be sought from the 2012 National Strategic Development Plan (NSDP) 2012/13-2016/17 and the Land Act 2010.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Compensated at full replacement cost for loss of assets/access to assets.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Given opportunities to improve or at least restore means of income-earning capacity, production levels and standards of living in addition to compensation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Provided with transitional support based on a reasonable estimate of time needed to restore livelihoods.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public consultation</td>
<td></td>
<td>This is covered by the Environment Act 2010, the National Environmental Policy (1998), and the Guidelines for Environmental Impact Assessment in Lesotho (2009).</td>
<td></td>
</tr>
<tr>
<td>Stakeholder engagement</td>
<td>• Stakeholder engagement is an ongoing process that involves: stakeholder analysis, disclosure and dissemination of information, consultation and participation.</td>
<td></td>
<td>World Bank OP4.12 will guide the project implementation on public consultation and disclosure.</td>
</tr>
<tr>
<td></td>
<td>• It will take place with PAP and Project Affected Communities (PAC), including host communities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• It should continue throughout the planning, implementation and monitoring/evaluation of compensation payments, livelihood restoration activities, and resettlement phases.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Consultations need to be meaningful, informed and inclusive of all stakeholders including PAPs, vulnerable groups, women, institutional stakeholder and communities.

<table>
<thead>
<tr>
<th>Process of consultation</th>
<th>In-depth informed process of consultation with PAP and PAC:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Begin early in the process of identification of risks/impacts and continue on an ongoing basis.</td>
</tr>
<tr>
<td></td>
<td>• Base on disclosure/dissemination of relevant, transparent, objective, meaningful, easily accessible/understandable information, culturally appropriate and in a local language/s.</td>
</tr>
<tr>
<td></td>
<td>• Tailor to needs of disadvantaged/vulnerable groups</td>
</tr>
<tr>
<td>Component</td>
<td>World Bank standards required</td>
</tr>
<tr>
<td>-----------</td>
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</tr>
<tr>
<td></td>
<td>• Free of external manipulation, interference, and intimidation.</td>
</tr>
<tr>
<td></td>
<td>• Enable meaningful participation.</td>
</tr>
<tr>
<td></td>
<td>• Capture both men’s/women’s views, if necessary through separate engagements, but reflect their different responses.</td>
</tr>
<tr>
<td></td>
<td>• To lead to the views of PAP being incorporated into decision-making e.g. on proposed mitigation, development benefits/opportunities, implementation issues.</td>
</tr>
<tr>
<td>Disclosure of information and reporting</td>
<td>• Implement/maintain procedure for external communication.</td>
</tr>
<tr>
<td></td>
<td>• Disclosure of information to stakeholders, in particular to PAP and PAC, on: purpose, nature, and scale of project, duration of activities, risks, impacts and mitigation measures and plans – such as the RAP, including the grievance mechanism – with summaries of key issues/commitments.</td>
</tr>
<tr>
<td></td>
<td>• Ongoing reporting to PAP and PAC on the progress of implementation of the RAP, and on any updates and changes.</td>
</tr>
<tr>
<td></td>
<td>• Documentation of process.</td>
</tr>
<tr>
<td>Components</td>
<td>World Bank standards required</td>
</tr>
<tr>
<td>------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>Cultural heritage (as applicable to graves)</td>
<td>In addition to complying with applicable laws, to identify/protect cultural heritage by ensuring that internationally recognized practices for protection, field-based study and documentation of cultural heritage are implemented. Where there is a chance of impacts to cultural heritage, competent professionals to assist in identification/protection of cultural heritage.</td>
</tr>
<tr>
<td>Protection of cultural heritage</td>
<td></td>
</tr>
<tr>
<td>Consultation of heritage</td>
<td>Where cultural heritage may be affected, consultation to take place with: • PAC who use/have used the cultural heritage for long-standing cultural purposes, to identify cultural heritage and incorporate their views into the decision-making process. • Relevant national/local regulatory agencies that are entrusted with the protection of cultural heritage.</td>
</tr>
<tr>
<td>Access</td>
<td>Where the site contains cultural heritage or prevents access to previously accessible cultural heritage sites used by PAC, to allow continued access to the cultural site, or provide an alternative access route, subject to overriding health, safety, and security considerations.</td>
</tr>
<tr>
<td>Chance finds</td>
<td>Develop provisions for managing chance finds (i.e. tangible cultural heritage encountered unexpectedly during project construction/operation) through a Chance Finds Procedure, to be applied if cultural heritage is subsequently discovered. No chance finds to be disturbed further until an assessment by competent</td>
</tr>
</tbody>
</table>
professionals is made and actions consistent with the requirements of OP are identified.

<table>
<thead>
<tr>
<th>Grievance mechanism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PAP and PAC grievances</strong></td>
</tr>
</tbody>
</table>
| • A grievance mechanism (GM) to be established as early as possible to receive/facilitate resolution of PAP and PAC concerns/grievances about compensation/relocation, seeking to resolve concerns promptly, impartially, using an understandable/transparent consultative process that is ‘culturally appropriate’, readily accessible, at no cost, without retribution to the party that originated the issue/concern, and which should not impede access to judicial/administrative remedies.  
• PAC to be informed of the mechanism during stakeholder engagement.  
• GM to uphold and promote fundamental human rights. |
| Although mentioned in environmental policy/guidelines, the level of detail required is not specified and as such LEC/DoE grievance mechanism will be used. The project will follow international good practice in regard to establishing a project grievance mechanism and build on the experience from previous WB funded projects. WB OP4.12 requires that an effective grievance mechanism be established to formalize the way grievances are accepted, assessed and effectively resolved. The project will provide accessible points where affected persons can access the grievance mechanism and provide a predictable process and timeframe for response. The project will monitor and evaluate the effectiveness of responses. |

<table>
<thead>
<tr>
<th>Labour grievances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project workers to have access to a GM to raise workplace concerns.</td>
</tr>
</tbody>
</table>

<p>| Monitoring and evaluation |</p>
<table>
<thead>
<tr>
<th>M&amp;E process</th>
<th>Establish procedures to monitor/measure the effectiveness of the RAP, and compliance with related legal/contractual obligations and regulatory requirements.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Periodic review of performance to be based on systematic data collection/analysis.</td>
</tr>
<tr>
<td></td>
<td>Document monitoring results and identify necessary corrective/preventive actions to ensure the RAP is being implemented.</td>
</tr>
<tr>
<td></td>
<td>Collaborate with government/third party who is responsible for managing risks/impacts and mitigation measures to implement the actions.</td>
</tr>
<tr>
<td></td>
<td>Follow up on the actions in upcoming monitoring cycles to ensure their effectiveness.</td>
</tr>
<tr>
<td></td>
<td>Implementation of the RAP will require an external completion audit to assess performance of process.</td>
</tr>
<tr>
<td></td>
<td>PAP will be consulted during the monitoring process.</td>
</tr>
</tbody>
</table>

Although mentioned in environmental policy/guidelines, the level of detail required is not specified.

The WB good practice and policy will guide the project approach to monitoring and evaluation of the RAP implementation and associated activities, including the GM effectiveness. Upon completion of all RAP activities, an audit will ensure that implementation was adequate, identify any remedial actions required, and provide lessons learned for future investments.
Component | World Bank standards required | National legislation | Measures to address discrepancies
--- | --- | --- | ---
|  | • Given that the project might have significant involuntary resettlement risks, resettlement professionals will provide advice on compliance and verify the monitoring information.  
• Affected PAC, external experts to be considered for participation in monitoring activities. |  | 

Gender disparities | Guidelines and strategies to addressing gender disparities and inequalities that are ‘barriers’ to development. | Supported by the Constitution of Lesotho, women are given equal rights through the Lesotho Gender Policy of 2003, the Legal Capacity of Married Persons Act of 2006, the Land Act of 2010, and the Decentralization Policy of 2014, and are facilitated to be able to take part in development activities. | The project must consider gender as part of the vulnerability profile to ensure that resettlement activities enhance gender equality. The starting point is to address any potential gender imbalance as part of the public consultation, to ensure that no critical perspectives are lost or ignored during preparation.  
The ESIA for the project will provide the critical analysis related to gender issues that must be addressed and will provide further guidance and focus to ensure that the resettlement activities are conducted in a gender sensitive and inclusive manner.

In principle, Lesotho laws and regulations relevant to land acquisition and resettlement adhere to the objective of compensation for affected families or persons. In case of any discrepancy, between the National laws and the World Bank Operational Policy 4.12, the policy or the legal provision that offers higher/better compensation shall prevail. Furthermore, public disclosure and consultation are well articulated in the Lesotho laws and
the project shall ensure due inclusion of (potential) PAPs and vulnerable groups affected by the project, in the public consultation and participation processes prior to and during project implementation.
CHAPTER 3: SOCIO – ECONOMIC OVERVIEW

This Chapter presents a socio-economic profile of the potential project sites and districts in which the project will be implemented. In as far as now, the project sites are taken as located in all the districts of Lesotho and as such, they will be discussed in accordance with each district. The RAP will then be specific to each site in more detail.

3.1. POPULATION AND DEMOGRAPHY

The total population of Lesotho is 2,007,201 with 982,133 being males and 1,025,068 as females and this suggests an increase of 130,568 persons from the Census of 2006 (Population and Housing Census (PHC) report, 2016) as illustrated by figure 4 below. In return, the increase indicates the annual growth rate from 2006 to 2016 of 0.68 which reflects a substantial increase from 0.08 which was experienced in 2006 census.

Figure 4: Trend in Population growth

![Figure 4: Trend in Population growth](image)

Source: PHC Report, 2016

Figure 5 and Table 4 that follows, further indicate lack of growth for the three districts of Lesotho namely, Mafeteng, Mohale’s Hoek and Quthing which might be attributed to many factors of which insufficient supply of electricity might be one of the factors. It is therefore
anticipated that the project might contribute towards the increase in population due to the resuscitation of industries in the Mafeteng district amongst others.

**Figure 5:** Comparison in growth in all the ten districts of Lesotho.

![Comparison of each district for each district of Lesotho](image)


The figure above and the table below further shows trend in the population growth in the different districts of Lesotho.

**Figure 6:** Trend in population growth and distribution in the 10 districts of Lesotho
Figure 7 below, shows that Berea, Maseru and Leribe had the highest population densities while Mokhotlong and Thaba–Tseka are among the districts with the lowest densities of 24.1 and 27.8 sq.km respectively and this translates to the fact that for every 100sqkm in Berea there are 132.9 persons. While Thaba–Tseka there are 24.1 persons for every 100sq km.

**Figure 7: Number of people/ KM² in all the districts**

The location of the project in the districts such as Mokhotlong and Thaba – Tseka will enhance the socio–economic status of the people living in those districts as well as increasing the number of people per square kilometer.

**Figure 8**: Fertility Rates for different Ages.

![Age Specific Fertility Rates](image)

Sources: PHC Report 2016

Figure 8 above and Figure 9 below, clearly indicate that Basotho are a nation that has a potential to grow in terms of population because, the most fertile age group as Figure 8 above indicates, is the same age group which is predominant as indicated by Figure 9 below. This therefore means that grid extension is crucial for the livelihood of Basotho as a whole as it will assist in job creation through enabling development.
The District Community Councils

Each of the above described districts have district community councils which are further divided into community councils which are charged with administrative functions which include the following:

- Council Economic Planning
- Bridle Paths
- Burial Grounds
- Cemeteries
- Grazing Control
- HIV and AIDS Coordination
- Land Allocation
- Natural Resource Control
- Pollution and Environmental Conservation
- Pre-Primary Education
- Public Markets Control
- Rural Access Roads
- Sports and Recreation
- Water Supply

Table 3 below details the number of district councils in each of the district which are further divided into different councils. For the benefit of this RPF and the LREEAP, focus will be put
on the descriptions of the urban councils which is where there is a potential for the different components of the projects to be located like the Botha – Bothe Urban council where the grid extension will be located. Botha-Bothe Urban council is found in the Botha-Bothe with an area of 1,767 km² and a population of approximately 35,108 as per the 2016 census. The Semonkong urban council where one of the small grids will be located is in Semonkong with a population of 7,781.

Table 3: Breakdown of the District councils to the community councils

<table>
<thead>
<tr>
<th>District</th>
<th>No. of District Councils</th>
<th>No. of Municipal Councils</th>
<th>No. of Urban Councils</th>
<th>No. of Community Councils</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Berea</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>9</td>
</tr>
<tr>
<td>2. Botha-Bothe</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>3. Leribe</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>18</td>
</tr>
<tr>
<td>4. Mafeteng</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>5. Maseru</td>
<td>1</td>
<td>1 (Maseru City Council)</td>
<td>1</td>
<td>23</td>
</tr>
<tr>
<td>6. Mohale’s Hoek</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>13</td>
</tr>
<tr>
<td>7. Mokhotlong</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>15</td>
</tr>
<tr>
<td>8. Qacha’s Nek</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>9. Quthing</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>10. Thaba-Tseka</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10</strong></td>
<td><strong>1</strong></td>
<td><strong>11</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Lesotho Data Porta

Livelihoods

Lesotho is divided into five livelihood zones namely: Foothills, mountains, Northern Lowlands, Southern Lowlands and the Senqu River valley livelihood zones as Figure 10 below depicts.

Figure 10: Lesotho’s livelihood zone

Source: Lesotho Vulnerability Assessment Committee, 2011.
The Foothills Livelihood Zone

This zone cuts a numerous district which include Butha Buthe, Leribe, Berea, Maseru, Mafeteng, and Mohale’s Hoek and it is one of the highly productive zones. The main crops grown in this zone include maize, sorghum and some beans. Although the zone is dependent on crops, there is also communal grazing of livestock such as cattle, goats and sheep. The main sources of household cash income include crop and livestock sales supplemented with self-employment (Lesotho Rural Livelihood Baseline Profile, 2012). There are no organised staple food markets for purposes of buying and selling locally produced commodities. The main form of local trade is informal and takes place within the villages, by households buying and selling among themselves. Harvesting for sorghum is done in May to June, maize June to July and beans March to April. Crop sales take place all year round. Lean season is mostly experienced in December and January and food purchases happen throughout the year. Local labour for weeding starts from November to January, harvesting labour starts from March to July. However, the season is fully utilized for agricultural production in this livelihood zone from November to March (Lesotho Rural Livelihood Baseline Profile, 2012).

Wealth distribution in the zone is primarily determined by the area of land cultivated and number of livestock owned mainly for purposes of consumption. There are four wealth groups found in the foothill’s livelihood zone namely the very poor, poor, middle and better off who represent about 24%, 36%, 29% and 11% of the households respectively (Lesotho Rural Livelihood Baseline Profile, 2012). All four wealth groups in this zone are able to meet their basic food requirements in most years. The main sources of food are own crop production; livestock products; labour exchange and direct market purchases supplemented with the Government supported school feeding program. The main sources of household cash income in the livelihood zone are sale of livestock and crops; self-employment and other gifts. Crop production is mainly at subsistence basis and primarily for household consumption. The main hazards of this zone are listed below:

- Climate change hazards such as drought and livestock diseases;
- Failure of the maize and sorghum crop coupled with economic shocks;
- Stock theft.

Mountains Livelihood Zone
The Mountains livelihood zones mainly in the Maluti Mountains and located in various parts of Mokhotlong, Botha-Bothe, Leribe, Berea, Maseru, Mohale’s Hoek, Quthing, Qacha’s Nek, and Thaba-Tseka. The topography of this zone is predominantly mountainous with narrow valleys where rivers flow. The vegetation is mainly shrubs on the mountains, and some grasslands and marshlands mainly in the valleys. The mountains include the Drakensberg range (where the mountains like Thabana-Ntlenyana Mountain, Sani top are found). The Maletsunyane falls, the Katse and Mohale Dams are also found in the mountains. This livelihood zone also has some form of subsistence fishing in the big dams of the Lesotho Highlands Water Project (LHWP) which have a significant contribution to the economic activities of the area (Lesotho Rural Livelihood Baseline Profile, 2012).

The main crops planted in this zone are wheat, maize, peas, beans and some sorghum for some farmers. Weeding for maize is done in November to January, while for sorghum starts from February and goes on until March. Green consumption occurs in February and March and harvesting of wheat is normally carried out from February to April and for maize in June to July. Beans are harvested between March and April, peas and lentils in January to March, and for sorghum in May. Crop sales take place all year round, but the peak period is during or after harvest in June and July (Lesotho Rural Livelihood Baseline Profile, 2012). Similar to the Foothills zone, this zone is divided into four wealth groups namely the very poor, poor, middle and better-off households represented by about 24%, 26%, 29% and 11% of the households respectively. All four wealth groups in this zone are able to meet their basic food requirements in most years. The main sources of food are own crop production; livestock products; labour exchange and direct market purchases supplemented with the Government supported school feeding program (Lesotho Rural Livelihood Baseline Profile, 2012).

The main sources of household cash income in this livelihood zone are employment especially among the very poor and poor households, sale of livestock and crops and self-employment. The main form of employment is agricultural labour which is easily affected by climatic hazards such as long dry spells. This tends to reduce the household cash income required for purchase of food. The main hazards of this zone include:

- Late on set of rainfall characterized by dry spells, drought conditions, crop pests and livestock diseases;
- Early frost, dry spells and hailstorms;
- Failure to produce staple cereal crops (maize, sorghum and wheat) due to frost, crop disease and other factors.

**Northern Lowlands Livelihood Zone**

The Northern Lowlands livelihood zone is comprised of various parts of the three districts of Butha-Buthe, Leribe and Berea. The Zone occupies the most fertile and productive arable land in the country, as such it is regarded as the food basket of the Mountain Kingdom of Lesotho. The livelihoods of the people in the Northern Lowland livelihood zone is mainly dependent on mixed agriculture as a result of the productive soils and adequate rainfall in the area. The main crops grown in the area are maize, sorghum and beans. Vegetable production is also on a large scale primarily for consumption and the excess is normally sold to earn some cash income (Lesotho Rural Livelihood Baseline Profile, 2012). The vegetation cover in this part of the country includes trees and shrubs. Unlike other zones, this zone has experienced normal rainfall most of the past ten years. This has allowed farmers to practice agriculture with less hindrance compared with neighboring zones. Land preparation and planting normally takes place in the period October to December. Weeding follows in the period December to March (Lesotho Rural Livelihood Baseline Profile, 2012). Like other zones, this zone has four wealth groups identified as the very poor, poor, middle and better-off households who represent about 18%, 40%, 28% and 14% of the households in the livelihood zone respectively (Lesotho Rural Livelihood Baseline Profile, 2012).

Overall all four wealth groups are able to meet their survival threshold. Crop production and to some extent livestock products are the main sources of food. However, this is supplemented by labour exchange for food, commonly known as payment in kind and direct purchases from the market especially among the poorer households. Own crops contributed about 40-80% of annual food needs during the baseline year. The main sources of household cash income vary from among the poorer and wealthier households. The main sources of cash income include Sale of crops, livestock, self-employment and others such as cash remittances. The main limitations of the local people are limited employment opportunities. Majority of households are dependent on subsistence agriculture, which makes them vulnerable to climatic hazards on two fronts (Lesotho Rural Livelihood Baseline Profile, 2012).

The hazard that threaten this zone include the following as per Lesotho Rural Livelihood Baseline Profile, (2012):
- Crop pests and diseases;
- Late onset of rainfall, dry spells and drought conditions;
- Livestock diseases;
- Stock theft;
- Hail storms;
- HIV and AIDs;
- Failure of staple cereal crops (maize, sorghum and wheat).

**Southern Lowlands Livelihood Zone**

The Southern Lowlands livelihood zone covers an extensive area from Maseru, Mafeteng and Mohale’s Hoek. The livelihood of the area is based on mixed agriculture comprised of crop and livestock production. The main livestock reared include cattle, goats, sheep and pigs and crops produced by the local population include maize, sorghum and beans. The zone is characterized by flat plains with desert-like characteristics like shrubs and rangelands. As a result of soil erosion and environmental degradation, the zone is mostly characterized by shallow and infertile soils especially in Mafeteng and Mohale’s Hoek districts. It is also one of the driest regions of Lesotho and even in period expected to have normal rains, the area always experiences a slow or late start of rain season characterized by rain shadows and dry spells (Lesotho Rural Livelihood Baseline Profile, 2012).

The peak rain season in the Southern Lowlands is normally between the months of October to January period. The key determinants of wealth distribution in this zone are land size cultivated and livestock ownership. The four main wealth groups are the very poor, poor, middle and better-off households representing about 18%, 34%, 31% and 17% of the households in the livelihood zone. However, majority of households are still categorized poor compared with very poor by the communities. However similar trends in neighboring zones can be noted in this zone especially as regards household size (Lesotho Rural Livelihood Baseline Profile, 2012).

The main household sources of food are own crop production, livestock products, labour exchange or payment in-kind, direct market purchases supplemented with gifts and the Government supported school feeding programme. Overall three wealth groups are able to meet their minimum annual food needs, referred to as the survival threshold with exception of the very poor households.
The main sources of household cash income in the Southern Lowlands zone are Local labor crop and livestock sales; self-employment in the form of firewood and wild food sales, fishing among others; and gifts/ cash remittances. The main challenges faced by households include high rates of unemployment, unskilled labor and low wage rates. This has limited household’s potential to earn cash income. Meanwhile most farmers are unable to utilize the Government supported sheep shearing sheds because of the delays in payment and quality of their wool and mohair (Lesotho Rural Livelihood Baseline Profile, 2012).

The hazards for this zone are as follows (Lesotho Rural Livelihood Baseline Profile, 2012):

- Crop pests and diseases;
- Late onset of rainfall, dry spells and drought conditions;
- Livestock diseases;
- Stock theft;
- Hail storms;
- HIV and AIDS;
- Failure of staple cereal crops (maize, sorghum and wheat).

**Senqu River Valley Livelihood Zone**

Senqu River Valley is a thin strip that lies along the Senqu River that cuts across four districts namely; Mohale’s Hoek, Quthing, Qacha’s Nek and Thaba-Tseka. Similar to other neighboring livelihood zones, the main source of livelihoods in the Senqu River Valley is mixed agriculture comprised of crop production and livestock farming. The soils are relatively poor and thinly covered with vegetation due to over grazing. The main type of vegetation is shrubs and grass species. The population of the zone is mostly dependent on crop production, livestock rearing and agricultural/non-agricultural casual labor employment for their main sources of livelihoods (Lesotho Rural Livelihood Baseline Profile, 2012).

Rain season in Senqu River Valley livelihood zone normally starts in the month of October and ends in April. However, the rainfall is normally erratic and characterized with dry spells. Planting also starts during the onset of rains in October. Not all farmers are able to plough because they cannot afford draught power for both ploughing and planting. The communities identified four wealth groups namely the very poor, poor, middle and better-off households representing about 26%, 33%, 26% and 15% of the households in the livelihood zone with
Determinants of wealth distribution in the Senqu River Valley livelihood zone are size of land cultivated and livestock owned (Lesotho Rural Livelihood Baseline Profile, 2012).

All four wealth groups are able to meet their annual food needs, sometimes referred to as the survival threshold during the baseline or year. The main household sources of food are own crop production, direct purchases from the market, labor exchange or payment in-kind supplemented with the Government supported school feeding programme targeting the free primary education children in Government schools. The labor exchange or payment in-kind is a major source of food among the very poor and poor households. The Lesotho Rural Livelihood Baseline Profile (2012) details the hazards that threaten the zone as

- Crop pests and diseases;
- Drought conditions;
- Livestock diseases;
- Stock theft;
- Hail storms;
- Environmental degradation;
- Failure of staple cereal crops (maize, sorghum).

**Electricity supply within Lesotho**

The Lesotho Electricity Company (PTY) Ltd (LEC) is a 100% state owned Company which is governed by the Board of Directors and it is present in the ten districts of Lesotho. LEC is the sole supplier, distributor and transmitter of electricity within Lesotho as licensed by the Lesotho Electricity and Water Authority (LEWA). LEC was issued a Composite License in terms of Section 50 of the Lesotho Electricity Authority Act of 2002, to transmit, distribute and supply electricity which gives it an obligation, in terms of the license, to supply power to all customers who are within its service territory. It is however, authorized to supply electricity throughout the country, even beyond the LEC service territory.

The service territory is defined as the area around 3.5km of the existing distribution network. It is also responsible for economic procurement of power for its customers. LEC facilitates the connection of new customers to the electricity grid, through their individual funding or under the Government’s rural electrification roll-out programme. The company is also the sole custodian of the electricity grid and has the mandate to sustainably manage the grid and associated assets. It performs these functions in order to provide reliable, sustainable,
affordable and quality electricity supply to customers. The LEC Transmission network comprise of the following voltage levels 132kV, 88kV, 66kV and 33kV. LEC distributes with 11kV up to the customers supply point at 220V and 380V.

The electrification rate as per the World Bank study is depicted in the figure below. The figure below shows Maseru as the district which is most number of connections followed by Qacha’s Nek and the Butha – Buthe districts at 81%, 47% and 34% respectively. The map below clearly shows the need for the proposed projects within Lesotho as the ultimate goal is for the increase in the number of connections per district as well as improving the livelihood for Basotho at large.

**Figure 11: Electrification by district**

![Electrification by district map]

Source: World Bank Study

Table 4 shows that Botha – Bothe as one of the project areas where grid extension is proposed by the project is need of electricity as 6.8% uses electricity ad it is the lowest district in terms of electricity supply (2017 HECS-Summer). It is further observed that in all district the percentage of households not using electricity is greater than the percentage usage except for Maseru where it is vice versa since it is observed that 58.1 percent of households use electricity and 41.9 percent do not use electricity.
Table 4: Percentage Distribution of households using grid electricity by district and settlement.

<table>
<thead>
<tr>
<th>District</th>
<th>Using</th>
<th>Not using</th>
</tr>
</thead>
<tbody>
<tr>
<td>Botha Bothe</td>
<td>6.8</td>
<td>93.2</td>
</tr>
<tr>
<td>Leribe</td>
<td>36.0</td>
<td>64.0</td>
</tr>
<tr>
<td>Berea</td>
<td>44.8</td>
<td>55.2</td>
</tr>
<tr>
<td>Maseru</td>
<td>58.1</td>
<td>41.9</td>
</tr>
<tr>
<td>Mafeteng</td>
<td>33.7</td>
<td>66.3</td>
</tr>
<tr>
<td>Mohale'sHoek</td>
<td>19.5</td>
<td>80.5</td>
</tr>
<tr>
<td>Quthing</td>
<td>33.1</td>
<td>66.9</td>
</tr>
<tr>
<td>Qacha's Nek</td>
<td>28.1</td>
<td>71.9</td>
</tr>
<tr>
<td>Mokhotlong</td>
<td>15.7</td>
<td>84.3</td>
</tr>
<tr>
<td>ThabaTseka</td>
<td>12.0</td>
<td>88.0</td>
</tr>
</tbody>
</table>

Source: HECS-Summer (2017)

However, LEC is still faced with numerous challenges which include the following:

- **Vandalism**: this is the theft of copper cables which are used during electrification. However, LEC has tried to mitigate or avoid the theft of copper cables through changing from copper to steel, liaison with the different stakeholders which include the local chiefs, the community councils, the Police, the Magistrate Court, the different communities and the market which is scrap yards. This has yielded positive results even though the challenge remains.

- **Building Structures under Power lines**: This poses a challenge in terms of hindering access during undertaking of maintenance and attendance to faults as when need arises. It also poses a challenge given the extreme weather patterns which ultimately cause the lines to collapse. Same as above, the LEC has been in constant liaison with the relevant authorities involved in land allocation so that guidance is provided where it is due.

- **High infrastructure Costs**: The construction of electricity infrastructure is very high and as such LEC is not capacitated to meet its National needs due to the limited financial muscle.

- LEC like other electricity utilities in the SADC region faces challenge of power shortage. This situation forced it to augment its supplies from ‘Muela, a local hydropower generation station, and Eskom of South Africa, hence source power from Electricity de Mozambique (EDM). To date, the power sales agreement between LEC and Mozambique is of short-term nature and denominated in United States Dollars. This gives the EDM a significant bargaining power. LEC therefore needs to mitigate
this risk of supply through the use of long-term contracts but suppliers still have a significant bargaining power in the negotiation of these contracts. Nevertheless, it is incumbent for LEC to start venturing into other sources of supply like a day-ahead-market. This is a system whereby electricity purchase is affected through bids to buy and offers to sell. Bids and offers use supply and demand principles to set the price.

3.2. NATIONAL ECONOMY
The project’s main aim is to ultimately improve the economy of Lesotho through enhancing the provision electricity for both industries and the households through small grids.

The PHC (2016) report states that the total number of employed populations in Lesotho is 28.4% to the total population while the proportion of the unemployed to the total population is 4.3%. Of the total employed population, 86.7% is employed and economically active and the remaining percentage is not employed but economically active (able bodied population). Of the employed population, 61.1% are males and females contribute 38.9%. Increasing foreign direct investment in the textile industry and commerce have created more jobs and strengthened the economy, and the GDP per capita, when adjusted by purchasing power parity, has increased as depicted by the percentages. Therefore, the project will further strengthen the economy of Lesotho.

The Vulnerable Groups
There are numerous vulnerable groups in Lesotho but for the purposes of the RPF in this chapter, only the below will be discussed due to information gap. However, the development of the RAP will pay particular attention to adverse impacts on groups/social categories such as:

a. the elderly,
b. the landless,
c. women and children,
d. indigenous groups,
e. ethnic minorities,
f. orphan led households,
g. persons with disabilities,
h. women-headed households,
i. OVC-headed households, and
j. households below the poverty line and
k. any other disadvantaged persons/groups.

Orphans

The issue of orphans is not only Lesotho’s concern, but it is internationally recommended that measures need to be put in place to take care of the orphaned children. LREEAP will put measures in place to take care of orphaned children in the project area especially those that are affected by the project. An orphan is defined as a child who has lost either one of the biological parents or both of them through death and that child must be aged 0 to 17 years of age (SADC, 2003). Table 5 below shows the number of orphans found in each district as it is observed, that Maseru is the district with the highest number of orphans at which are 47,860 while Qacha’s Nek is the lowest at 8,889 (census report 2016). This therefore implies that project located within the Maseru district need to thoroughly investigate the matter when undertaking the RAP. The population aged 0 to 17 years was estimated at 765,614 and out of that, 210,712 were orphans.

Table 5: Number of orphans in each district.

<table>
<thead>
<tr>
<th>District</th>
<th>Number of orphans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thaba-Tseka</td>
<td>15,885</td>
</tr>
<tr>
<td>Leribe</td>
<td>33,418</td>
</tr>
<tr>
<td>Botha-Bothe</td>
<td>10,940</td>
</tr>
<tr>
<td>Berea</td>
<td>25,504 26</td>
</tr>
<tr>
<td>Maseru</td>
<td>47,860</td>
</tr>
<tr>
<td>Mafeteng</td>
<td>20,741</td>
</tr>
<tr>
<td>Mokhotlong</td>
<td>12,311</td>
</tr>
<tr>
<td>Quthing</td>
<td>14,608</td>
</tr>
<tr>
<td>Qacha’s Nek</td>
<td>8,889</td>
</tr>
<tr>
<td>Mohale’s Hoek</td>
<td>20,556</td>
</tr>
</tbody>
</table>


Elderly

Table 6 below shows that Qacha’s Nek had the highest proportion of elderly females with 63.9 percent of the elderly population in this district, while it recorded the smallest proportion of elderly males with 36.1 percent. In all the districts, the percentages of the elderly females were estimated above 60 percent, while those of the elderly males ranged between 36.1 percent in Qacha’s Nek and to 38.5 percent in Thaba – Tseka (Census report, 2016). This indicates that the project needs to take into consideration the elderly people in the project area especially the elderly females which there may be a possibility that they are left with the orphans. The RAP
will therefore have to take this possibility into consideration. Lesotho has more elderly females heading households as compared to elderly males. All the districts have above 50 percent of elderly female heads while elderly male heads constitute between 40 and 50 percent.

**Table 6: Number and Percentage Distribution of the Population Aged 60**

<table>
<thead>
<tr>
<th>District</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thaba-Tseka</td>
<td>38.5</td>
<td>61.5</td>
</tr>
<tr>
<td>Mokhotlong</td>
<td>37.6</td>
<td>62.4</td>
</tr>
<tr>
<td>Qacha's Nek</td>
<td>36.1</td>
<td>63.9</td>
</tr>
<tr>
<td>Quthing</td>
<td>36.2</td>
<td>63.8</td>
</tr>
<tr>
<td>Mohale’s Hoek</td>
<td>36.9</td>
<td>63.1</td>
</tr>
<tr>
<td>Mafeteng</td>
<td>38.2</td>
<td>61.8</td>
</tr>
<tr>
<td>Maseru</td>
<td>37.3</td>
<td>62.7</td>
</tr>
<tr>
<td>Berea</td>
<td>38.4</td>
<td>61.6</td>
</tr>
<tr>
<td>Leribe</td>
<td>38.4</td>
<td>61.6</td>
</tr>
<tr>
<td>Botha-Bothe</td>
<td>38.1</td>
<td>61.9</td>
</tr>
</tbody>
</table>

Source: Census Report 2016

**Disability**

About 3.7 per cent of the total population of Lesotho has some form of disability of which 2.1 per cent constitute males and 0.6 per cent females. The total number of women with disabilities (WWDs) is estimated at 33,191 which is 1.6 per cent of total population. Berea had a higher disability prevalence constituting 3.2 percent while Maseru follows with 2.8. Mafeteng and Mohale’s Hoek had similar proportion of disability prevalence of 2.6 respectively. The most prevalent forms of disabilities in Lesotho are visual, hearing, mobility, remembering, self-care and communication impairments.

**Female headed households**

Female headed households (% of households with a female head) in Lesotho was reported at 35.5% in 2014. According to the 2016 Census, about one third of households were headed by women who were single, divorced, widowed or abandoned by their husbands, a proportion higher than in most sub-Saharan African countries (BoS, 2016; Mapetla, 2011). Female-headed households often have the highest incidences of poverty, about two thirds, and are particularly poor and vulnerable because they are typically headed by ageing widows, who may have lost the productive assets they once possessed and are less likely to own agricultural assets such as livestock.

**Ultra-poor households**
Of the 1,876,633 people in Lesotho in 2006, 17.3% were classified as very poor and an additional 32.5% as poor, resulting in a total of 49.8% of the population living below the poverty line (BoS, 2010). By 2009, with the rapid increase in deaths due to HIV/AIDS, low agricultural productivity and the decline in remittances from South African mines had increased poverty in the country (ibid.). Additionally, nearly all national household surveys in Lesotho show prominent variations of poverty in relation to gender, household size, livelihood patterns, access to basic services and geographic location (Sechaba Consultants, 2006; BoS, 2009; LVAC, 2009).

**Others (ethnic minorities, gender orientation, etc.)**

Lesotho is ethnically homogeneous, with at least 99.7% of the people being Basotho and speaking SeSotho, the remaining 0.3% of the population are Europeans and Asians. Although, Section 4 of the Lesotho Constitution protects the fundamental human rights and freedoms of all people and provides that “…every person in Lesotho is entitled, whatever his race, color, sex, language, religion, political or other affiliation, national or social origin, property, birth or other status to fundamental human rights and freedoms, there are data gaps for lesbians, gay, bisexual and transgender (LGBT) community in Lesotho.
CHAPTER 4: PRINCIPLES AND OBJECTIVES GUIDING RESETTLEMENT

This chapter aims to further elaborate on the principles and objectives of this RPF in line with the legislation, policies and international conventions elaborated in chapter 2. It is worth emphasizing that this framework will be applied to the entire LREEAP. It is also worth emphasizing that this framework covers high level principles of resettlement and compensation of possible stakeholders to be affected by the LREEA project. The full details of the exact people to be affected, the sizes of lands to be used, whether there will be involuntary resettlement or economic displacement will be investigated, and necessary consultations undertaken during the development of the RAP and the ESMPs for the project.

4.1 FRAMEWORK OBJECTIVES AND PRINCIPLES

Unless properly managed, involuntary resettlement may result in long-term hardship and impoverishment for affected persons and communities, as well as environmental damage and social stress in areas to which they have been displaced. For these reasons, the project will avoid involuntary resettlement, or if this is not feasible at least minimize it to the extent possible. However, where it is unavoidable, appropriate measures to mitigate adverse impacts on displaced persons and host communities will be carefully planned and implemented following the general framework outlined in this document.

This RPF has been prepared with the ultimate goal of ensuring that all persons affected by future land acquisition or land use change and potential resettlement issues including livelihoods disruptions, as a result of the LREEAP will be properly compensated in a timely manner at replacement cost (market value plus transaction costs) for their losses and provided with rehabilitation measures so that they are at least as well off as they would have been in the absence of the project. The affected persons will be duly consulted, including having access to affordable and accessible grievance mechanisms.

This chapter, therefore, sets out the principles and objectives governing the preparation and implementation of mitigation measures when the site-specific location (s) of components 1 and 2 are known – in accordance with the World Bank’s OP 4.12.
As chapter 2 details, the Lesotho legal framework, policies and international best practices guiding this project, and OP 4.12 principles are aimed to ensure that resettled persons are assisted to improve, or at least restore, their former living standards, income earning capacity, and production levels whichever is higher—as are listed below:

- The impact screening process provided in Chapter 5 shall be followed for every sub-project;
- Involuntary resettlement should be avoided or minimized. Efforts to avoid or minimize will be documented as part of the screening process;
- Where unavoidable, the impacts will be identified and mitigation modalities specified for project impacts including the entitlement matrix;
- Where resettlement is unavoidable, resettlement and livelihood restoration plans and activities should be seen and executed as development programs;
- Resettled people should be provided with sufficient investment resources and opportunities to share in project benefits;
- Displaced people should be meaningfully consulted, and participate in planning and implementation of resettlement and livelihood restoration programs;
- Displaced people should be compensated for their losses at full replacement cost, prior to the move;
- Resettled people should be assisted with the move and provided with support during the transition period.
- The PIU must implement public information, consultation and participation, and grievance redress mechanisms in project planning, design and implementation;
- The GoL must provide identified sources and estimates of required resources for implementation of the RAP;
- DOE and LEC must supervise, monitor and evaluate RAP preparation and implementation in accordance with the guidelines in this RPF.

There are sub principles that the LREEA project should adopt with respect to the resettlement and livelihood restoration process, with application to individual components within the LREEAP:

**4.2 RESETTLEMENT SHOULD BE AVOIDED OR MINIMIZED**

Involuntary resettlement will be avoided as far as possible during the grid extension and the electrification of individual households as well as the establishment of the small grids through
exploration of feasible alternative project designs/ configurations. In line with the WB principles and procedures, Lesotho through the LREEAP is committed to implement the project in compliance with the requirements of the social safe guards especially the WB OP 4.12 in order to avoid or minimize the possibility of resettlement hence the development of this framework and RAP which will later be developed. The screening will be carried out based on the screening process presented in Chapter 5 and efforts to avoid or minimize displacement will be documented.

4.3 INCLUSION OF THE AFFECTED STAKEHOLDERS

As stated in the Environment Act and other legislation (Chapter 2), and the WB safeguard policies, people who will be affected by the project (those whose livelihoods and standards of living are adversely affected by project activities - whether through the loss of assets or access to assets, through being deprived of resources, through loss of income sources or means of livelihood, through physical relocation, or through other losses) will be identified through census or combined census/socioeconomic survey to be conducted in the impact zone/corridor. The census shall collect data on all affected households and individual PAPs. This exercise shall be carried out during the preparation phase of the site-specific impact screening exercises. The screening exercise shall identify: i) persons, ii) private properties, iii) public and community properties, and iv) PAPs income from all sources. Additionally, qualitative methods (key informant interviews, focus group discussions etc.) and fieldwork will be undertaken to learn about living conditions and livelihoods in affected communities and the potential impacts of the Project.

Ongoing and meaningful consultation and disclosure of information will occur with affected people and communities. As emphasized in the OP 4.12 the Project Affected People (PAP) and Project Affected Communities (PAC) have the right to:

- Be informed of LRREAP developments on an ongoing basis;
- Be consulted on issues pertaining to them, such as possible measures to restore their livelihoods, allowing participation in the final selection and design of such measures;
- Be informed in time of project proposals and implementation schedules, such as land acquisition dates, sufficiently in advance of execution; and have access to relevant project documents at a place accessible to them “and local NGOs in a form, manner, and language that are understandable to them”.

50 | P a g e
Given its focus on resettlement, the primary concern of resettlement planning is to take into consideration the rights and interests of the displaced and ‘to-be-resettled’ people. Structures and procedures need to be put in place for this to occur, which should be through the formation of a local level consultative forum. This consultative body should be given official recognition within the LRREAP institutional framework.

A grievance procedure must be in place. Grievance procedures are to be organized in such a way that they are accessible to all affected parties, with particular concern for the situation of vulnerable groupings. Resettlement planning documents are to spell out a grievance process for each particular subproject.

Losses and impacts as a result of the project are to be identified and properly documented. To support the successful re-establishment of affected homesteads, the following activities should be undertaken prior to displacement or property acquisition:

- An inventory of landholdings and immovable/non-retrievable improvements (buildings and structures) to determine fair and reasonable levels of compensation or mitigation; and
- A census detailing household composition and demography, and other relevant socio-economic characteristics.
- The asset inventory is used to determine and negotiate entitlements, while the census information is required to monitor homestead re-establishment.
- Consultation and validation with stakeholders
- The information obtained from the inventories and census should be entered into a computerized database to facilitate resettlement planning, implementation and monitoring.

Affected people will be entitled to full compensation and other rehabilitation measures, and will be assisted to improve their livelihoods, on an equitable basis. PAP who are identified as of the date of the asset survey will be entitled to full compensation and other rehabilitation measures, sufficient to assist them to improve or at least maintain their pre-project living standards. The livelihoods of PAP will be improved through:

- The replacement of productive resources and income sources;
- The provision of relocation support measures (e.g. displacement allowances) where physical relocation is required; and
• The implementation of other livelihood restoration and development measures as required.

All PAPs will be equally eligible to such rights, irrespective of social or economic standing, tenure status, or any other discriminating factor. A set of compensation options for all assets including land must be negotiated, according to set rates that are deemed fair and equitable to all parties and must be in accordance with the law and with the full replacement value requirements (market value plus transaction costs) of OP4.12. Of utmost importance, no one will be resettled without full and fair compensation having been handed over.

Vulnerable social groups will receive special attention. Particular attention will be paid to adverse impacts on groups/social categories such as the elderly, orphan led households, the physically disabled, women-headed households, OVC-headed households, and households below the poverty line who, because of their social position, may be vulnerable to changes brought about by project activities or excluded from project benefits. Members of these groups are often not able to make their voices heard, and account will be taken of this in the consultation and planning process, and in the establishment of grievance procedures. The LRREAP will identify vulnerable social groups in the pre-resettlement database through the baseline survey and through consultation with the communities and local authorities, to ensure they are included in consultative forums and receive their due benefits. The monitoring and evaluation process need to include the identified vulnerable groups.

4.4 CULTURAL AND RELIGIOUS PRACTICES WILL BE RESPECTED
Existing cultural and religious practices will be respected and, to the maximum extent practical, preserved in consultation with the affected communities and the local authorities. This extends to cultural heritage, tangible and intangible in line with the Historical Monuments Act.

4.5 RELOCATION PLANNING, BUDGETING AND IMPLEMENTATION WILL BE AN INTEGRAL PART OF THE PROGRAM'S PROJECTS
In order to ensure that resettlement, including land acquisition, is an integral component of a project:
• Land acquisition and relocation costs must be built into the overall project budget as an ‘upfront’ project cost. Resettlement costs that fall within the LREEAP’s scope of commitment are to be built into an overall project budget, and clearly defined as such.
Experience shows that, unless this occurs, the resettlement process tends to be under-budgeted, that money gets side-lined to ‘more pressing’ project needs, and that resettlement tends to be seen as peripheral to the overall project thereby creating a non-compliance to the National Legislature and the social safeguards.

- An institutional framework will be developed as part of a project to ensure that management mechanisms are set up and maintained during implementation. These mechanisms will ensure that compensation is carried out timely and effectively, and that accessible grievance procedures are implemented, with particular reference to the situation of vulnerable groups.

- Where required, relocation and project schedules will be integrated, and any land and asset acquisition will commence only after the necessary resettlement and compensation procedures have been successfully initiated.

4.6 MONITORING AND EVALUATION PROCEDURES WILL BE IN PLACE

An independent team is to monitor the implementation of the resettlement components of this project. Monitoring should specifically take place via measurement against the pre-resettlement baseline for each subproject. Monitoring and evaluation will be an integral part of RAP implementation, which will enable assessment and reporting on the effectiveness of the implementation of RAP, and particularly the application of screening, minimization and mitigation measures. This includes, in addition to screening and efforts to avoid and minimize resettlement, asset acquisition, disbursement of compensation, physical progress with land resettlement and rehabilitation activities, effectiveness of consultation and participation, and the suitability and sustainability of livelihood restoration efforts. Verifiable indicators will be developed for measuring the impact on affected population and the effectiveness of impact mitigation measures, including livelihood restoration and development initiatives. These verifiable indicators shall be used to monitor the impacts of the compensation and resettlement activities. These indicators will be targeted at measuring the physical and socio-economic status of the PAPs, to determine and assess improvement in their social wellbeing.
CHAPTER 5: REQUIREMENTS FOR RESETTLEMENT ACTION PLANNING

This chapter will elaborate on the process to be followed in the development of the RAP as per the requirements of the OP 4.12. Even though there is no particular legislation that demands its development, implementation and monitoring of the RAP in Lesotho, there are other relevant laws which make reference to the different parts of the RAP like public consultation and the need to compensate where land has been acquired which will complement the WB policy on involuntary resettlement.

The RAPs that will later be developed will then be meant to serve as a practical management tool for planning, implementation and monitoring of the land acquiring process, specifying the procedures to be followed and actions to be taken to mitigate adverse effects, compensate for losses and impacts, and provide livelihood restoration and development benefits (enhancement) to affected persons and communities. Each RAP specifically shows a time-bound action plan with budget, setting out the resettlement strategy, objectives, entitlements, actions, roles and responsibilities.

5.1 SCREENING, PREPARING AND APPROVING RESETTLEMENT PLANS

The project will ensure a systematic process and procedures to guide the preparation and implementation of the Resettlement Plan when required as follows:

Sub-project social impacts screening

A screening process/ Screening Checklist will be undertaken before subproject approval to determine whether sub-projects are likely to have potential negative environmental and social impacts including whether involuntary land acquisition, relocation or loss of shelter, loss of assets or access to assets, or loss of income sources and means of livelihood will result from the sub-project activity. The screening process to identify potential impacts of subprojects will be conducted by dedicated safeguards officers, in DoE and LEC, as discussed in detail under the institutional and implementation chapter, working in conjunction with the community through the village development committees using the screening form in Appendix I.

Once LREEAP proposed subprojects’ specific locations are known, impact screening exercises will be carried out by the PIU in consultation with the Bank. The first step will be
to determine the potential subproject footprint and area of influence, including, particularly for the grid extensions under component 1 and mini-grids under component 2, the identification of any associated facilities, such as the economic development zones served or the generation sources, among others. OP 4.12 applies to all components of the project that result in involuntary resettlement, regardless of the source of funding. It also applies to other activities resulting in involuntary resettlement, that in the judgment of the Bank, are associated by virtue of being: (a) directly and significantly related to the Bank assisted project, (b) necessary to achieve the objective as set forth in the project document, and (c) carried out, or planned to be carried out contemporaneously with the project.

Once all components of the subproject have been identified and the Bank has made a determination on association, the second step is to undertake a quick census and inventory of assets in the full area of influence of the subproject to help determine whether OP 4.12 applies to the proposed subprojects activities (and any associated facilities including any of the six economic development zones and mini-grids related activities) to be implemented by the LREEAP. The screening exercises for each subproject including any associated facility activity(is) should provide answers to the following questions:

a) *How much land area is required for advancing the component 1 or 2 subproject including activities and its associated facilities?* If the component 1 and 2 subproject does not need any land, OP4.12 is not or will not be applicable.

b) *Are inhabited dwellings involved?* Wherever inhabited dwellings may potentially be affected by a sub-project, a documented effort will be made to relocate the activity to avoid any impact on such dwellings and to avoid displacement/relocation accordingly. However, in as much as such impacts prove unavoidable, the project will prepare the required RAPs.

c) *Who owns the land?* If part of the land has private owners and the LREEAP intends to acquire the land using eminent domain, OP4.12 is applied. If, however, all privately owned land is going to be sold voluntarily in the open market and the government is not going to use its right of eminent domain and if the potential PAPs have the option to refuse land acquisition or purchase, OP 4.12 is not applied. If to be acquired on a WB/WS basis, can any such WB/WS transaction be fully documented, including the absence of any coercion, the market value of the transactions and the absence or of impacts on other land users/occupants.
(encroachers, workers, tenants, etc.). If such information is not available or such other impacts are identified, OP4.12 will apply.

d) If the LREEAP requires publicly-owned land, is this land subject to customary claim, squatters, or encroachers? If all of the land required for the project is state owned and is not subject to competing customary claims, grazing rights, or squatters or encroachers, OP4.12 is not applied. However, if the land is state-owned but is subject to competing claims, OP4.12 is applied,

e) How is the land, including publicly-owned land, currently used? This question helps to determine the scope of resettlement and livelihood issues in the case of private land and to identify possible temporary or seasonal use of state-owned land, even though the land may appear to be empty,

f) What is the rough estimate of resettlement impacts to result from component 1 and 2 subproject land acquisition? This question helps the LREEAP assess the scale of resettlement and/or economic displacement and determine the proportionality and appropriateness of resettlement instrument to use,

g) Will the LREEAP be able to identify, before subproject approval, all the land required for component 1 and 2 subproject? This question helps determine the proportionality and timing of resettlement instrument required for the sub-project. If all the land parcels required for the component 1 or 2 subproject cannot be identified before subproject approval, specific provisions will need to be included in the RAP prepared for the sub-project to ensure that any additional land is acquired and economic displacement compensated in accordance with OP4.12, this RPF and specific provisions of the sub-project RAP, that stakeholders are aware of the issues and that any additional land acquisition is minimized and well supervised;

h) If activities of component 1 or 2 subproject of the LREEAP are in a legally designated park or protected area, will the access of the people living inside or around the park be restricted? If yes, OP4.12 is triggered and a process framework is required, leading to agreed mitigation measures before the restrictions can be imposed.

The screening process for resettlement/livelihoods impact will be coordinated with the overall subproject screening and risk classification process established in the ESMF. Subprojects that would be categorized as A by the Bank will not be approved.
5.2 RAP OR ARAP PREPARATION

A RAP/ARAP may be required if subprojects activities require changes in existing land use whether temporarily or permanently. The scope of the RAP/ARAP will be determined by the magnitude of each subproject’s impacts and the complexity of mitigation measures. A census of affected properties, persons and activities to be affected by subproject activities will determine the scope and complexity of resettlement and livelihood impacts.

If the screening exercise indicates that the estimated number of PAPs is less than 200 and/or the affected people are not physically displaced and less than 10% of their assets are lost, and the context is not otherwise conflictive or complex, then an Abbreviated Resettlement Action Plan (ARAP) can be prepared. Where PAPs are more than 200 then a full RAP will be prepared. A full RAP may also be required when PAPs are fewer than 200 but more than 10% of their assets are lost, PAPs will be severely affected or other contextual factors present significant risks. PAPs will be consulted about land acquisition and compensation and offered technical and financial options for: (i) compensation at full replacement cost (market value plus transaction costs) for losses of assets and access to means of livelihood attributable to the sub-project; and (ii) other resettlement assistance as needed to restore or improve their living conditions and livelihoods.

The PIU will assess and determine, at the earliest possible stage, the relative impact related to:

a) Physical displacement (relocation, loss of residential land or loss of shelter) or
b) Economic displacement (loss of land, assets or access to assets, changes or restrictions to land use leading to loss of income sources, access to natural resources, or other means of livelihood).

The resettlement impacts will be identified applying the information on sub-project deskins and respective land requirement including, for example, for the construction of the 11kV and 33kV lines servitude clearances of 8m and 13m from the center respectively, implying that the entire servitude width will be 16m and 26m respectively per LEC engineering manuals (Annexure H). On the basis of these requirements, the preparation of RAP/ARAP will follow the following paths:

i. Determine whether component subproject activities including any associated facilities are eligible
ii. Determine whether component subproject activities entail land acquisitions or land use change that cannot be avoided or minimized.

iii. Take steps to prepare the RAP/ARAP—If OP 4.12 applies to the LREEAP subproject, the LEC’s Project Implementation Unit must complete following tasks:
   a. Conduct a census and socioeconomic surveys to identify subprojects’ impacts and the people that will be affected;
   b. Finalize the resettlement entitlements for each category of impact;
   c. Select adequate resettlement sites and income-improvement activities (if relocation is necessary or required);
   d. Establish institutional mechanisms for delivering entitlements and for undertaking other resettlement and livelihood restoration activities;
   e. Prepare budgets and planning to ensure the timely flow of funds for resettlement and livelihood restoration implementation;
   f. Coordinate implementation arrangements among relevant agencies involved in the implementation of RAP/ARAP;
   g. Establish mechanisms for continued participation of PAPs in resettlement and livelihood restoration, as well as for redressing of their grievances; and
   h. Make arrangements for internal and independent monitoring of resettlement activities proportional to the risks and complexity of mitigation measures;

iv. Arrange for preparation of the resettlement planning documents and engage qualified organizations to prepare the RAPs/ARAP.

v. Coordinates the activities of agencies contributing to RAP/ARAP.

vi. Review and clear the resettlement planning documents—LREEAP or its consultants, and the Bank Social Development Specialists collaborate in preparing the resettlement documentation and arranging for their review and clearance.

vii. Arrange for monitoring and supervision during implementation—Plans for Bank supervision, project monitoring, and independent resettlement monitoring should specify arrangements for responding to obstacles or opportunities arising during implementation.
5.3 RAP/ ARAP APPROVAL/CLEARANCE/DISCLOSURE

Once the magnitude of impacts of subprojects activities are determined, the proportionality of impacts mitigation measures is agreed upon and the required planning instruments are prepared, the following approval and clearance steps/procedures should be followed by the LREEAP:

i. For component 1 and 2 activities (including any associated facilities such as the six economic zones served by extension grids, generation facilities, among others) a Subproject- or component-specific RAP/ARAP needs to be submitted to the Bank for approval as a condition of its financing of the respective subproject or component. The RAP/ARAP must contain or cover all minimum elements of RAP/ARAP stated in Annex A of OP 4.12,

ii. For each subproject, evidence of satisfactory RAP implementation including payment/delivery of all compensation must be provided to the Bank before the area can be cleared and construction can start.

iii. If component 1 or 2 activities impose restrictions of access to legally designated parks or protected areas, the PIU needs to submit a Process Framework (PF) as a condition for subproject approval. The PF must contain or cover all minimum elements of PF stated in Annex A of OP 4.12.

iv. If component 1 or 2 sub-project activities (including any associated facilities such as the economic zones served by extension grids, generation facilities, among others) impose restrictions of access to legally designated parks or protected areas, the specific plans of action describing the mitigation measures agreed to by the affected communities need to be submitted by PIU for World Bank approval before the restrictions can be imposed.

The RAP/ARAP shall be approved by the Department of Environment who will then give the record of decision and the Ministry of Local Government, and by the World Bank, prior to disclosure and finalization.

5.4 DISCLOSURE

This RPF and subsequent subprojects RAP(s)/ARAP(s)/PFs will be submitted to the World Bank for a ‘No Objection.’ Once cleared by the Bank, the ‘Project Team’ will subsequently disclose the RAP(s)/ARAP(s) in the project area. A printed version of these safeguards’
instruments will be available to the public in the LEC HQ and subprojects’ areas. Upon disclosure in the subproject area, these instruments will also be disclosed on the World Bank’s website. Electronic copy of this RPF and RAP(s)/ARAPs shall be posted at LEC and DoE websites.

PIU is responsible for ensuring the quality, consistency, clearance, and for in-country disclosure, of this RPF and all subproject RAP(s)/ARAPs in accordance with the OP 4.12 requirements. For any changes made to the approved RPF, and each RAP/ARAP the same clearance and disclosure protocols will be followed.

5.5 RAP IMPLEMENTATION / MONITORING
The PIU will develop a RAP implementation schedule that will take into consideration all project phases and activities as well as resolution of conflicts and grievances. The PIU will ensure the RAPs are prepared and fully implemented before any Subproject civil works can commence in the respective area. Monitoring will be conducted during all phases of the project implementation.

The RAP/ARAP development, as well as monitoring and implementation, will be done in close collaboration with all impacted households, affected community members. Consultations will be an ongoing process throughout the project cycle and shall be seen as integral part of the project as set out in this RPF.

5.6 PUBLIC PARTICIPATION AND INVOLVEMENT
Public participation and involvement, and particularly PAPs, is mandatory as per the OP 4.12 and Lesotho’s regulatory and legal frameworks. It is therefore important that both directly affected (PAP) and the interested stakeholders are consulted for the effective implementation of LREEAP. The first step to successfully implement the proposed project is to open communication channels across the board. In order for the public involvement to be effective, the following should be considered:

- Information Exchange: to promote awareness building of the project and resettlement aspects in local communities including easy access and translation to local languages.
• Capacity Building and Education: to inform affected people of their options and rights pertaining to resettlement, and compensation and mitigation measures.
• Participation Promotion: to allow all stakeholders to openly voice their concerns, any issues and possible disputes, without fear of recrimination.
• Discussion and Negotiation: to consult with PAP, and to offer choices among technically and economically feasible resettlement and compensation alternatives.

5.7 CUT-OFF DATE
A census and household survey will be conducted as soon as the list of sub-projects have been confirmed. Care will be taken to set cut-off dates immediately after the sub-projects final design and location are confirmed and the respective census is completed. The household survey will be used to develop an inventory of losses so as to assess the potential impact. A binding legal instrument will be used to record all loss of assets which will be signed by PAP and representatives of local government.

It will be necessary to publicly declare a cut-off date to determine eligibility and thus entitlements to resettlement compensation and assistance including livelihood restoration for each component of the Project as it enters the RAP preparation stage. Both LEC and DoE will ensure that the cut-off date is well-known by PAPs as well as the broader community that lives in the sphere of project impact. This must be accommodated with clear demarcation of areas of impact and the process will be documented, with records retained by the PIU. Public notices of the cut-off date shall be displayed in the respective community council offices notice board(s), chiefs’ offices and the local LEC offices following completion of the adjudication exercise on affected land and assets. A notice with the cut-off date will be provided in letters to PAPs and announced through community meetings which will be organized by the LEC, DoE, the community councils or Chief. Both LEC and DoE will be required to send a representative to any community meeting related to resettlement and/or economic displacement.

5.8 ASSET, HOUSEHOLD AND COMMUNITY SOCIAL SURVEYS
This surveys will form the basis for the project compensation and it will be undertaken to provide baseline information which will provide data on the existing social structure, tenure arrangements and resource use, access to common property resources, social services and
infrastructure facilities by different social groups in the project area, and for the host population at the proposed resettlement site (if a host site is required), clearly identifying all special interest groups, particularly those who are poor and vulnerable as defined in this RPF, and describing their special characteristics in relation to the project. This baseline information will be obtained through:

- Thematic maps that will identify such features as population settlements, infrastructure, soil composition, natural vegetation areas, water resources, and land use patterns;
- Cadastral Survey: Registered land surveyors and their assistant technicians will survey project-affected land and non-moveable/fixed improvements to that land, through appropriate means;
- Asset Inventory: The inventory records all temporary and permanent losses likely to be incurred by households, enterprises and communities as a result of a project. It focuses on individual, household and community loss of land and physical structures and resources (crops and trees) on that land, providing a register of those affected and assets held;
- Census: A census is to be undertaken of directly affected households (i.e. either physically or economically displaced) to provide socio-economic and demographic baseline information. This census is critical as it provides a register of affected households, and allows for the determination of households that are eligible for compensation packages, and for inclusion in the RAP;
- Socio-Economic Surveys and studies: Detailed social impact studies are to be undertaken during the undertaking the RAP including seasonal migrants, and host populations;
- Analysis of surveys and studies to establish compensation parameters, to design appropriate income restoration and sustainable development initiatives, and to identify baseline monitoring indicators;
- Consultation with affected populations regarding mitigation of effects and development opportunities.

5.9 IDENTIFICATION AND EVALUATION OF RESETTLEMENT SITES
The process of identifying and selecting potential resettlement sites should be transparent and include consultation with affected households and the local authorities of the sites to be
identified and notably the host community. If the Project component involves physical relocation of PAPs, data will be collected on the location, area, type, and category of the replacement land available for residential and/or agricultural purposes. Care will be taken to ensure that the relocation site or replacement land is in the vicinity of the PAPs previous location in as much as possible, in order to avoid social dislocation and unrealistic division of the PAPs economic livelihood. This task should also give attention to the development of a livelihood restoration plan, land use, and continued access to natural resources.

5.10 DETERMINATION AND NEGOTIATION OF ENTITLEMENTS AND COMPENSATION

Apart from information for the loses of the affected persons, the magnitude of impact RAP will contain information for the compensation offered to the PAPs. Separate section of the RAP will contain entitlement matrix with the content and compensation to be offered. This section will be updated after the consultation and negotiation on compensation entitlements which will be based on agreed values; however, the nature of the entitlement will vary between those affected. The scope and detail of resettlement planning will vary with circumstances, depending on the project’s complexity and the magnitude of its effects. As a minimum requirement, a RAP must ensure that the livelihoods of people affected, by the project are restored to levels prevailing before inception of the project.

5.11 LIVELIHOOD RESTORATION

Although compensation and allowances will contribute to the re-establishment of livelihoods, other rehabilitation programs will be required to compensate people and/or communities that will suffer economic displacement and offer other assistance to restore their livelihoods. In the event of economic displacement, additional measures will be required to supplement such compensation, and thereby enhance and improve livelihoods, as developed in a livelihood restoration/improvement (LRI) program for inclusion in each Subproject RAP.

The Entitlement Framework outlines how compensation will cover the loss of assets, including loss of agricultural land and production on that land. In the event of economic displacement, the RAP will detail the support measures required in the period immediately following relocation, as well as the measures necessary for the restoration of livelihoods.
Compensation for land and assets, as well as other resettlement support measures are important components in the restoration of affected livelihoods. For some categories of affected persons these measures will be enough; for others, additional measures to support the restoration of their livelihoods will be necessary. People’s livelihood-earning preferences are bound to change as implementation of the project progresses and resettlement activities, and as new opportunities emerge.

It is anticipated that livelihood restoration initiatives, which will be investigated and planned during the resettlement planning exercise, will focus on:

(a) land-based livelihoods;
(b) wage-based livelihoods;
(c) enterprise-based livelihoods.

Livelihood restoration options will be identified in consultation with affected communities and households. Where considered potentially viable, these options will be subjected to detailed feasibility studies, after which detailed planning, design, costing and funding options will be undertaken of selected options. Livelihood restoration initiatives will be designed to target groups and Households affected by economic displacement but will also be available to the extent possible as a development opportunity so that individuals and communities (affected and host) can improve income-earning activities including after withdrawal of project support.

The project will be diligent in recognizing the rights of women to land and assets, promoting their participation in consultations and ensuring that resettlement and livelihood restoration options take into account gender roles and impacts and are accessible to women. Each RAP will provide gender disaggregated data and include measures to ensure equal access and participation by women in RAP/ARAP consultations, measures and benefits.

5.12 LIVELIHOOD RESTORATION OPTIONS

As part of an LRP program all households affected by economic displacement will be given:

• Advice on the assessment of their current economic activities, and the potential for improvement to these; and
• Options to alternative income-generating activities (selected and designed in consultation with them), both agricultural and non-agricultural, and related training and support.

5.13 RESETTLEMENT PLANNING, SCHEDULING, BUDGET AND RESPONSIBILITIES

A budget and schedule can only be developed following the outcome of community negotiations and development of the final Entitlement Matrix for each Sub-Project. This will be presented in the respective RAPs, which will be prepared following conclusion of resettlement negotiations and will have to be approved by the Bank as a condition of Sub-project approval.

The key principle adopted for this Project for resettlement is that relocation planning, budgeting and implementation will be an integral part of the project’s scheduling and project budget. The costing for compensation and resettlement assistance shall be determined by the impact assessment exercises to be carried out at early stage of the RAP/ARAP preparation.

The RAP/ARAP costs for implementation of resettlement can be divided into: compensation and resettlement and livelihood restoration assistance costs, Administrative and transactions costs, implementation and monitoring costs (including GRM operating, logistics, consultations and communications). Based on the completed RAP, the LREEAP PIU will submit to the World Bank a detailed cost of resettlement, with a breakdown by agricultural land, residential land, houses, other assets, and livelihood to be affected (impact categories). The cost estimates will make adequate allowance for contingencies.

All RAP preparation and implementation costs, including the cost of compensation and implementation of the Livelihood Restoration Programme will be considered an integral part of the Project cost. The GoL has committed to contribute US$2.6 million to support compensation and resettlement assistance costs. This amount shall constitute the overall project cost and will be reflected in the project’s financing and cost table of the PAD. This allocation will be used to finance preparations of safeguards instruments and the actual implementation costs of subprojects RAPs – including compensation, resettlement
assistances, supervision, monitoring, administrative and logistics supports and GRCS operating costs.

5.14 COMPENSATION AND RESETTLEMENT ASSISTANCE COSTS
Compensation and resettlement assistance costs include the payment of compensation and other entitlements, including for land acquisition, compensation for structures and associated infrastructure, and for standing crops and productive trees. It includes costs relating to payment for workers who will lose their jobs, either permanently or temporarily, through the acquisition of assets. Added to this are rehabilitation allowances, such as evacuation, displacement and vulnerable household allowances, payments for lost income, livelihood restoration programs and all transitional and moving costs.

Operating Costs
Apart from the running costs of the LREEAP PIU, Operating Costs for implementation of a RAP include: costs for contracting service providers, for organizational support (committees, sub-committees etc.), for undertaking validation surveys, for public consultation, and for monitoring and evaluation.

Funding Arrangements
The Lesotho Electricity Company, through Government resources allocated to the Project Budget will fund all resettlement activities. Arrangements for the timely flow of funds is essential to the implementation of a RAP according to the time schedule and a separate account will be maintained for the RAP.

Resettlement schedule
The following key activities will be built into the Resettlement Schedule which will detailed in full in the RAP.

1. Preparatory Phase
Requirements at the project preparatory phase include the following resettlement-related activities:
   • Developing a Stakeholder Engagement Plan and commencing the consultation process;
• Appointing and training staff within the PIU of the LEC to commence with resettlement-related activities. Key staff resources would include: A Resettlement Consultant, Community Liaison Officers, a GIS and Database Specialist; and a Monitoring and Evaluation Specialist dedicated to the monitoring and evaluation programme;  
• Establishing subprojects Site Offices, where community members can access the Community Liaison Officers, obtain information and submit grievances; and  
• Establishing resettlement governance structures as outlined in the RAP.

Pre-Construction Phase
Carry out the screening as described in Chapter 5 and ensure the respective RAP/ARAPs are prepared and approved.

Compensation and resettlement assistances will be paid before commencement of civil works. A compensation and resettlement assistance payments schedule will be prepared, and the schedule shall include the following activities:

  • Finalizing and communicating the detailed footprint and location of the various sub-project components so that the final land acquisition requirements and asset surveys can be undertaken;
  • Verifying the accuracy of records of assets and means of livelihoods to be impacted prior to making compensation and resettlement assistance payments to PAPs;

Construction
Engineering and civil pre-construction activities will take place in some areas while construction activities will proceed in other areas depending on the phasing of the sub-projects and their components. During construction the following resettlement activities will occur:

  • Ongoing livelihood restoration assistance
  • Ongoing recording and resolving grievances;
  • Ongoing monitoring and evaluation; and
  • Audits

Preparation of TOR
The PIU will engage the services of qualified and experienced consultants to prepare the required RAP(s)/ARAP(s) and supervise its implementation. The Consultant’s Terms of
Reference (ToR) for the assignment will be submitted to the World Bank for a ‘No Objection’. The procurement of consultant(s) to prepare the RAP/ARAP would be the responsibility of DOE and LEC. The RAP/ARAP development, as well as monitoring and implementation, will be done in close collaboration with all impacted households, affected community members. Consultations will be ongoing process throughout the project cycle and shall be seen as integral part of the project as set out in this RPF.
CHAPTER 6: PUBLIC PARTICIPATION

This chapter will detail the consultation process that has been and will be undertaken for the interested and affected parties. The purpose of consulting interested and affected parties is to solicit information on negative and positive impacts as they foresee them and how those can be avoided or mitigated with the view to address them. It is also to inform them of the LRREA project and the anticipated impacts.

6.1. PUBLIC CONSULTATION AND INVOLVEMENT PLAN

Informing PAPs about their rights and choices is critical and key requirement of OP 4.12. It is therefore important that both directly affected (PAP) and the interested stakeholders are consulted on objectives, subprojects’ design and implementation aspects of LREEAP. Consultations under the project shall be geared toward providing:

- Information Exchange: to promote awareness building of the project and resettlement aspects in local communities including easy access and translation to local languages.
- Capacity Building and Education: to inform affected people of their options and rights pertaining to resettlement, and compensation and mitigation measures.
- Participation Promotion: to allow all stakeholders to openly voice their concerns, any issues and possible disputes, without fear of recrimination.
- Discussion and Negotiation: to consult with PAP, and to offer choices among technically and economically feasible resettlement and compensation alternatives.

Public participation and involvement, and particularly that of the PAP, is mandatory as per the OP 4.12. It is therefore important that both directly affected parties (PAP) and interested stakeholders are consulted for the effective implementation of LREEAP. In order for the public involvement to be effective and continuous, LREEAP will develop and implement a Stakeholder Engagement Plan.

An emphasis is put on the need to consult each and every person that will be affected by the project for the reasons mentioned above and all the proceedings and concerns must be documented in the RAP. As the Handbook for Preparing a Resettlement Action Plan (2002) indicates, early in the project, the developer which in this case its LEC and DoE should:

- Identify all stakeholders;
Inform local government/ authorities; village leaders, and local community organizations of the plan for, the project as soon as feasible and ask them to inform their constituents;

Brief all project in managers and personnel who will interact on a regular basis with people affected by the project regarding the anticipated effects of the project and measures to mitigate its impact;

The SEP will include:

- Information Exchange: to promote awareness building of the project and resettlement aspects in local communities.

- Capacity Building and Education: to inform affected people of their options and rights pertaining to resettlement, and compensation and mitigation measures.

- Participation Promotion: to allow all stakeholders to openly voice their concerns, any issues and possible disputes, without fear of recrimination.

- Discussion and Negotiation: to consult with PAP, and to offer choices among technically and economically feasible resettlement and compensation alternatives.

### 6.2 Consultation to date

Initial consultations were conducted in Semonkong and Ha Belo community councils during the development and drafting of this RPF. The main aim of the consultations was to inform the councils about the project and get their views on the project and get their buy in at this early stage.

Stakeholders which may be affected by the project may include any individual or group affected by the project, that may have a significant role to play in shaping or affecting the project, be it in a positive or negative manner. PAPs are those individuals and groups who are directly affected by the project through the loss of assets, including land, or for whom the project disrupts or affects their livelihoods. Broadly, stakeholders may include:

- PAP, including PAC
- Traditional Authorities
- Local Authorities (Councils and the chiefs)
- Local Businesses
- Individuals who feel they are impacted upon (positively or negatively) by the Project or the resettlement process.
6.2.1 NOTIFICATION AND CONSULTATION PROCESS

Initial public meetings were held to inform the affected community/urban councils of a project and the potential for resettlement especially for the mini grids and land acquisition for the grid extension and participants to this meeting are annexed in annexure A. These meetings provided useful forum to introduce the project and explain the need for the RAP preparation. The proceedings for the meetings are annexed as annexure B. In summary, the following were the concerns during the consultations:

- The Council appreciated the consultation on the proposed development. They indicated that the development has come at the right time because electricity is one their greatest needs as animals are easily stolen due to darkness;
- They indicated that LEC/DoE are not the first people to propose development in their areas, but none have been implemented since 2012. Moreover, politicians have been coming here using this place for campaigns, we will watch and see if you will deliver, “rese rental boka ha lioroha”.
- The council wanted to know when will the project start;
- LEC/DoE were warned to watch out for encroachment;
- It was indicated that the current livelihoods activities are: Potato production, sheep and goats’ farmers (wool and mohair), rearing of pigs, chicken broilers and layers, crafts, sewing, etc. Tour guides, equine hire and these are organized by Semonkong lodge employing local people and hiring their horses and donkeys There is also 2 more accommodation facility by Serumula and Roman Catholic Mission;
- Need to fast track the project in order to avoid encroachers and opportunists;
- There are no settlements as yet identified on the proposed site.

Subsequent to the public meetings which are to be undertaken during the development of RAP, there should be advertisement on notice boards of the District Administrator, the Community Council and the District Community Council offices. The Notices will detail information about the project, the contacts of the proponent, the proposed meetings and the grievance procedure. Notices should be given at least one week in advance for invitation to new meetings and consultations and local authorities (e.g. District Administrations and relevant ministries) should be informed of the meetings and given invitations to attend.
6.3. DISSEMINATION OF INFORMATION

Dissemination of information in the pre-construction phase and the construction phase will be primarily through alignment with the local information dissemination process in the project area as well as the adherence to the OP 4.12.

The information to be made available include:

- A library of information (in digital and non-digital form), such as information sheets, news updates, project reports, newspaper articles and other documents of interest, the project’s website, GIS information such as maps, and a poster display explaining the project’s activities;
- Presentation of promotional material on the project, alternative livelihoods and income-generating activities, and other topics of interest;
- A database of affected households, consisting primarily of non-confidential information collected from surveys (restricted access will be maintained to respect confidentiality);
- A location for meetings and workshops, to facilitate dialogue and exchange; and
- A place for people to record their concerns and suggestions, in written form or through the website, to be submitted to the LRREAP for a response and action where necessary.

Other methods of disseminating information will be through the consultation process; radio or television programs; newspapers; and the distribution of Project Information Sheets, news updates and posters through, or displayed in, public places such as schools, health centers, and market places. The RAP will assess the most effective method of information dissemination. Once the RAP has been drafted, it will be made available for publicly comment.

6.4. CONSULTATIVE BODY

For the project areas where there will be resettlement, like small grids projects, prior to resettlement it is required that a consultative body, possibly termed the Resettlement Working Group (RWG), is constituted to act as the primary advisory body in all matters relating to resettlement of a project, with various sub-groups such as a Grievance Committee (GC). The RWG must be constituted once funding for the LREEAP has been approved in order to manage people’s expectations. Thus, the Group will be formed in the earlier stage of RAP/ARAP preparation phase, preferably before the commencement of impacts screening exercises. This
would form part of the broader RAP/ARAP preparation and implementation process. The composition of the RWG could be as follows:

- DoE;
- Representatives of affected communities,
- Representative of the LREEAP;
- Representatives from relevant regional government departments including Administrative Districts;
- Chairperson of the Community Council;
- The representative of the local chief; and
- Elected Councillors.

The precise composition and terms of reference for the RWG should be reviewed at the outset of the RAP process. It should be constituted in such a manner as to be regarded as the principal representative voice of those affected by resettlement and should be recognized by all stakeholders as such. Under the overall authority of its chairperson (elected by the group itself), the forum should have the following functions:

- To act as the primary channel of communication between the various interest groups/organizations involved in the resettlement process. In particular, it will serve to facilitate communication between the LREEAP and the PAP/PAC
- To act as a focus group forum in which the LREEAP can consult on various resettlement aspects;
- To debate the Entitlement Framework that is generated for the RAP, and make recommendation as to how it is best structured to ensure equity to all parties involved in the resettlement process;
- To assume primary responsibility for assisting the LREEAP in overseeing the resettlement processes in all its phases.

In summary, the steps to be taken around consultation include:

- To establish the relevant authorities and affected communities, and open communication channels;
- To identify other relevant stakeholders for inclusion in the consultation process;
- The RWG is constituted and established, and the capacity building program for the RWG be instituted;
To hold an initial public meeting, to inform affected communities of the project, and the potential for resettlement; to include an introduction and explanation of the RAP, and related activities. Local authorities (e.g. District Administrator and the District Council Secretary and relevant ministries) are to be invited;

To hold additional meetings to update PAP and PAC of the status of the project, including their involvement, and obtain their views on relevant issues.

Prior to the completion of the adjudication process, including the asset survey and census, to make formal application to the GoL to declare a cut-off date, placing a moratorium on determination and payment of compensation for construction/development of new buildings or improvements to infrastructure in areas to be affected by the project.

Once the RAP has been drafted, to make it publicly available for comment. A further round of public meetings with the affected populace is recommended, via the recognized local authority channels, describing the RAP and its implementation.

LEC and DoE will ensure that during the development and implementation of the RAPs, all consultations are inclusive (in location and format in line with the local context) and meaningful with the full inclusion of all affected people including vulnerable groups detailed in chapter 6 of this RPF. It is also important to provide evidence of all documentation of consultations made with locations, number of participants, issues raised, photographic evidence and responses provided amongst others. Project Implementation Unit shall ensure that everyone’s voice is heard, responded to, recorded, and fully incorporated into the RAP.
CHAPTER 7: ELIGIBILITY AND ENTITLEMENT FRAMEWORK

The main aim of this chapter is to detail how entitlement and compensation issues will be handled and; it will detail the identification of the eligible people for the full implementation and monitoring of the RAPs.

As mentioned in the chapters before this one, Lesotho does not have a specific law detailing how compensation and eligibility for compensation should be undertaken and as such the WB OP 4.12 is the reference point. OP 4.12 states that “the implementation of resettlement activities is linked to the implementation of the investment component of the project to ensure that displacement or restriction of access does not occur before necessary measures for resettlement are in place. For impacts listed below, care needs to be taken to ensure adherence to OP 4.12:

- Relocation or loss of shelter;
- Loss of assets or access to assets; or
- Loss of income sources or means of livelihood, whether or not the affected persons must move to another location.

Resettlement measures include provision of compensation and of other assistance required for mitigating relocation and economic impacts prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, taking of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances shall be provided to the displaced persons. The proposed mitigation measures which will be detailed in the RAPs are to compensate for losses (assets and income, among others) and to assist displaced persons or communities to adapt to the new environment. It is important to mention that the RAPs will fully detail the categories of PAPs, types of losses, magnitude of loss and the agreed compensation and assistance.

7.1 ELIGIBILITY

The RPF will apply to all LREEAP subproject facilities and activities of Components 1 and 2, including any ancillary and associated facilities, that require involuntary land acquisition or land use changes that result in (i) relocation or loss of shelter, (ii) loss of assets or access to assets, or (iii) loss of income sources or means of livelihoods even if there is no physical displacement. The RPF applies regardless of the total number people or properties to be affected, the severity of impact, and their legal status (e.g. the RPF guidelines apply also to those with ill-defined or no title to the land). This will lead to the different categories of
eligibility criteria in accordance with OP 4.12 paragraphs 15(a), (b), and (c) as outlined in the next paragraph. PAPs who meet the following eligibility criteria will be qualified for compensation and resettlement assistance and would be classified in one of the following three groups:

a) Those who have formal legal rights to land (including customary and traditional rights recognized under the laws of Lesotho including the Land Act),

b) Those who do not have formal legal rights to land at the commencement of the census for a subproject (package) but have a claim to such land or assets, provided that such claims are recognized under the laws of Lesotho or become recognized through a process identified in the RAP;

c) Those who lose livelihood resources or employment (such as any means of production including natural resources, trees, agricultural produce on cultivated fields, places of work, etc., and/or have their access to these resources/places denied or restricted; and

d) Those who have no recognizable legal right or claim to the land they are occupying using or getting their livelihood from.

Persons covered under (a) and (b) above are to be provided compensation (at full replacement value) for the land and assets they lose, and other assistance in accordance with the RPF. Likewise, persons in category (c) are compensated for loss of economic resources in accordance with the RPF. Persons in category (d) are to be provided with resettlement assistance in lieu of compensation for the land they use/occupy, as well as other assistance as necessary, if they have occupied the area prior to an agreed cut-off date for entitlements. All persons included in categories (a), (b), (c) and (d) are to be provided with compensation for loss of assets other than land (including those attached to land such as structures, crops, improvements, etc.).

Categories of losses are anticipated to include, but may not be limited to, the following:

- Permanently or temporarily affected land;
- Houses or other structures, crops, trees, or other assets;
- Small kiosk or any other small business or production; and/or,
- Income losses as a result of the Project.

Table 7 below presents an entitlement matrix with possible impacts that could result due to the different categories of losses that the PAP may be exposed. Specific PAPs and the respective entitlements will only be identified and verified during the RAP/ARAP development.
### Table 7: Entitlement matrix

<table>
<thead>
<tr>
<th>Type of Loss</th>
<th>Application</th>
<th>Eligibility Criteria</th>
<th>Compensation</th>
<th>Entitlement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent loss of agricultural and non-agricultural land</td>
<td>PAPs permanently losing agricultural land regardless of impact severity</td>
<td>Person with formal right to land (certificate of occupancy/right of occupancy) or without formal legal right to land but have recognizable claim to land recognized under the prevailing local land tenure</td>
<td>PAP will be entitled to alternative land of the same value as the one being displaced. Where alternative land is not feasible, PAP will be paid compensation for the land at full replacement cost (including compensation for the value of improvements on the land, lost assets, losses incurred under lease arrangement and any assets lost as indicated in this entitlement matrix)</td>
<td>Entitled for the cost of preparing the land to levels similar or better to those of the affected land, plus the cost of any registration and transfer taxes  Notice to harvest standing seasonal crops. If notice cannot be given, compensation for loss of crops will be provided;</td>
</tr>
<tr>
<td>/tenants/sharecroppers</td>
<td></td>
<td>Tenant: Reimbursement of rental deposit or unexpired lease - such amount will be deducted from the compensation of land owners. Assist tenant or leaseholders to find alternative land ALL: compensation for improvements, crops, assets, resettlement assistance</td>
<td></td>
<td>PAPs will not be entitled to alternative land or compensation for land but shall be entitled to for improvements to land they have made such as structures, crops, economic trees including Cash compensation for temporary loss of income as well as other assistances such as income generating support, transition allowance, etc.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>PAPs who have no recognizable legal right or claim to the land they are</td>
<td></td>
<td></td>
<td>No compensation for the land but will receive compensation for assets and structures and resettlement assistance to restore pre-resettlement conditions (including some land where appropriate)</td>
<td>Same as tenants</td>
</tr>
<tr>
<td>occupying using or getting their livelihood from.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary loss of agricultural or other livelihood supporting land to project activities</td>
<td>PAPs temporarily losing agricultural land (no dwellings)</td>
<td>Rights holders</td>
<td>Lease payments at market value</td>
<td>Signed contract and return of land in agreed conditions</td>
</tr>
<tr>
<td>---</td>
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<td>---</td>
</tr>
<tr>
<td>Communal properties/grazing land</td>
<td>Restriction/Loss of grazing grounds</td>
<td>All PAPs including those who have no recognizable legal right or claim to the land they are occupying using or getting their livelihood from.</td>
<td>Replacement or restoration of the affected community facilities 60 days advance notice regarding construction activities, including duration and type of disruption. Restoration of access / provision of alternative access to common facilities/resources. Communities to benefit from a livelihood restoration program.</td>
<td>Assistance to create grazing reserve elsewhere in consultation with PAPs. Cash compensation for temporary loss of income.</td>
</tr>
<tr>
<td>Destruction of permanent immovable structures such as Residential/commercial buildings, public buildings and shops</td>
<td>PAPs permanently losing houses</td>
<td>Recognized/formal owner of affected structure irrespective of land ownership status</td>
<td>Compensation at full replacement value/cost for affected land, bindings/structures, sacred altars and associated facilities</td>
<td>In addition to the compensation amount for the affected land, structure and facilities, their PAPs will be provided with assistance covering: i) six-month income loss, ii) transition allowance, iii) provision for transportation costs, iv) provision for transaction costs, and, v) additional assistance or proportional deferential treatment for vulnerable group.</td>
</tr>
<tr>
<td>PAPs losing rental accommodations and rental income</td>
<td>Tenants</td>
<td></td>
<td></td>
<td>The PAP will be given three-month grace period to vacate the house/or the impact site and shall be given six-month rental allowance based on existing rental rate plus cost of moving to the alternative location and Disturbance assistance (10% of cost of rent). Assistance finding new accommodations if needed.</td>
</tr>
<tr>
<td>Category</td>
<td>Description</td>
<td>Compensation</td>
<td>Additional Assistance</td>
<td></td>
</tr>
<tr>
<td>--------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Public Assets</td>
<td>Buildings and other associated facilities</td>
<td>Affected public, NGOs and community buildings and other facilities shall be compensated at full replacement value/cost of the affected properties. Where impact is reparable, the affected structure shall be repaired to at least previous condition or replaced – and the service possibly improved – in areas identified in consultation with affected communities and relevant authorities, in the impact location or relocation villages or other sites</td>
<td>Additional assistances if found necessary and if justified</td>
<td></td>
</tr>
<tr>
<td>Non-residential structures</td>
<td>PAPs losing non-residential structures</td>
<td>Compensation in kind or in cash at full replacement cost for lost structures, (in addition to compensation for loss of land).</td>
<td>PAPS shall be allowed to take the salvage material if they wish and shall be assisted with means of transportation or cost of transportation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Recognized/formal owner of affected structure irrespective of land ownership status</td>
<td>PAPs shall be be compensated for cost of improvements if they made improvements on the rental property</td>
<td>Resettlement assistance</td>
<td>PAPS shall be allowed to take the salvage material if they wish and shall be assisted with means of transportation or cost of transportation</td>
</tr>
<tr>
<td></td>
<td>Tenant/lease holder</td>
<td></td>
<td>Sqatters will receive compensation at full replacement cost of all structures built by the non-legalizable user</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Squatters/Non-legalizable users</td>
<td>Squatters shall be be compensated for cost of improvements if they made improvements on the rental property</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss of Shrines and sacred structures</td>
<td>Recognized owner/priest of affected shrine/interested HH or community</td>
<td>Full replacement or relocation cost of the sacred structure</td>
<td>Provide with the cost of rituals or actions agreed to with the priest/traditional leader or PAP to appease/comfort</td>
<td></td>
</tr>
<tr>
<td>Loss of Community Infrastructure/Common Property Resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss of common property and/or resources</td>
<td>Community/Public Assets</td>
<td>Compensation for the affected asset or structure at full replacement cost</td>
<td>Reconstruction of the lost structure or in-kind compensation in consultation with community</td>
<td></td>
</tr>
<tr>
<td>Business and livelihood from crops and economic trees and employment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business, income losses and livelihood restoration entitlements</td>
<td>Income loss</td>
<td>All PAPs regardless of legal status</td>
<td>Compensation at full replacement value/cost for structures and associated facilities</td>
<td>In addition to the compensation amount for the affected structure and facilities, PAPS will be provided with assistance covering: i) six-month income loss, ii) transition allowance, iii) provision for transportation costs, iv) provision for transaction costs. and, v) additional assistance to restore or establish alternative livelihood vi) deferential treatment if the PAP is in the category of vulnerable group</td>
</tr>
<tr>
<td>---</td>
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<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Crops</td>
<td>Standing crops affected or loss of planned crop incomes</td>
<td>All PAPs regardless of legal status</td>
<td>When possible PAPs will be given enough time to harvest existing crops to avoid economic loss to them. Where not feasible, cash compensation for crops at full market current value in the locality will apply and will cover lost crops and lost harvests Permanently or temporarily, harvesting of standing crops will be permissible with no deduction made from compensation payment, a once-off compensation/lump sum will be paid for the loss of the standing crops, including for fields and food gardens that have been cultivated but the seeds have not yet germinated. Compensation shall also be paid to PAPs for interruption in crops cycle, if planting is delayed by subproject activities.</td>
<td>In addition to the compensation amount for crops, affected structure and facilities, PAPS will be provided with assistance covering: i) six-month income loss, ii) transition allowance, iii) provision for transportation costs, iv) provision for transaction costs. and, v) additional assistance or proportional deferential treatment if the PAP is in the category of vulnerable group</td>
</tr>
<tr>
<td>Trees</td>
<td>Trees affected</td>
<td>All PAPs regardless of legal status</td>
<td>Cash compensation at market rate of estimated annual/seasonal yields/harvest of the tree multiply by the number of seasons it will take for a nursery to mature</td>
<td>In addition to the compensation amount for the affected structure facilities and trees, PAPS will be provided with assistance covering: i) six-month income loss,</td>
</tr>
</tbody>
</table>
yielding; plus, the cost of planting and nurturing replacement trees (seedlings, inputs and labor)

The compensation and entitlement shall be based on the present age, productive life and the current market value of timber or other tree products, plus any transaction costs. Additionally, PAPs will be provided with three (3) replacement saplings per tree, in addition to compensation for production losses as defined above.

<table>
<thead>
<tr>
<th>Employment disruption /lost wages</th>
<th>Loss of work due to land take, land use change or loss of access</th>
<th>Employees of relocated farms and businesses, not living on premises</th>
<th>Compensation for lost wages (6 months or time needed to reestablish livelihood)</th>
<th>Assistance finding employment</th>
<th>Livelihood restoration to reestablish HH income streams</th>
</tr>
</thead>
</table>

### Allowances/Additional Assistsances

<table>
<thead>
<tr>
<th>All PAPs</th>
<th>Transport/transit ion costs</th>
<th>All PAPs to be physically relocated</th>
<th>Provision of allowance covering transport expenses and a livelihood expenses for the transitional period for 3 months equal to 3 months of minimum national wage subsistence income.</th>
</tr>
</thead>
</table>

| Vulnerable People Allowances | Vulnerable People Allowances | Persons below poverty line, single mother headed household, disabled or elderly, etc. as previously defined in this RPF | PAPs under vulnerable people category shall be assisted with allowance equivalent to 6 months of minimum national wage as well as assistance for income losses (rental, businesses, agricultural produces) and shall be given relevant differential treatments as it may be appropriate if he/she falls within vulnerable people categories and to any livelihood restoration assistance |

Temporary use of land
<table>
<thead>
<tr>
<th>Temporary use of land during construction</th>
<th>Lease of land for project purposes (e.g. camps, storage)</th>
<th>All PAPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary use of land or lease by the project shall be compensated as follow:</td>
<td></td>
<td>In addition to the compensation amount for the lease and affected structure and facilities, PAPS will be provided with assistance covering:</td>
</tr>
<tr>
<td>• Compensation equivalent to the net average income/value of agricultural production that would have been obtained from the land during the period of temporary acquisition.</td>
<td></td>
<td>i) six-month income loss,</td>
</tr>
<tr>
<td>• Restoration of the land to its original productive use or full compensation for the cost of restoration.</td>
<td></td>
<td>ii) transition allowance,</td>
</tr>
<tr>
<td>• Compensation for other disturbances and damages caused to property.</td>
<td></td>
<td>iii) provision for transportation costs, iv) provision for transaction costs. and, v) additional assistance or proportional deferential treatment if the PAP is in the category of vulnerable group.</td>
</tr>
<tr>
<td>• The holders of land occupied temporarily and exclusively by LEC/DoE or their contractors will be compensated according to the same principles as people whose land is permanently acquired by the Project, for the required duration of the exclusive occupation. Where private land is required by the Project for a period of less than three months, the holder of the affected land rights will be compensated in the form of a lump sum payment. The land will, as far as reasonably possible, be fully restored to its original condition before it is returned to the holder/authorities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Civil works Contractor will lease land required temporarily during construction. Lease rates to be paid</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
should be at current market rates, plus compensation for any loss of crops or trees at gross value of 2year’s harvest of crops on the affected lands and any removed or damaged assets or improvements. It is also required that lands (or other assets) be fully cleared and restored following use.

<table>
<thead>
<tr>
<th>Construction impacts not related to land acquisition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Houses, buildings, and structures permanently affected during construction.</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

In accordance with international good practice during resettlement, the process for determining compensation shall involve the following steps:

- identifying and registering assets and improvements (i.e. land, structures, crops, trees, irrigation infrastructure);
- deciding on the valuation method to be used to reliably ascertain the full replacement value (market value plus all transaction costs)
• conducting a census, socio-economic survey and asset register of affected people and their assets to determine who is eligible for compensation and entitlement categories (e.g. owners, tenants, informal occupants, resource users, etc.);

• identifying and valuation assets - which should be done in the presence of the affected owner or his/her mandated representative;

• determining what will be offered as compensation for the loss of land, assets, improvements and resources; (including identifying alternative assets especially land)

• presenting the compensation options (including relocation and livelihood restoration when impacts warrant) to affected persons or households and negotiating with them in order to reach agreement; and

• either signing a compensation agreement or registering that the persons in case they have rejected the compensation offer

The methodology underlying the valuation should be made known to all affected person in advance. The FRV/FRC methodology should be used and must be disclosed as required by the World Bank’s policy on involuntary resettlement.

The valuation must be conducted by a registered valuer in the presence of the asset owner or his/her representative. In cases where the owner of the asset rejects the valuation, the land/asset owner can request a review to be conducted by an independent valuer for comparison purposes. The cost of the second valuation is borne by the project proponent or developer.

Cash compensation will be the last-resort option. “Compensation in kind” will be preferred, e.g., land for land, house for a house, a tree for a tree rather than cash, or a combination of the two where possible without contributing to the impoverishment of the affected people.

Affected people’s entitlement to compensation and other forms of resettlement assistance is only determined once the nature of the impact and the type of interest that a community, a household, or an individual has in the affected asset are ascertained.

Once the value of the impacted assets has been determined, the compensation offer is disclosed to the persons who are entitled to compensation.

An accurate identification and valuation of impacted assets and their compensation value is best done once the following project information is available:
approved engineering design drawings and site lay-out maps at detailed design level;
• definition of the affected land i.e. temporary and permanent impact areas;
• a clearly demarcated project affected area;
• cadastral information overlain on an aerial image to identify affected land potions and owners; and
• a detailed inventory of affected assets and infrastructure.

The valuation process is considered as one of the most important opportunities for meaningful engagement with affected asset owners and users. It provides a valuable opportunity to develop a more in-depth understanding of the affected community as well as provide an opportunity to receive feedback from affected people regarding the proposed development during the valuation process.

Compensation “payments” whether in cash or kind will be made before asset acquisition or physical resettlement takes place.

For land, PAPs will be compensated in line with full replacement value (the market value plus all transaction costs). The compensation rates will be proposed to the PAPs to give them an opportunity to compare those with the prevailing market rates and consequently make a decision on their compensation. The replacement cost method will be used for valuation of affected assets. With regards to land and structures, “replacement cost” is defined as follows:

The proposed rates will be undertaken in line with the Land Act and its regulations which is governed by the Ministry of Local Government (Land Survey and Physical Planning) and in full compliance with OP 4.12 provision – full replacement costs principles. In view of this, calculation of compensation and resettlement assistance for impacted residential, public and commercial structures shall be based on the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structures, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors’ fees, plus the cost of any registration and transfer taxes. In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. All the above
will be undertaken in line with the Land Act and the OP 4.12 – the World Bank’s Policy on Involuntary Resettlement.

In addition, before finalization the entitlements require a process of public consultation and disclosure, OP 4.12 requires that displaced people must be informed of their rights and consulted on options. In addition to “consult project-affected persons, host communities and local nongovernmental organizations, as appropriate. Provide them opportunities to participate in the process of developing and implementing the procedures for determining eligibility for compensation benefits and development assistance”. Resettlement alternatives need to be presented to enable choices to be made by PAPs regarding options available to them, “including choices related to forms of compensation and resettlement assistance, to relocating as individual families or as part of pre-existing communities or kinship groups, to sustaining existing patterns of group organization, and to retaining access to cultural property (e.g., places of worship, cemeteries)”.

LEC currently has forms such as Annexure C, and Annexure D which can be adapted for use during the RAP development for loss temporary or permanent loss of land during planting of poles and accessing such sites. The PAPs sign in agreement after clear and objective discussions of the project, its impacts and the associated compensation. It is therefore recommended that the same forms be utilized for the project.

The type of losses to be incurred will be compensated in line with the WB entitlement framework. Each RAP will fully detail the impacts, entitlement options and preferred compensation for each of the PAPs.

7.2 UNIT OF ENTITLEMENT

The program will impact on a wide range of households, business operators, institutions and community members. However, these impacts manifest at individual and group level. A definition of the unit of entitlement is required. Examples include:

- For compensation against the loss of arable and residential land (the unit of entitlement is the landholder and those with usufruct rights);
- For resettlement assistance against the loss of arable and residential land the unit of entitlement is the affected Household
- For privately-held assets and resources – the unit of entitlement is the owner(s);
- For loss of employment – the unit of entitlement is the individual directly affected
- For livelihood restoration assistance – the unit of entitlement is a household and its members (it can also be an individual or a group or community). For example, where household subsistence and survival strategies may be disrupted through the loss of land or the relocation of business enterprises, loss of access to resources, etc., rehabilitation measures will be extended to the affected person and to adult household member or members including the household head to support the restoration and diversification of household income streams and livelihoods.
- For loss of communal assets (pastureland, medicinal plants, thatching grass, trees, river sand, etc.) and impeded/constrained access – unit of entitlement is the affected community through the Community Council (CC) represented by local authorities and by representatives of the directly affected households.
- For affected gravesites – the unit of entitlement is the affected household/family or community.

The unit of entitlement for other losses will vary depending on the category of affected individual/group.

7.3 Cut-Off Date to Entitlements

It is necessary to publicly declare a cut-off date to determine eligibility and thus entitlements to resettlement compensation and assistance for each subproject. A public notice of the date of the census cut-off-date shall be displayed and communicated directly to local authorities and interested parties. Measures to limit influx/encroachment in to project areas may be required.

Compensation cannot be claimed for new occupancy or new unauthorized structures constructed after this assessment procedure, and the cut-off date has been publicized. The onus will be on a person who is not recorded in the verification studies to prove that s/he qualifies for project entitlements. However, if sub project implementation is delayed by two years or more from the census cut-off-date necessary updates to the census and accommodations to compensate for temporary use restrictions will be needed and should be agreed with local authorities and the affected groups/persons.
CHAPTER 8: VALUATION METHODS

The objective of the asset valuation is to determine the current market value of the asset to be impacted plus transaction costs, so that the amount for compensation will be equal to that which can adequately enable the affected persons to replace the asset at the current full replacement cost.

"Replacement cost" is the method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account. For losses that cannot easily be valued or compensated for in monetary terms (e.g., access to public services, customers, and suppliers; or to fishing, grazing, or forest areas), attempts are made to establish access to equivalent and culturally acceptable resources and earning opportunities. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures necessary to meet the replacement cost standard. Such additional assistance is distinct from resettlement assistance to be provided under other requirements of OP4.12. If the residual of the asset being taken is not economically viable, compensation and resettlement assistance are provided as if the entire asset had been taken. The alternative assets are provided with adequate tenure arrangements. The cost of alternative residential housing, housing sites, business premises, and agricultural sites to be provided can be set off against all or part of the compensation payable for the corresponding asset lost.

Valuation of assets to be affected by the implementation of the LREEAP subproject activities will be assessed using the general principle of full replacement cost to be followed in the formulation of the compensation valuation. The valuation method shall follow the World Bank policy that lost income and asset will be valued at their full replacement cost (including any transition expenses and transaction costs) such that the PAPs should not be worse-off in comparison to his/her situation prior to the project or prior to resettlement, whichever is better.

Compensation and resettlement assistance to be paid/provided to PAPs will be calculated based on full replacement cost principles and the valuation method shall be: i) certified by independent certified valuer, ii) based on updated properties value rates reflecting the current full replacement cost of the affected property and, iii) compatible with international good practices and valuation principles. The calculations will be based on market rates. Each category of the assets has its own methods of valuation, and the exercises of valuation will be
based on appropriately established professional rates by relevant experts. Valuations will be certified by LAA or by an independent evaluator hired by LAA under TOR approved by the Bank. The unit compensation rates will be assessed by the team of valuators based on clear and transparent methodologies acceptable to WB.

**General Land and Assets Valuation**

Valuations of adjudicated and registered assets under each LREEAP sub-project will be carried out in accordance with OP 4.12 and the stipulations of the Land Act (2010), allowing for negotiations with affected property owners. The project is likely to affect the following types of assets:

(a) Physical assets such as buildings, land and other structures. This category covers valuation of land, buildings and related structures such as houses, toilets, kitchens, and bathrooms, temporary structures made of wood and metal and animal enclosures. The PIU or its Agent will calculate compensation amounts based on prevailing construction cost estimates for a given area. Construction costs estimates will be prepared by qualified quantity surveyors based on market data. Compensation will be paid based on these replacement cost estimates.

(b) Agriculture produce such as crops fruit trees, plantation crops, flowers. The valuation of people’s crops and trees at market prices will be undertaken by a team of relevant professional experts at District level. Additional expertise may come from Ministry of Agriculture and Food Security (MAFS) and Ministry of Forestry and Land reclamation (MFLR).

The project will adhere to World Bank requirement of fair market value for all assets, following OP4.12 requirement that “cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets”.c) Since the current compensation rates for land and assets acquisition established by LEC may not be in line with the OP 4.12 principles, the PIU will work with LAA to ensure their conformity with the O.P 4.12. The valuation of assets will be based on a compensation policy developed for the LRREEAP taking into account the experiences of on-going World Bank funded projects and approved by the Bank. These will be updated to include compounded inflation and other potential contingencies and any elements needed to conform to the principle of full replacement cost.
a) For agricultural land, the PIU will establish compensation rates, based on specialised studies involving key stakeholders such as commissioner of lands, LAA, representatives from potentially and currently affected communities and existing private land assessors /valuers. Such a study should ensure that such rates accord with the OP 4.12 (Involuntary Resettlement) and provide for full replacement cost for land with similar locational advantages and productive potential.

b) In the case of urban land and property where land markets exist, valuation will be carried out by an odd number of valuers (as stipulated in the Land Act of 2010), one of whom will be the Government valuer. 

c) In rural areas, valuation of lost assets will be made at their full replacement cost (equivalent reinstatement).

d) To ensure fair compensation, determination of compensation rates for individual entitlements will be done not more than six months prior to property acquisition. Rates for compensation items and allowances will be adjusted monthly for price escalation, using the Consumer Price Index (CPI).

e) Individual and household compensation will be made in cash, in kind, and/or through assistance. The type of compensation will be an individual choice although every effort will be made to instil the importance and preference of accepting in-kind compensation if the loss amounts to more than 20% of the total loss of subsistence assets.

**Methods for Valuating Affected Assets**

Determination of compensation value for loss of assets and other impacts associated to land acquisition and easement will be carried out by an odd number of valuers (as stipulated in the Land Act of 2010), one of whom will be the Government valuer. The valuations will be done in line with the requirements of OP 4.12 using the methodologies describe below:

**Replacement value:** The calculation of replacement costs of land and structures will be based on (i) fair market value at the time of dispossession, (ii) transaction/legalization costs, other taxes and fees

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7 Section 42 of the Land Regulations (2011) stipulates that one of the non-Government valuers should be appointed by the affected person and the other by an association of valuers. Where an association is not in existence, the valuer will be appointed by the acquiring authority or the authority in whose favour the land is being acquired or expropriated. The acquiring authority will be responsible for the payment of the work of the two non-Government valuers.
(iii) transitional and restoration (land preparation and reconstruction) costs, and (v) other applicable payments.

As part of the valuation process, the PIU will ask community councils and local authorities to identify replacement land that meets the qualitative requirements of lost land and is acceptable to resettled persons and host communities and to determine the costs for PAPs or the project to obtain the land. Where replacement land cannot be found locally, a value for monetary compensation shall be developed. Regardless of whether land is replaced in kind or with monetary compensation, valuation shall include the cost to prepare the land to a level similar to that of the affected land, plus the cost of land registration, including any applicable taxes.

Valuation of structures shall consider size and construction materials used. In determining replacement cost or design of replacement structures, depreciation of the asset and the value of salvageable materials shall not be taken into account.

**Valuation Principles**

- Valuation of land and assets shall consider the following:
  - Applicable current market prices
  - Loss of future income or value.
  - Applicable current local rates for land values obtained from LAA land, if available, up to date and relevant to replacement objective or more advantageous to PAPs
  - Applicable current rates for valuing structures, crops, and trees from local municipalities and LAA, if available, up to date and relevant to replacement objective or more advantageous to PAPs

The calculation of unit value will be done keeping in consideration the current market rate so as to meet with the replacement cost of the land and lost assets etc. Experienced odd number of valuers one of whom will be the Government valuer will undertake the valuation of land, structures, buildings, trees, crops etc. The approach of the evaluators will consider the assessment for each type of land and assets by location. The valuation should be done when detailed designs are available for the respective sub-project are available. This team of valuers will undertake site visits for physical verification of each category of the losses. The valuers will also consider the reference of previous valuation if available and use latest release of market survey. Based on this methodology the unit rate will be determined.
The methodology for assessing unit compensation values of different items is as follows:

**Structures**

Value of residential dwellings, commercial structures, and other affected structures (such as barns, fences, and outdoor cooking facilities) will be valued at replacement value based on construction type, cost of materials, type of construction, labour, transport and other construction costs. No deduction for depreciation and transaction costs will be applied. For the partial impact (if the loss is less than 15% then compensation is paid for the repair of the affected structure). Valuation of replacement dwellings shall include the cost of sanitation facilities. Valuation also shall include the cost of access to water supply and other services (such as electricity, sanitation) if the displaced structure had access or if the replacement location does not provide access.

Estimated costs shall be sought from PAPs and other local residents and from contractors and suppliers in the affected areas. These estimates do not include the cost of land. Incomplete dwelling units or units that have collapsed and are not in use shall be valued based on replacement cost of materials. Monetary compensation only, not in-kind replacement, shall be offered for such units.

**Houses and buildings:** The team of valuers will determine market value for assets. Replacement cost will be identified considering market valuation as well as cost of materials, type of construction, labour, transport and other construction costs. No deductions will be applied for depreciation, salvaged materials and transaction costs.

**Land**

Land: Market value + transaction costs, including any income taxes or VAT and registration fees. Agricultural Land will be valued at replacement rates according to two different methodologies depending on whether in affected areas active land markets exist or not.

a. Where active land markets exist land will be compensated at replacement rate based on a survey of land sales in the year before the impact survey.

b. Where active land markets do not exist land will be compensated based on the reproduction cost of a plot with equal features, access and productivity to the plot lost. A clear valuation methodology for these cases will be detailed in the RAPs.
For land in **urban and peri-urban areas**, valuation shall consider market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land. Values are expected to vary by region and specific aspects of the land. Replacement cost of land will consider additional applicable transaction cost like registration with LAA.

**Annual Crops**

**Crops**: All crops will be valued at gross market rates at the farm gate and paid for one year unless PAPs lose crops for more than a year in which case the number of years affected (or any fraction) will be paid. The PIU will contract an independent and impartial third-party specialist in agricultural land/crop values to identify market rates and value.

**Trees**: They will be valued based on the type of tree, its age and productive value. The PIU will engage the experts from the ministry of agriculture and forestry to establish a typical production amount with botanists and a unit value for the species existing in the area. Trees will be valued according to different methodologies depending whether the tree lost is a wood tree or a productive tree.

a. Wood trees will be valued based on age category (a. seedling; b. medium growth and full growth) and timber value and volume according to market references.

b. Fruit/productive trees will be valued based on age (a. seedling; b. adult-not fruit bearing; and c. fruit bearing). Stage (a) and (b) trees will be compensated based on the value of the investment made; stage (c) trees will be compensated at net market value of 1-year income x number of years needed to grow a new fully productive tree.

PAPs will also receive the necessary inputs (include labor or a corresponding allowance) to replace the trees including seedlings based on the survival rates for young trees of the species being replaced.

**Land valuation for easement** agreements shall use market value or net present value as explained above. Where easement agreements allow future use of land for cultivation of low crops, the compensation shall be reduced by the value estimated during land valuation process, when determining the monetary compensation to be offered. This compensation value is distinct from compensation for any trees or other crops that would be destroyed by initial use of an easement for construction. These crops would be compensated at full value.
Compensation for easement agreements will address land value lost because of prohibited future uses.

To ensure fair compensation and sufficient time for PAPs to decide and make future plans, LEC will establish compensation rates for individual entitlements at least six months prior to land acquisition. Rates for compensation items and allowances will be adjusted quarterly for price escalation, using the Consumer Price Index (CPI). Individual and household compensation will be made in cash, in kind, and/or through assistance.
CHAPTER 9: COMPENSATION AND RESETTLEMENT ASSISTANCE

9.1 The objective of compensation and resettlement assistance is to assist PAPs to restore their assets and livelihood at a minimum to the better of pre-project level or pre-resettlement level, if not better. Compensation payment to PAPs shall be in kind, land for land, cash or other assets given in exchange for the taking of land, or loss of other assets, including fixed assets thereon, in part or whole. Rates will be adjusted for inflation. PAPs will be compensated and assisted in line with the entitlement matrix shown in chapter 7 and in accordance the valuation methods/principles discussed in chapter 8 of this RPF. The preliminary compensation rates for replacement will be proposed to the PAPs to give them an opportunity to compare those with the prevailing market rates and local conditions, consider any related losses and expenses, and consequently make a decision on their compensation. All of the above will be undertaken in line with the Land Act and the WB OP 4.12.

9.2 The following criteria will guide the determination of the assets for which compensation will be provided in the categories of entitlements identified:

- Where the acquisition of a partially affected landholding might render the entire plot economically unviable, PAPs will be given the option of receiving compensation for both the lost asset and the remaining unproductive asset.
- Relocated households who can no longer access and use unaffected fields will receive full compensation for all fields.
- If acquisition of residential land does not directly affect residential structures, but leaves insufficient area for existing small-scale farming activities, options are:
  - alternative land of the same size adjacent to or in the vicinity of the house,
  - Alternative housing site with agricultural area of a size that permits relocation of the affected structures and resumption of the activities.
  - In all cases, reconstruction of structures/facilities, or payment of compensation at replacement cost.
  - If the area is sufficient for carrying out activities, compensation at replacement cost for the portion of land acquired (and any assets on it).
- For all households relocated to a project-designated resettlement site, provision with garden land of minimum size of 300 m², ready for cultivation.
- Assistance in gaining access to the project’s livelihood restoration (LR) program.
9.3 TEMPORARY LOSS OF CULTIVATION AND GRAZING LAND

This can be compensated through the following means and the forms annexed as C, D and E can be used:

- Cultivation land:
  - Compensation equivalent to the net average income/value of agricultural production that would have been obtained from the land during the period of temporary acquisition or leasing rates for similar land in the local market (if available), whichever is higher.
  - Restoration of the land to its original productive use or full compensation for the cost of restoration.
  - Compensation for other disturbances (including moving costs, etc.) and damages caused to property.
- The holders of land occupied temporarily by LEC/DoE or their contractors will be compensated according to the same principles as people whose land is permanently acquired by the Project, for the required duration of the exclusive occupation.
- Where private land is required by the Project for a period of less than three months, the holder of the affected land rights will be compensated in the form of a lump sum payment, otherwise payment’s will be made quarterly.
- The land will, as far as reasonably possible, be fully restored to its original condition before it is returned to the holder/authorities, and any permanent residual damages will be compensated.
- Leasing arrangements will be signed by the parties involved and supervised by LEC/DoE to ensure fairness and compliance of the contractor with all its obligations.

9.4 LOSS OF PRIVATE, PERMANENT RESIDENTIAL, RELIGIOUS AND BUSINESS STRUCTURES AND IMPROVEMENTS

This can be compensated through:

- Provision of replacement housing/business enterprise structure at agreed resettlement area or cash compensation at full replacement value for those electing to settle at a place of their choice;
- Cash compensation for full/partial loss of other improvements (e.g. fencing, kraals).
• Displaced households will receive a Housing Displacement Allowance. The allowance shall be agreed with PAPs during the consultation(s). Owners of displaced commercial establishments will receive a Business Displacement Allowance. The allowance shall be agreed with PAPs during the consultation(s).

• All costs for relocation will be paid for by the project in the form of an Evacuation Allowance or the project will provide transport and physical relocation. The allowance shall be agreed with PAPs during the consultation(s).

• Full compensation to those affected through loss of buildings/improvements in the short term, over construction period. They will be allowed to return to original sites on completion of the works, unless they have encroached on land owned by government in which case, they will receive resettlement assistance and if applicable vulnerability entitlements in accordance with the entitlement matrix.

9.5 LOSS OF RENTED ACCOMMODATION

An enumerated tenant who occupies rented accommodation and owners of rented properties in the project displacement area at the cut-off date will be eligible for a Rental Allowance and rental income loss (6 months period minimum). The six-month rental allowance shall be paid to the tenant who will also be entitled to assistance finding alternative accommodations and allowances including Housing Displacement, Evacuation any others as applicable and any business income losses if premises include business activities. The rental loss compensation shall be paid to the owner of the property for six months if the use interruption is equal or less than six months or the property is permanently acquired. If the property is not acquired and remains unavailable for rental use for longer than six months, the owner will receive additional compensation for the actual duration of the rental interruption.

9.6 LOSS OF CROPS

This can be done through cash compensation at market value as discussed above (form annexed as C and D can be used) for standing crop losses, whether permanent or for duration of temporary occupation and compensation for other disturbances and damages caused to property. However, construction works will as far as possible be planned to allow for harvesting of crops before land is acquired permanently or temporarily, harvesting of standing crops will be permissible with no deduction made from compensation payment, a once-off compensation/lump sum will be paid for the loss of the standing crops, including for fields and food gardens that have been cultivated but the seeds have not yet germinated. Compensation
shall also be paid to PAPs for the value of the lost crops corresponding to any interruption in crops cycle, if planting is delayed by subproject activities.

9.7 Loss of trees

The proposed compensation for loss of trees at corresponding market rates is as follows where forms annexed C and D can be used:

- Cash compensation for future production losses, at net present value calculated for the productive life of the fruit tree species. Trees not yet in production (saplings) compensated with lump sum based on an average market rate for saplings.
- For non-fruit trees, the valuation will be based on the present age of the tree, its productive life and current market value of timber/product.
- Provision of replacement saplings (3 per tree).
- Lump sum payments could be a set rate for individual trees or for a calculated area.

Owners of trees will be given advance notice of the option to remove their trees and will have rights to all resources from the trees. Community forests will be compensated in a transparent manner that involves the community and provides for proper representation and the development of social forestry programs will be encouraged as part of Livelihood Restoration activities in consultation with affected communities.

9.8 PUBLIC/COMMUNITY BUILDINGS/STRUCTURES AND IMPROVEMENTS

Affected public and community buildings and structures will be repaired to at least previous condition considering minimum safety and building standards or replaced – and the service preferably improved – in areas identified in consultation with affected communities and relevant authorities, in relocation villages/host areas or other sites.
9.9 CULTURAL HERITAGE RESOURCES

Cultural Heritage study which is to be undertaken during the preparation of the ESMP for witch subproject to identify archaeological/ paleontological sites, and constant monitoring during the construction phase by qualified cultural heritage specialists, to record any archaeological objects recovered as chance finds. The findings of the studies should feed into the community consultation process and compensation and resettlement model in the RAP to help account for any sites of cultural, recreational or religious interest for the affected communities.

9.10 GRAVEYARDS

Affected graves will be secured in place if possible and preferred by interested parties or exhumed and removed to a reburial site selected through a public consultation process, with all due ritual and ceremony, with the family concerned. Funds will be made available to affected families for reburial ceremonies and the cost of exhumation and reburial of graves will be borne by the project.

9.11 LOSS OF NATURAL RESOURCES

Permanent loss of pastureland will be compensated through replacement land-for-land in/near to relocation area or cash payment for land; natural plant material on that land (permanent): for brushwood, wild vegetables, medicinal plants, compensation will be determined by number of households affected; for individual agave/ aloe plants and reeds, cash compensation may be paid separately.

For temporary loss of access to pastureland and natural plant material on that land there should be compensation payment of a displacement allowance for the period access is denied/inhibited.

Alternative resources should be made available whenever possible and livelihood impacts considered and addressed. Full restoration of livelihoods will be provided when resource losses/restictions are permanent.

9.12 IMPEDED/CONSTRAINED ACCESS TO FACILITIES, SERVICES AND SOCIAL NETWORKS

Measures to enable temporary access and restore access or replace facilities, including construction of new roads/improvement of existing roads in project area and restoration of access through reconstruction/ replacement of any lost bridge/causeway.
9.13 SPECIAL CONSIDERATIONS RELATED TO LIVELIHOODS FOR VULNERABLE GROUPS/INDIVIDUALS

Special attention will be paid to vulnerable groups defined as defined in Chapter 3 and for whom loss of land/property/income sources, even if partial or temporary, could lead to further hardship. To ensure that resettlement or economic displacement does not further exacerbate the vulnerability of these groups, additional assistance, such as special access to health centers, opening of bank account, helping to process documents relevant to their compensation payment will be provided for their households; reasonable accommodations for disabilities, social support services (particularly for orphans and elderly people) will be provided. LEC is responsible for these tasks and committed to carrying them out as stated in this paragraph. Throughout project implementation, special support measures will be taken to prioritize the needs of vulnerable persons and groups in accessing the resettlement and livelihood solutions provided by the Project. Livelihood program activities will give priority to these households by offering advice on alternative subsistence and livelihood strategies and providing targeted assistance to enable them to gain access to the project’s LR programmes. For individuals or Households unable to access such programs or restore their livelihoods, Government social support programs will be activated.

9.14 INVENTORY OF AFFECTED ASSETS

The Asset surveys will record information on the acquisition of assets, providing an inventory of land, including type, ownership and size, occupancy and use, the crops and trees on that land, and fixed assets, such as housing, business and other structures affected as well as public infrastructure and services affected by the land acquisition and land use changes required to implement the Project. It will comprise a comprehensive inventory of all those affected and the compensation amount, including not only the owners of the land or assets, but others who occupy, reside or work in homesteads or businesses, or on the land, including tenants, renters and workers/employees, as well as users who are non-rights holders. It will also encompass areas of common use or community use/control. The whole process needs to be rooted in the broader public consultation and disclosure of information campaign, informing people of what is happening each step of the way, and offering an opportunity for raising and discussing issues.

1.1 9.15 Alternative to Land Acquisition - Voluntary Land Donation
In some cases, individuals may choose to voluntarily contribute land or assets without compensation. This can often be justified because the school may provide a direct benefit to the affected people. The following requirements will need to be met for voluntary land donation to be considered as per OP4.12:

a) the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them;
b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation;
c) the amount of land being donated is minor (less than 20%) and will not reduce the donor’s remaining land area below that required to maintain the donor’s livelihood at current levels;
d) no household relocation is involved;
e) donor is expected to benefit directly from the project; and
f) for community or collective land, donation can only occur with the consent of individuals using or occupying the land.

The local community (including the CC) will assure that voluntary contributions are made with the prior knowledge that other options are available including compensation at replacement value and are obtained without coercion or duress. PAPs have the right to refuse to donate assets and receive their entitlement and compensation for their land and assets lost. They will be fully informed of their rights and access to grievance mechanisms described in this RPF. In addition, land donation will not be accepted from vulnerable households who may be negatively impacted as a result of such donation.

Vulnerable households refer to those who may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project’s benefits. Such an individual/group is also more likely to be excluded from/unable to participate fully in the mainstream consultation process and as such may require specific measures and/or assistance to do so. Examples of such vulnerable groups include:

- very poor households (this would include households that receive Social Protection Payments from the Government);
• the elderly;
• people living with disabilities;
• Chronically ill including HIV/AIDS affected persons
• widows/female headed households
• orphans/ child headed households;
• those with small land plots or land plots with low productivity potential;
• the youth; and
• minority groups.

Requirements for voluntary land donations are as follows:

- The voluntary contributor has been informed of compensation options;
- The voluntary contributor has written a letter of confirmation to the village government; and
- Due diligence will be conducted

These Voluntary Land Donation provisions ensure that due diligence will be conducted on each sub-project to assess the social safeguards status of a proposed sub-project and confirm that requirements for voluntary land donation, outlined above, have been met. If the voluntary land donation-related criteria are not met, then alternative project locations and/or the provision of compensation will be considered. The Land Donation Protocol and Agreement Form is attached as Annexure J.

1.1.1 Procedure on Voluntary Land Donation

The following procedure will be followed by Project to demonstrate that land is being donated voluntarily in line with the requirements of OP4.12:

(i) Due Diligence.

The voluntary land donation due diligence will be documented as part of the sub-project preparation documents and will incorporate at a minimum the following:

a) Verification and documentation that land required for the project is given voluntarily and the land to be donated is free from any current users, dispute on ownership or any other incumbrances;
b) Verification that the owner has been consulted with, understands their rights (including refusal and right to compensation) and is entering into the donation willingly;

c) Verification that no individual household (including land users without title) will be impoverished by the land donation as the amount of land to be donated is minor (less than 20%) and that if needed livelihood restitution measures such as sharing/provision of cultivable land would be provided;

d) Verification that there will be no physical displacement undertaken;

e) Verification that land donation will not displace tenants, squatters or bonded labour, if any, from the land;

f) Meaningful consultation has been conducted in good faith with all potential land donors and any land users other than the donors. Documented verification that land donors are in agreement with the sub-project and its benefits. Separate discussions to be held with women as required to facilitate meaningful participation; and

Assurance that a community mechanism for project activity implementation is operational and has a fair system of grievance redress, as well as a system for project monitoring and reporting.

(ii) Documentation

The PIU along with the respective CC will document the voluntary land donation due diligence report. They will ensure completion of the written consent form for land donation (see sample in Annexure J). The voluntary land donation due diligence information will be verified during sub-project detailed design and updated as necessary.

(iii) Voluntary Land Donation Monitoring.

The voluntary land donation issues will be monitored by the DOE and LEC TUs and the PIU. The World Bank will review all the land donation agreement forms to approve the use of the land in the Project prior to implementation of the sub-project.
Delivery of Entitlements

A computerized database of all information acquired through the Asset, Census and Socio-Economic surveys, and the inventories of assets as outlined in the previous chapters, will be required, not only for each affected PAP, household and business enterprise, but also for affected communities. This will enable the development of Compensation Packages in accordance with the entitlements defined in this RPF and OP4.12 for implementation, and a record of the status of implementation of such packages.

The following principles will apply to the notification of acquisition of land and associated assets, and the delivery of entitlements:

- Affected people must understand and agree to the compensation offered. PAPs should sign off on and receive documentation describing all benefits to be provided by the RAP and then should sign off on delivery of all elements including compensation, assistance and livelihood restoration.
- The Developers (LEC and DoE) will not take possession of any private property prior to the full payment/delivery of compensation entitlements and, where applicable, implementation of relocation arrangements and initiation of rehabilitation measures.
- The project will ensure that displaced households and business enterprises have access to replacement structures prior to their evacuation, through appropriate and sufficient advance compensation and allowance payments or other forms of relocation assistance.
- Acknowledgement of receipts of compensation will be issued to each entitled person, who will be required to sign an acknowledgement of their acceptance of the compensation amount as in line with their agreed Compensation Package.
- Affected people must be informed of the grievance appeal mechanisms available through the project.
- Any government taxes and duties related to the acquisition and registration of affected and new assets will be the responsibility of the project.
- Payment of compensation will be through means acceptable to those affected. The Project may acquire the services of a local bank to assist with payments and will assist the affected population in obtaining cash compensation through this bank.
- The importance of promptness in compensation payment is underlined, and principles need be established by LRREAP should delays occur. It is recommended that compensation be adjusted for actual inflation on quarterly basis; that is, one year from
the completion of the initial asset assessment. This will encourage implementation of
the RAPs close to approval date, and an accompanying prompt payment of cash
compensation due.

- If delays occur to RAP implementation, an addendum to an existing RAP may be
developed. However, if a maximum of two years passes without the RAP being
approved or implemented, a new RAP will be required with all related requirements
and updated, including a revised cut-off date and census, and asset verification and
valuation.
CHAPTER 10: GRIEVANCE PROCEDURE

It is inevitable that some groups of people will be negatively impacted by the project activities. The impacts will therefore need to be managed promptly to avoid unnecessary tensions and conflicts.

Grievance Redress mechanism is a critical component of the project cycle as it is related to citizen feedback, incorporation of community consultation, concerns and complaints about the project’s environmental and social performance and engagement especially where it is anticipated that a project’s planning, construction and operations will involve ongoing risk and adverse impacts on surrounding communities. Thus, the project GRM will include issues related to environmental, involuntary resettlement and social issues that will arise during project implementation.

The grievance mechanism should be scaled to risks and adverse impacts of the project, address concerns promptly, use an understandable and transparent process that is culturally appropriate and readily accessible to all segments of the affected communities, and do so at no cost to communities and without revenge (IFC Good Practice Note Addressing Grievances from Project-Affected Communities, 2009). The strategy proposed will promote involvement of the lowest level authorities and use of customary based systems as recommended by both the International safeguard policies and the national legislation. The strategy will also be a combination of the legal requirements and socially/customarily acceptable practices.

This procedure is also drafted to ensure that the project is proactive in terms of addressing PACs or PAPs complaints or concerns. It is important that the grievance procedure drafted is trusted and responsive to the community needs. It should be simple and easy to implement and in line with their current/local procedures such as culturally appropriate, easily accessible, affordable and transparent.

10.1. OBJECTIVES OF GRIEVANCE REDRESS

The objectives of the grievance resolution mechanism will be:

- To create a mechanism through which PAPs can communicate their dissatisfaction or grievances
To create a mechanism through which the project will be able to accommodate all the complaints
To create a mechanism through which the project will systematically, promptly and exhaustively respond to peoples’ concerns
To create an avenue through which the PAPs and the project can together solve problems and handle issues arising from the project
To create a mechanism in which the project will ensure that all complaints are promptly and adequately attended
To create a mechanism for citizen feedback on compensation and resettlement issues as well as broader social and environmental issues emanating from the project.

10.2 DEVELOPMENT OF GRIEVANCE PROCEDURE

All communities in Lesotho already have their own community-based systems for grievance redress, which is often done through local traditional authorities such as chiefs and local community councilors/representatives including women. These systems have proved to be effective. It is therefore proposed that wherever possible, the project related grievances should be resolved through the existing community-based systems for grievance resolution and this will be established during the development of the RAP. However, not all cases will be resolved within the traditional system, so other higher authorities have been proposed to follow up on the unresolved cases such as upscaling the issue to the project management unit or the formal judicial systems. The judicial system will be used as a last resort. The proposed grievance redress system will target cases involving the project and facilitate access to vulnerable groups taking cognizance of the gender issues as well. The guiding principles to be followed during grievance resolution will include but not limited to the following: fairness, accessibility, respect of human rights, compliance with national regulations, consistency with standards, equality, transparency honesty and respect for each other among others.

10.3 GRM PROCESS

Based on the above, some procedures have been proposed. It should however be noted that his strategy can be adjusted depending on the site-specific conditions.
This RPF recognizes that grievances may arise as fallout of the involuntary resettlement implementation. It therefore, creates a platform and procedure for effective handling of complaints and grievances that is aimed at avoiding lengthy litigation which may mare or delay project implementation and objective.

10.4 FUNCTIONAL GRIEVANCE REDRESS COMMITTEES (GRCS)

The first port of entry is the grievance redress committees (GRC) which will be composed by representatives of stakeholders affected. A functional GRC will be established in each subproject by the LREEAP PIU incorporating the use of existing local grievance redress processes available in the community and in the DoE/LEC for addressing disputes that may result from this project. The committees will be able to address people’s concerns and will be linked to the overall project to allow people to appeal upwards even to the legal courts of law. The GRC will have a set time (28 days as shown in figure 12 below) from receipt of the grievance to act upon it. The proposed GRC structure is as follows:

a. The Chief; Chair person
b. The Community Council Chairperson; Member
c. The Social and Environment Safeguards Officers (LREEAP PIU), Member;
d. PIU Project Manager, Member
e. The LEC Environment Officer, Member (For component under LEC)
f. The DoE Environment Officer, Member (For Component under DoE)
g. Community Participation and Liaison Officer (CPLO), Member
h. PAPs’ representatives (men, women, youth, minorities, etc.). Number and selection process to be agreed with PAPs.

It is also recommended that in the formation of the GRC, the community and national bodies handling resettlement and livelihoods restoration issues/activities be represented in the committee.

The Project PIU (LEC and DOE) will ensure that the following grievance procedure is accessible to all stakeholders and project affected people, adequately registered and tracked, and resolution is affirmed as outlines in the figure 12 below.
10.5 PROJECT MANAGEMENT LEVEL

When one party is not satisfied with the decision at the GRC level, one can appeal to LEC/DoE. The Complaints can be lodged directly to LEC/DoE, using the grievance resolution form in annexure F. The PIU/Ministry will utilize the services of an independent evaluator or monitoring team which will advise LEC/DoE on the nature and merit of the claim in the context of the respective RAP, this RPF and any applicable Project policy or local law in a manner consistent with OP4.12. This will ensure impartiality in the grievance redress system.

A PIU level GRC will also be formed comprising, in principle, of the following:

a. General Manager, Chair person
b. LEC TU Project Manager, Member (LEC LREEAP component)
c. DoE TU Project Manager, Member (DoE LREEAP component)
d. Legal Compliance Officer, Member
e. LREEAP Environment and Social safeguards officer, Member
f. Safety Health Environmental Risks and Quality Manager
g. PAPs Representative (an NGO or similar entity selected in consultation with PAPs in several communities).
A system of anonymous grievance reporting will also be established by allowing PAPs to complete the grievance redress form and send it to the PIU – also by making a phone call.

### 10.6 FORMAL COURTS

Affected party may seek legal action if grievance is still not resolved. Formal courts include magistrates, High Court of Lesotho and Supreme Court of Lesotho. These courts handle both civil and criminal cases. In regard to complaints and cases during the proposed resettlements, households with complaints bordering on compensations and criminal cases will have opportunity to take cases to these courts for review and determination on course of action. Such cases may include review of amount of compensations, cases of theft of valuable property as well as beating each other. Magistrate courts are located across the country and this would help project affected people to access the services of these magistrates in case such needs arise.

### 10.7 ADDITIONAL GRM CHANNELS

Besides the proposed project GRM, aggrieved persons can also employ additional channels to air their complaints. These include the World Bank Grievance Redress System (GRS) and the inspection Panel:

i. **The World Bank’s Grievance Redress System (GRS)**

   The World Bank’s Grievance Redress System (GRS) provides an additional, accessible way for individuals and communities to complain directly to the World Bank if they believe that a World Bank-financed project has or is likely to have adverse effects on them or their community. The GRS enhances the World Bank’s responsiveness and accountability by ensuring that grievances are promptly reviewed and responded to, and problems and solutions are identified by working together. The objective is to make the Bank more accessible for project affected communities and to help ensure faster and better resolution of project-related complaints. For information on how to submit complaints to the World Bank’s corporate Grievance Redress Service (GRS), affected should visit [http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service](http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service).

ii. **The Inspection Panel**

   The Inspection Panel is an independent accountability mechanism of the World Bank. The Panel provides a forum for people who believe that they may be adversely affected by Bank-
financed operations to bring their concerns to the highest decision-making levels of the World Bank. The Panel determines whether the Bank is complying with its own policies and procedures, which are designed to ensure that Bank-financed operations provide social and environmental benefits and avoid harm to people and the environment. For information on how to submit complaints to the World Bank Inspection Panel, affected persons should visit www.inspectionpanel.org.

The following steps will be followed when managing a grievance under LREEAP and observed during the development, implementation and monitoring of the RAPs/ARAPs:

a) **Publicizing Grievance Management Procedures**: Guiding principles for publicizing a project’s grievance mechanism should be in line with cultural characteristics and accessibility factors and the information to be publicized include:

- What project-level mechanisms are (and are not) capable of delivering and what benefits complainants can receive from using the developer’s grievance mechanism, as opposed to other resolution mechanisms;
- Who can raise complaints (affected communities);
- Where, when, and how PAP/PAC members can file complaints (see points of access below);
- Who is responsible for receiving and responding to complaints, and any external parties that can take complaints from the PAC/PAP;
- What sort of response complainants can expect from the developer, including timing of response;
- What other rights and protection are guaranteed.

b) **Receiving and Keeping Track of Grievances**: Once PAC/PAP are aware of the mechanism and access it to raise grievances (at all levels), the LREEA project Social safeguards officer will process them.

Processing includes: 1) collecting grievances; 2) recording grievances as they come in through a grievance log or a database; 3) registering them in a central place; and 4) tracking them throughout the processing cycle to reflect their status and important details.

The points of access for grievances will be shared as part of consultation with all PAPs and through broader community and stakeholder consultations. The PIU’s Social safeguards...
officers will serve as the focal point for registration of any resettlement related complaints coming from each subproject or community council and oversee the process to reach resolutions.

When a grievance is logged by the Social Safeguards Officer, the Officer will acknowledge the complaint, unless the issue is logged anonymously. If the issue is registered anonymously it will be automatically referred to the PIU Coordinator. Upon registration, the Social Safeguards Officer will refer the issue for resolution or mediation to responsible parties within the Subproject or Project structure and inform management. The aim is to resolve all grievances within four weeks. Any grievance which is not resolved within that timeframe will be reported in detail in monthly Project Unit report and quarterly reports to the World Bank. All other grievances will be aggregated to track trends for managerial response.

**Grievance Log**

The Social safeguards officer in DoE and LEC will ensure that each complaint has an individual reference number and is appropriately tracked and recorded as actions are completed. The log will contain record of the person responsible for an individual complaint, and records dates for the following events:

- Date the complaint was reported;
- Date the Grievance Log was added onto the project database;
- Dates of important events: investigation, interviews, etc.
- Date information on proposed corrective action sent to complainant (if appropriate);
- The date the complaint was closed out; and
- Date response was sent to complainant.

c) **Reviewing and Investigating Grievances:** For a grievance mechanism to work, all complaints should be handled as promptly as possible, depending on the nature and complexity of the matter. The LREEAP Social safeguards officer in DoE and LEC who will be responsible for grievance handling should organize the process to validate the complaint’s legitimacy and arrange for investigation of details. The investigation team will be representatives of the GRC who will be appointed by the project coordinator based on the grievance at hand. In undertaking the investigation, the following should be considered:
- Involve senior management because extensive investigations are usually needed in more complex and severe cases, senior management should be fully informed and should assign responsibilities and time frames for handling investigations;

- Appoint the right investigation team. If an investigation team is formed internally, make sure there is no conflict of interest—that is, people investigating grievances should have no material, personal, or professional interest in the outcome and no personal or professional connection with complainants or witnesses; Use outside experts when needed.

- Develop clear tasks and responsibilities that an investigation is expected to achieve. Investigators would be expected to develop an investigation plan, assess the needs for safety and confidentiality, collect evidence, and produce an investigation report.

- Conduct meetings with complainants and visit the site. Site visits and inspections are useful for a grievance resulting from a physical incident. Gathering physical evidence of the complainant’s story may help clarify the particular circumstances of the incident.

d) Developing Resolution Options and Preparing a Response: Once the grievance is well understood, resolution options can be developed taking into consideration PAC/PAP preferences, project policy, past experience, current issues, and potential outcomes.

e) Monitoring, Reporting, and Evaluating a Grievance Mechanism: monitoring and reporting can be tools for measuring the effectiveness of the grievance mechanism and the efficient use of resources, and for determining broad trends and recurring problems so they can be resolved proactively before they become points of contention. Monitoring helps identify common or recurrent claims that may require structural solutions or a policy change, and it enables the company to capture any lessons learned in addressing grievances.

f) Gender considerations:
Equal rights are given constitutionally to men and women in Lesotho, and it is appealed to project developers to develop sustainably by taking into consideration special needs of women and other vulnerable groups during the RAP preparation and implementation. The project therefore, must consider gender as part of the vulnerability profile to ensure that resettlement activities enhance gender equality. The starting point is to address any potential gender imbalance as part of the public consultation, to ensure that no critical perspectives are lost or ignored during preparation. Each sub-project ESIA will provide detailed gender analysis that will provide further guidance and focus to ensure that the resettlement activities are conducted in a gender sensitive and inclusive manner. Any person (including vulnerable and disadvantaged groups) who considers himself/herself to have been adversely affected by the Project may request in writing (using the GRM form and the grievance resolution form in Annexure E) or verbally that his/her claim be reviewed in accordance with the procedures and time frames for operation of the GRM as described above.

General inquiries can also be sent directly to the LAC/PIU at

[CONTACT INFO]
CHAPTER 11: MONITORING AND EVALUATION

Monitoring and evaluation is an important part of the RAP that enables assessment and reporting on the effectiveness of the implementation of RAP, and particularly the application of mitigation measures. This includes asset acquisition, disbursement of compensation, physical progress with land resettlement and rehabilitation activities, effectiveness of consultation and participation, and the sustainability of livelihood restoration efforts.

The main objective of implementation of RAP as a tool to be monitored, is to improve or at least restore the social and livelihood resources of the PAPs to their pre-project level. The process of implementation should ensure that this objective is achieved over a reasonable and agreed time with allocated resources. Therefore, monitoring of the process of updating RAP, its implementation and delivery of institutional and financial assistance to the PAPs must be designed as an integral part of the overall functioning and management of the Project. Resettlement activities in the project will be regularly supervised and monitored by the Project PIU in conjunction with the community. The project PIU will ensure the timely execution of monitoring and evaluation indicators (process, delivery and impact indicators) of land acquisition and resettlement tasks. Moreover, the purpose of the monitoring and evaluation is to provide feedback to all stakeholders on progress made in view of a timely and comprehensive implementation of the RAP and to identify problems as early as possible to facilitate well-timed adjustment of implementation arrangements.

In summary, the objectives of M & E are to:

- Ensure that the standard of living of PAPs are restored or improved;
- Ascertain whether activities are in progress as per schedule and the timelines are being met;
- Assess whether the compensation, rehabilitation measures are sufficient;
- Identify problems or potential issues; and
- Identify methods to rapidly mitigate problems

11.1 PHASES OF MONITORING AND EVALUATION

The LREEAP project monitoring process will be conducted in three phases which are internal, external and completion audit.
11.2 INTERNAL MONITORING

Internal monitoring will be carried out routinely by LREEAP PIU either directly or through the Local RAP monitoring Consultant. The results will be communicated to the WB through the established reporting whereby there will be a section on reporting progress of resettlement/land acquisition cases. Specific monitoring benchmarks will be:

- Status of land acquisition and payments on land compensation;
- Census, assets inventories, assessments, and socio-economic studies completed;
- Compensation for affected structures and other assets;
- Relocation of PAPs;
- Public meetings held;
- Functioning of grievance redress procedures and the resolutions made;
- Income restoration and development activities initiated;
- Monitoring and evaluation reports submitted.

The above information will be collected by PIU through the following instruments:

- Review of census information for all PAPs;
- Consultation and informal interviews with PAPs;
- In-depth case studies;
- Sample survey of PAPs;
- Key informant interviews; and
- Community public meetings.

11.3 EXTERNAL MONITORING

The World Bank will perform external monitoring from time to time. In addition, to verifying the reports generated by internal monitoring, external monitoring will:

- Evaluate the social and economic impact of resettlement on the PAPs;
- Verify if the objective of enhancement or at least restoration of income levels and standards of living of the PAPs has been met; and
- As needed, provide suggestions for improvement of resettlement implementation to ensure achievement of the principles and objectives set forth in this RPF and respective RAP.

The following are main indicators for the investigations to be carried out in this external monitoring phase:
• Socio-economic conditions of the PAPs after project implementation;
• Communications and reactions from PAPs on entitlements, compensation, options, alternative developments and relocation timetables;
• Changes in housing and income levels;
• Socio-economic conditions of Informal land owners;
• Effectiveness of property valuation for rehabilitation purposes;
• Effectiveness of Grievance procedures;
• Level of satisfaction of PAPs in the post resettlement period.
• Level of income of PAPs after implementation of livelihood restoration measures.

11.4 COMPLETION AUDIT

The Monitoring and Evaluation program must be developed to an extent that a Completion Audit can be performed by an independent consultant at the end of the project’s resettlement program.

The OP4.12 emphasizes that a completion audit is undertaken to determine whether the “sponsor's efforts to restore the living standards of the affected population have been properly conceived and executed”. It further indicates that the audit should verify that all physical inputs committed in the RAP have been delivered and all services provided (all mitigation measures have been substantially completed and once displaced persons are deemed to have been provided adequate opportunity and assistance to sustainably restore their livelihoods). In addition, the audit should evaluate whether the mitigation actions prescribed in the RAP have had the desired effect”. It also emphasizes that the completion audit should be undertaken once. It is recommended that the completion audit will be undertaken by competent and independent resettlement professional once the agreed monitoring period is concluded, and it should involve a more in-depth assessment than regular resettlement monitoring activities, including at a minimum a review of the totality of mitigation measures with regard to physical and/or economic displacement implemented in order to ascertain objectivity and achievement of LREEAP RAP objectives.

The overall aim of the Audit will thus be to verify that all resettlement implementation activities have been undertaken in compliance with the objectives and principles of the LREEAP and in particular this RPF and the RAP/ARAPs for both resettlement and livelihood restoration.
Specific aims of the Audit will be to:

- Confirm that all physical and monetary inputs have been delivered;
- Confirm all outputs achieved under the program; and
- Assess whether the outcomes of the program have had the desired beneficial impacts.

The Audit will assess whether the criteria for completion of resettlement and livelihoods restoration implementation have been met in accordance with the objectives of OP4.12 and describe any outstanding issues that require attention prior to the closing of a sub-project’s resettlement program.

### 11.5 MONITORING AND EVALUATION INDICATORS

In any project, there are indicators which will show when milestones have been achieved in a project and the LREEAP is not an exception. The following are the recommended indicators for this project:

**Output Indicators**

Output indicators measure the quantity (and sometimes the quality) of the project, through the use of inputs. Depending on the project, these can include such element as:

- Number of households electrified;
- Number of people compensated;
- Sizes of land acquired;
- Number of PAPs benefitting from livelihood restoration

**Impact Indicators**

These indicators are about measuring change since they will assist LREEAP PIU to measure the extent to which the project objectives and goals have been achieved. These can include:

- Number of households whose livelihoods/income streams have been restored or improved
- Economic levels better off or improved by project
- Electrification of project affected areas
- Living conditions of PAPs restored or improved
  - Quality of housing and related services/infrastructure
  - Nutritional/health status
- Access to education/children enrollment
- Access to services and markets (time of travel)

**Sustainability Indicators**

These measures and assess the long-term sustainability of elements of a project. Table 8 below indicates the different types of indicators that should be used in this project. It must be noted that each project component must have indicators that it will be relevant and measurable, and the RAP will be the base for that and mainstreaming of gender and vulnerable groups of stakeholders. Each RAP/ARAP will include at a minimum a set of key Performance indicators to evaluate achievement of its key objectives as outlined above in 11.3, for which baseline data will be included in the socio-economic survey.

**Table 8: Different indicators that can used.**

<table>
<thead>
<tr>
<th>Resettlement component</th>
<th>Indicator</th>
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| Land                   | Acquisition of land  
  - Area of cultivation land acquired for the project - public, private, communal 
  - Timely acquisition of land |
| Buildings/Structures   | Acquisition of buildings  
  - Number, type and size of public, private, communal buildings acquired 
  - Number, type and size of other public, private, communal structures acquired |
| Trees and Crops        | Acquisition of trees  
  - Number, type, ownership of private productive trees acquired, by area |
|                        | Destruction of crops  
  - Number, type, ownership of crops destroyed, by area |
| Compensation, Re-    | Compensation and re-establishment of PAP household  
  establishment and Livelihood Restoration/ Improvement (LRI) |
|                        | - Number/register of PAP assets (buildings, land, trees, crops) 
  - Number/register of businesses affected (buildings) 
  - Number/register of PAP compensated by type of loss; amount compensated 
  - Number/register of PAP classified as vulnerable 
  - Replacement residential land: location, size, access to services 
  - Number of replacement houses/business structures constructed 
  - Size, construction, durability and environmental suitability of replacement houses/business structures 
  - Water supply and electricity access 
  - Physical relocation of PAP households into replacement structures |
<table>
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<tr>
<th>Resettlement component</th>
<th>Indicator</th>
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| Re-establishment of community resources| • Number of community buildings replaced  
• Size, location of pasture/rangeland lost, replaced |
| Re-establishment of public resources   | • Number, type of public structures acquired  
• Number, type of public services re-established |
| PAP LRI                                | • Replacement landholding size, area cultivated and production volume/value, by crop (cash and subsistence crops), and status (tenure)  
• Changes to livestock ownership: pre-, post-disturbance  
• Employment status of economically active members, and skills of household members, by gender  
• Number of project-affected household members trained in project-related training courses, by gender  
• Earnings/income by source, other than compensation payments, by gender  
• Changes to income-earning activities (agriculture and non-agricultural) pre- and post-disturbance, by gender |
| Social/Demographic                     | Changes to project-affected household structure  
• Household size (births, deaths, migration in/out)  
• Age distribution  
• Gender distribution  
• Household head, and related relationships  
• Status of vulnerable households  
• Residential status of household members (place and residence of homestead members) |
| Changes to access                       | • Distance/travel time to nearest school, health center, shop, market for purchase/sale of goods, and churches |
| Changes to health status                | • Nutritional status of resettled household members  
• Number of people with disease, by type  
• Mortality rates  
• Access to health care services (distance to nearest facility, cost of services, quality of services)  
• Disease prevention strategies (e.g. HIV/AIDS programs)  
• GBV reported cases & referrals |
| Changes to educational status           | • Literacy, educational attainment of project-affected household members  
• School attendance rates (age, gender) |
<table>
<thead>
<tr>
<th>Resettlement component</th>
<th>Indicator</th>
</tr>
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</table>
| Access to number, type of educational establishments | • Participation in project-related activities and enterprises  
• Participation in project-related training programs  
• Landholding status  
• Use of credit facilities  
• Income-earning capacity  
• SEA/SH reported cases & referrals |
| Changes to status of women | • Access to number, type of educational establishments |
| Changes in social organization | • Organizational membership of household members  
• Leadership positions held by household members, by gender |
| Consultation | • Establishment of project institutional base e.g. RWG, GC  
• Composition of committees, by gender; ToR  
• Number and dates of committee meetings; attendance at committee meetings, by gender  
• Number of committee members trained, by gender; type of training  
• Involvement of government, NGOs  
• Establishment of Project Information Office  
• Employment of CPLO and CLOs  
• Production of material for distribution of information |
| Consultation | • Establishment of project institutional base e.g. RWG, GC  
• Composition of committees, by gender; ToR  
• Number and dates of committee meetings; attendance at committee meetings, by gender  
• Number of committee members trained, by gender; type of training  
• Involvement of government, NGOs  
• Establishment of Project Information Office  
• Employment of CPLO and CLOs  
• Production of material for distribution of information |
| Management | • Staffing component of LREEAP for the project  
• Number, function of implementing agencies |
| Institutional development | • Staffing component of LREEAP for the project  
• Number, function of implementing agencies |
| Procedures in operation | • Census and asset verification/quantification procedures by gender  
• Effectiveness of compensation delivery system  
• Number of land transfers effected  
• Co-ordination between project-related structures and government agencies/LREEAP |
| Grievances | • Employment of GO  
• Creation of GC, composition, ToR  
• Development of Grievance Mechanism  
• Development of Grievance database  
• Status of cases |

Source: LLWDP RPF, 2018

11.6 MONITORING AND EVALUATION REPORTING
It is important that each and every finding of monitoring and evaluation is documented in a form of a report and submitted to the stakeholders (PAPs, PACs, WB and other relevant stakeholders) for purposes of assessing adherence to the RAP and achievement of the project objectives. The purpose of a project monitoring and evaluation report is basically to provide information to assist stakeholders in comparing performance against plans so that current or potential problems can be identified and analyzed and to:

- Document completion of project activities;
- Identify significant deviations from plans;
- Reveal problems to appropriate stakeholders;
- Assist in corrective decision-making;
- Monitor implementation of corrective actions;
- Identify shortcomings of existing management and monitoring systems;
- Provide information for coordination of national development programmes;
- Provide reference material for planning of subsequent projects; and
- Provide information for future evaluators.

However, it should be noted that the potential limitations of project monitoring and evaluation report include the following if not undertaken correctly:

- They tend to focus on a pre-determined set of data for information.
- The attitude of the persons doing the reporting may cause them to hide problems.
- They may emphasize problems rather than opportunities.
- They may not be shared with those who provided the data.
- The information may be too subjective.

Project supervision (external and internal) is therefore very critical and it should continue for reasonable period after all resettlement, livelihood restoration and related development activities have been completed.

The PIU will provide monthly reports and consolidated quarterly reports on the implementation of the RPF with the content and format to be agreed with the Bank.
CHAPTER 12: INSTITUTIONAL & IMPLEMENTATION ARRANGEMENTS

12.1 INSTITUTIONAL ARRANGEMENTS

Resettlement exercises have been a traditional responsibility of the Department of Lands, Surveys, and Physical Planning (LSPP), the Commissioner of Lands, Traditional Authorities and village headmen within the chosen area. However, today because of the multi-dimension of resettlement activities, successful implementation of resettlement depends on collaboration and coordination of different stakeholders, at national, district level, local (village/area level) level.

The project will be implemented over seven years under the MEM. The MEM’s DoE will implement Subcomponent 2B and Components 3 and 4, while LEC will implement Component 1 and Subcomponent 2A. It is expected that the Loan Agreement will be established with the MoF and the MEM, with a portion of project funds managed by the DoE for the implementation of Subcomponents 2B and Components 3 and 4 and the other portion being allocated to LEC per a subsidiary Project Agreement enabling it to implement Component 1 and Subcomponent 2A; a separate subproject account will be established for LEC’s management. Safeguards instruments including this RPF will apply across the Board.

12.1.1 Project Implementation Unit (PIU)

A single PIU located at the DoE will execute project activities and will have an overall Project Coordinator who will be responsible for overall coordination and oversight of the project and consolidation of the information related to project implementation, including (a) definition of areas to be electrified based on technical and policy development priorities, (b) aggregation and consolidation of information from implementing entities (DoE and LEC) and broader M&E, and (c) independent verification of project implementation. The PIU will be located in DoE and will be responsible for executing the project day-to-day activities (including subproject screening and RAP implementation) and have an overall Project Coordinator. Within the single PIU, there will be Social Safeguards Officers that will be assigned to Components under the responsibilities of DoE and LEC. The Social Safeguards Officers in DoE and LEC will report to their respective TUs.
12.1.2 National level Institutional Arrangements

The following national level arrangements shall be used to connect and mobilize resources and capabilities of national level institutions who will be involved in the preparation and implementation of their respective sub projects RAPs. Memorandum of Understandings (MoUs) will be entered among or between the relevant institutions as conditions of effectiveness to make sure all non-project entities have agreed to play their respective roles in a timely manner and if any costs are involved the necessary arrangements can be made

- **Department of Lands, Surveys, and Physical Planning (LSPP):** The LSPP is mandated with National Lands Policy and Management, Physical Planning for land use, Land Transactions, Survey and Mapping, Land Adjudication, Settlement Matters, Rural Settlement Planning, Land Registration, National Spatial data Infrastructure, Land and Property Valuation Services & Land Administration. The PIU through DoE and LEC shall coordinate with the LSPP on RAPs related issues with land, survey and, physical planning departments.

- **Ministry of Energy and Meteorology (MEM):** The MEM is the LREEAP executing agency. It will implement the project over seven years and will have the overall responsibility of advancing LREEAP’s objective, including ensuring that funding for RAPs is made available and deposited on time. It is expected that the Loan Agreement will be established with the MoF and MEM.

- **Department of Energy (DoE):** The DoE, a department within the MEM, will house the single Project Implementation Unit (PIU). Within the PIU, a DoE Technical Unit (DoE TU) will be responsible for implementing Components 2B, 3 and 4 of the LREEAP. Project funds for these components and for covering compensations and resettlement assistance will be managed by the DoE TU, which will have a dedicated Social Safeguard Officer. The Social safeguard Officer will be hired by DoE prior to project effective and the hiring of the Social safeguard Officer is a condition to the project effectiveness. The funding for compensation and resettlement assistance will be provided by GoL.

- **Lesotho Electricity Company (LEC):** The LEC will be responsible for implementing Components 1 and 2A of LREEAP. The Technical Unit (TU) in LEC will be accountable to the single PIU that will be housed in the DoE. Project funds for these components and for covering compensations and resettlement assistances will be managed by the LEC TU, which will have a dedicated Social safeguard Officer and is
The funding for compensation and resettlement assistance will be provided by GoL.

12.1.3 District Council

If the project requires land under customary rights/use to carry out its sub project(s) activities, the TUs will work with the District Council to ascertain and determine ownership of the land to be acquired. In this regard, the DC will be a natural partner to the PIU/TUs during the preparation and implementation of RAPs. When customary land is needed, a joint survey in collaboration with the DC will be carried out after which the TUs will obtain certified copy of survey showing:

(i) land to be acquired;
(ii) names of the owners and occupiers of that land;
(iii) in the case of customary land, the name of the land owner who is the holder of the right over the land as ascertained by the local chief and other bona fide local residents;
(iv) assets currently on the land to be acquired (shelters, buildings, crops, etc.)

During the survey, the DC and the TUs shall inform PAPs that in case some project affected persons have objections to the proposed land acquisition and resettlement, their objections have to be done in writing to District Council or Commissioner for Lands and Valuation within 21 working days after the public notice. Alternatively, formal complaint can be lodged via Chiefs and the project GRM. The project will provide funding for all RAP related activities to be carried out in partnership with the DC.

12.1.4 Community Council (CC)\(^8\).

In the case that a specific land area needs to be acquired for subprojects(s), the land acquisition process will begin with the CC. While the TUs in the DoE and LEC will initiate the resettlement preparation process, the CC will initiate negotiations and consultations with potential PAPs who are occupying customary land, register proprietor or their representatives. Inter-department cooperation and coordination between CC and TUs will be advanced, all efforts will made to tap on the expertise and experiences of CC and TUs. Main areas of collaborations between of CC and TUs include:

\(^8\) Historically CC provided useful platforms to organize village people structurally at a local level and to create a partnership between the community and the public sector for improved service delivery system. CC involvement in the preparation and implementation of the project’s works involving involuntary resettlement is critical.
• Connecting the resources and capabilities of the TUs with CC, which includes extension workers, while undertaking resettlement screening exercise at sub project(s) impact location(s)

• Working jointly with CC when identifying potential Project Affected Persons (PAPs), assets to be impacted and compensated and, identifying communal resources to be impacted and compensations and resettlement assistances for those to be displaced.

• Serving PAPs with a notice and with a clear explanation of the purpose of the acquisition, the area of land required and the owners’ right to compensation in accordance with the existing law and OP 4.12 provisions and right to file any objection with 21 days as indicated above;

• Giving opportunities for PAPs to provide their views and enabling them to participate in the planning and implementation process of the RAPs and affording them to benefit from the LREEAP.

The main institutional weaknesses of these local structures are (i) inadequate knowledge on the use of the screening forms (annexure I) on resettlement and (ii) inadequate skills in scoping social impacts from resettlement related exercises. The presence of the Social Safeguards staffs in the DoE and LEC TUs and the hiring of a qualified and competent RICs will assist in addressing these gaps/weaknesses.

The project will provide funding for all RAP related activities to be carried out in partnership with the DC.

12.2 IMPLEMENTATION ARRANGEMENTS

12.2.1 PIU Implementation Role and Governance Arrangement

The PIU will be responsible for overall coordination and oversight of the Project, and consolidation of the information related to Project implementation, including, (i) definition of areas to be electrified based on technical and policy development priorities; (ii) aggregating and consolidating information from implementing entities (DoE and LEC) and broader monitoring and evaluation; and (iii) obtaining independent verification of project implementation. The PIU will be responsible for M&E of project implementation progress and results indicators, as well as progress toward achievement of the Project Development Objective (PDO).

The PIU will also be responsible for mobilizing resources and connecting capabilities of national, district and, village levels at institutions when preparing and implementing the
relevant subprojects RAPs. Roles and responsibilities of these potential partners are discussed under the relevant sections of those institutions.

As shown by the chart below, the single PIU will have a project coordinator, a M&E Evaluation Officer, and a Gender & Community Awareness Officer. The M&E Officer is responsible for M&E and preparing monthly and quarterly progress reports, including aspects of social safeguards, for discussion by the Project Coordinator and the World Bank during implementation and support.

### Project Implementation Unit (PIU)

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<tr>
<th>Project Coordinator</th>
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<tr>
<td>M&amp;E Officer</td>
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<td>Gender &amp; Community Awareness Officer</td>
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<td><strong>DoE Technical Unit</strong></td>
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<td>Project Manager</td>
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<td>E&amp;S Safeguards</td>
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<td>CPLO</td>
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<td><strong>LEC Technical Unit</strong></td>
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<td>Project Manager</td>
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<td><strong>Steering Committee</strong></td>
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<td>PS Finance</td>
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<td>PS Dev Planning</td>
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<td>Rotating Observer</td>
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<td>Director DoE</td>
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<td>CE LEWA</td>
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12.2.2 **Technical Units (TUs)**: Within the single PIU, the DoE and LEC will have two TUs to be hosted in their respective institutions. Each of the DoE and the LEC Technical Unit will have: i) Project Manager, ii) Finance Officer, iii) Procurement Officer, iv) Environmental Officer, v) Social Officer and, vi) Engineer. Each of these six dedicated staffs will report and provide support to their respective TUs in DoE and LEC.

12.2.2.1 **DoE Technical Unit**: Within the PIU, the DoE Technical Unit (DoE TU) will implement Subcomponent 2B and Components 3 and 4 and will be composed of a project manager, an engineer, a procurement specialist, a financial management specialist, and at least two (one social and one environmental) E&S specialists. The **DoE TU** will be responsible for providing due diligence on relevant project activities and evaluation of proposals/applications under consideration. Under Subcomponent 2B, the DoE TU will be responsible for (a) land acquisition for the construction of mini-grid sites, (b) implementation and monitoring of environmental and social instruments including subproject screening, (c) preparation of tender documents and management of the procurement process for mini-grid developers, (d)
coordination with LEWA to provide license exemptions to successful mini-grid developers and to ensure compliance with technical service standards, and (e) monitoring of mini-grid implementation to standard specifications and for compliance with safeguards. A transaction adviser will be hired to facilitate the preparation of the tender documents and to establish and implement the mini-grid procurement process. Under Component 3, the DoE TU will be responsible for the provision of technical assistance and managing relevant consultancies.

12.2.2.1 **LEC Technical Unit: Within the PIU,** LEC Technical Unit (LEC TU) will be the implementing agency with autonomy to implement and provide oversight of grid extension (Component 1) and the rehabilitation and expansion of Smoking (Component 2A). This **LEC Technical Unit** (LEC TU) will have its own Project Manager, Engineer, Procurement Specialist, FM Specialist, and at least two Environmental and Social Specialists (one environmental and one social) tasked with the responsibility of providing technical and financial due diligence on the project and of evaluating proposals/applications under consideration. LEC’s extensive technical expertise in successfully implementing grid extension projects as well as donor-financed projects\(^9\) will allow LEC TU to capitalize on the experience accumulated to facilitate implementation and supervision of infrastructure investments of the proposed project.

The TUs in DoE and in LEC will be responsible for overseeing the overall preparation and implementation of approved RAPs for their subprojects under the respective components for which they are responsible. These TUs will retain qualified RAP Implementation Consultants (RICs) as indicated in this chapter. All activities indicated in this RPF and in each RAP/ARAP shall be covered from RAP/ARAP resources to be provided by GoL and be completed prior to commencing the construction activities. Arrangements for the timely flow of funds is essential to the implementation of a the RPF and RAPs. The PIU will follow-up and ensure funding flows to RAPs special account to be open and maintained by PIU for each TU.

12.2.3 **Role and Responsibilities of the Social Safeguards Officers**

The Social Safeguard Officers will be part of and shall be embedded in the respective DoE TU and LEC TU. Under the overall supervision of the TU Project Managers(s), he/she will be responsible for overseeing the overall preparation and implementation of social safeguard instruments as well as lead the broader social development works for their respective

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\(^9\) Recent projects include the Lesotho Urban Power Distribution Rehabilitation Project is a US$9,5 million loan from AfDB to LEC, approved since November 2016.
Components. Major responsibilities to be performed by the Social Safeguard/Social Officers includes managing all social development aspects of the LREEAP, including (i) ensuring highest standard of quality in social impact assessment and mitigation activities including screening of subprojects in accordance with the ESMF and this RPF, (ii) engagement of all stakeholders, (iii) project disclosure and outreach, (iv) grievance management, (v) implementing resettlement and compensation and livelihood restoration plans and measures and, (vi) providing intensive support to Consultants involved in resettlement studies or preparation and implementation of RAP, ESMPs, LMP, and SEP. Specific role and responsibilities of Social Safeguard/Social Officers in DoE and LEC are:

- Ensuring that their respective Components are in full compliance with objectives and policy principle of OP 4.12 and other applicable policies;
- Ensuring that sub-project design and site selection includes all considerations and option to avoid and minimize land acquisition by the sub-projects;
- Where it cannot be avoided, conduct a socioeconomic study targeting potential PAPs as well as carryout a census surveys to: a) identify Project Affected Persons (PAPs) in the affected area, b) establish characteristics and typology of affected households, carry out consultations, d) provide information on vulnerable groups and people, e) determine the magnitude of potential losses – partial or full and, f) establish communication systems to ensure two way communication channel from PAPs to the LREEAP and from LREEAP to PAPs;
- Ensuring that compensation and resettlement assistance cover all permanent or temporary physical and economic displacement resulting from land acquisition or restrictions on land use in connection with components 1 and 2 activities of the LREEAP;
- Preparing , with the assistance of RICs, Resettlement Action Plans (RAPs) and ensuring their clearances and disclosures;
- Ensuring that funding for RAPs is made available and deposited in a special and separate account and track and maintain compensation and resettlement assistance payments,
- Ensuring prompt compensation and resettlement assistance payments to PAPs are made well ahead of civil work commencement;
Ensuring no civil works shall commence if not 100%, at least 95% of PAPs are fully paid their compensation and resettlement assistances and any missing actions are justifies and integrated in a follow up plan;

- Monitoring and overseeing the performance GRCs; and

- Work on the broader social issues including ensuring that contractors’ workers are fully sensitized on HIV/AIDs, STDs, GBV/SEA and are in compliance with the Code of Conduct (CoC) they signed.

- Prepare monthly and consolidated quarterly RAP implementation reports and social safeguards performance reports.

The tasks required for resettlement implementation as embodied in this LEC and DoE will require additional support staff to support TUs. In order to fulfil their functions, the RAP project team is to include:

12.2.4 RAP Implementation Consultant (RIC) dedicated to the Program, given that the Project components will involve loss of land and potentially involuntary resettlement. In collaboration with the Social safeguard Staffs in DoE and LEC, the RIC shall:

- Undertake cadastral and topographic surveys (by certified technicians) and ensure correction of data of measuring and inventory as required by possible design changes;
- Closely consult with PAPs/PACs and settlements representatives;
- Prepare documentation for registration of land plots acquired for each sub component (acquired for any physical displacement);
- Provide the public with necessary information;
- Negotiate and agree with PAPs/PACs;
- Oversee the preparation and implementation of subprojects RAPs
- Asset inventory, valuation and delivery of compensation and implementation and supervision of rehabilitation measures;
- Conduct periodic follow-up on status of compensation, resettlement assistance and livelihood restoration intervention
- Observe grievance procedures and provide technical and logistics support;
- Support and track court processing of cases where no agreement is reached;
- Process expropriation proceedings through the court, as required;

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10 The project team is not the same as the staff mentioned for GRM and preparation of RAPs above – please make sure structure and roles are clear.
• Preparation, management of relocation sites and consultations with host communities (in case resettlement is necessary) and arrangement of relocation of PAPs; and
• Prepare monthly and quarterly reports.

A Community Participation and Liaison Officer (CPLO), employed specifically as having particular skills in community development work, focusing on participation and liaison; - both for DoE and LEC – one CPLO for each of these entities. The CPLOs will facilitate continuous consultation with persons affected by the project to ensure that all stakeholders, particularly project affected households and communities, vulnerable and disadvantaged people are involved throughout the process of resettlement planning, implementation, and monitoring.

A GIS and Database Specialist, dedicated to GIS mapping, and to database development/upgrade, coordination and maintenance, for ongoing operation of information systems and databases, including for compensation and livelihoods restoration, grievances, and monitoring and evaluation.

Implementation verification: The PIU, using an independent agent, shall verify twice a year completed grid extensions, grid and mini-grid customer connections, and the quality of mini-grid service provision. MEM/DoE shall prepare verification reports for submission to the World Bank through the PIU. The number of actual extensions and connections will be tracked against disbursements to reduce the risk of extending the network and building mini-grids without providing actual connections. This exercise shall include verifying the project’s compliance with World Bank’s safeguard policies including planned and agreed RAP activities.

Reporting and Dialogue: The Project Coordinator will utilize the already established Lesotho Energy Sector Forum to report quarterly on progress, including compliance to the RPF, preparation and implementation of site-specific RAPs, under the project to the energy stakeholders. The Project Coordinator will also report to the project steering committee and lead the dialogue with the other public institutions on project progress including RAP implementation. The Project Coordinator will be responsible for consolidating and delivering to the Bank a quarterly report on RPF implementation and social safeguards performance.

Monitoring and evaluation: The PIU will be responsible for monitoring and evaluation of project implementation progress and results indicators, as well as progress toward achievement of the PDO. The collection of connection data for both the economic zones and the Semonkong mini grid will be provided by LEC TU, while the collection of connection data for other mini-
grid installations will be provided by the DoE TU using input from the private mini-grid developers. LEC and DoE TUs will also be responsible for the submission of sex-disaggregated data, where relevant, for presenting progress in key and intermediate indicators. Within the PIU, a dedicated M&E Officer will be responsible for monitoring and evaluation and preparing monthly and quarterly progress reports (including status on RAP and ESMP implementation) for discussion by the Project Coordinator and the World Bank during implementation and support missions. There will be several periodic (in-depth) reviews of the project; the taking place every 18 months after project effectiveness. The Social Safeguard Officers, both at LEC and DoE, shall work with the monitoring and evaluation unit to monitor contractors’ workers interactions with local communities and contractors; compliance in enforcing Conduct (CoC) signed by their workers and to the overall ESHS requirements.

**Project Steering Committee:** A Project Steering Committee, chaired by the Principal Secretary of Energy will meet twice a year to review progress, provide policy guidance, and resolve any high-level challenges facing the project. The Committee should be comprised of MEM, DoE, LEC, LEWA, LNDC, and Ministry of Finance and Ministry of Development Planning.

**Training and sensitization:** All Project staff, on appointment or assignment, be given extensive induction and training in social safeguards including resettlement- and livelihood restoration related issues, including:

- Environmental and social overview of the Project, including any ESIA and ESMP undertaken to date and applicable WBG policies with special attention to gap filling measures;
- National regulations and acts, and international resettlement/compensation/livelihood restoration best practice including OP4.12;
- The Project’s compensation and relocation and livelihood restoration objectives, and all aspects of the RPF including principles and procedures, including screening and minimization;
- Land acquisition procedures;
- Livelihood restoration and diversification;
- The Grievance Mechanism, and how it is applied;
- Overall project social impacts including vulnerable groups, SEA/SH risks, etc.
- The process of monitoring and evaluation, and how it relates to their specific tasks
• Community participation and development, with specific focus on the requirements for vulnerable social categories; and
• GIS, and the project’s database on socio-economic information and assets, including records of grievances.
CHAPTER 13: RPF/ARAP/RAP COSTS AND BUDGETS

The budget for compensation, livelihood restoration and resettlement assistance will be developed based-on subproject(s) impacts on properties and livelihoods. Field assessments, and information on prevailing asset shall be used to ensure reliable estimation of cost and allocation of adequate funds for resettlement implementation.

At this stage, it is not possible to estimate the exact number of people who may be affected since the technical designs and details of the LEERAP sub-projects have not yet been developed. When subproject locations are known, and after the conclusion of the site-specific screening and socio-economic study, information on specific impacts, individual and household incomes and numbers of affected people and other demographic data will be available, a detailed and accurate budget for each RAP will be prepared.

The overall compensation and resettlement assistance cost is estimated to be US2.6million\textsuperscript{11} and constitutes the overall project cost as reflected in the ‘cost and project financing table’ of the PAD. The GoL\textsuperscript{12} is committed to provide the US2.6 million through counterpart funding arrangement. The funding to be provided by GoL will be deposited into special accounts six month ahead of civil works commencement. A separate special account for financing compensations and resettlement assistances shall be opened under the DoE and the LEC names. All compensations and resettlement assistance payments will be made from the DoE and LEC special account designated for their respective Components. Disbursements for compensation and resettlement assistances shall be authorized by the PIU coordinator and will be channeled through existing payments processing and approval arrangements in DoE and LEC.

The RAPs implementation costs related to Social Safeguards Staff salaries in DoE and LEC, supervision, monitoring, logistics and administrative, GRCs operating costs and, trainings will be covered by resources from Component 3A. An estimate of US185,033 is provided in the budget table below and shall be adjusted to incorporate Social Safeguards Staff salaries as it may be required. Availability of Social Safeguards Staff in DoE and LEC will be the condition to project effectiveness.

\textsuperscript{11} This amount represents 5% of the overall project cost
\textsuperscript{12} The GoL commitment to finance compensations and resettlement assistances costs shall be reflected in the FA.
Each RAP must include a detailed budget, using the indicative template provided as annex to this RPF. The RAP will include a detailed budget for the payment of compensation and implementation of the various resettlement aspects for a particular subproject, including amongst others, costs of surveys, third party validations of voluntary land donation, land acquisition, loss of livelihood and livelihood restoration, loss of crops and other property, and allowances/in-kind assistance for the vulnerable members of the community and the implementation of the GRM. This would enable facilitating the preparation of a detailed and accurate budget for all resettlement assistance (including livelihood restoration and compensation). LREEAP will prepare the resettlement budget for each sub project and will finance this budget through the administrative and financial management rules and manuals like any other activity eligible for payment under the project. This budget will be subject to the approval of the World Bank.

With regard to budget, some of the costs of resettlement (e.g. professional services, site preparation, construction, etc.) can be financed from the Bank loan, while other costs (e.g. compensation payments, acquisition of land) cannot be financed from the Bank loan and must be borne out of counterpart (LEC) funds (Table 9).

While the budget to implement RAPs/ARAPs, at this stage, is not possible to estimate with 100% certainly, it is estimated that about ten (10) RAPs will be prepared and is essential that financial resources are made available into DoE and LEC accounts to ensure the preparation and implementation of this RPF and subsequent RAPs. Thus, the following upfront budget or financial provision will be made in the PIU accounts to ensure the implementation of this RPF and the preparation of the relevant safeguards planning instruments.

**Table 9: Provisional RPF implementation and RAP Preparation Budget**

<table>
<thead>
<tr>
<th>Ref</th>
<th>Cost Item</th>
<th>Cost in Local Currency Maluti (M)</th>
<th>Cost in USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Consultation Costs (20 consultation @ USD1,667)</td>
<td>500,000.00</td>
<td>33,333.33</td>
</tr>
<tr>
<td>B</td>
<td>GRCs Running Costs (10 GRCS@USD2,000)</td>
<td>300,000.00</td>
<td>20,000.00</td>
</tr>
<tr>
<td>C</td>
<td>Supervision and Administrative Costs (10 RAPs @USD2,667)</td>
<td>400,000.00</td>
<td>26,667.00</td>
</tr>
<tr>
<td>D</td>
<td>RAP Preparation Costs (10 RAPs @USD10,000)</td>
<td>1,500,000.00</td>
<td>100,000.00</td>
</tr>
<tr>
<td>C</td>
<td>Publication and Disclosure Costs (10 RAPs @USD333)</td>
<td>50,000.00</td>
<td>3,333.00</td>
</tr>
<tr>
<td>E</td>
<td>Contingency 10%</td>
<td>25,500.00</td>
<td>1,700.00</td>
</tr>
<tr>
<td>F</td>
<td>Total Cost (A+B+C+D+E)</td>
<td>2,775,500.00</td>
<td>185,033.00</td>
</tr>
</tbody>
</table>

**Compensations and Resettlement Assistances Costs:**

<table>
<thead>
<tr>
<th>Ref</th>
<th>Cost Item</th>
<th>Cost in Local Currency Maluti (M)</th>
<th>Cost in USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>G</td>
<td>Implementing 10 RAPs (10 RAPS@USD260,0000)</td>
<td>39,000,000.00</td>
<td>2,600,000.00</td>
</tr>
<tr>
<td>H</td>
<td>Grand Total (F+G)</td>
<td>41,775,500.00</td>
<td>2,785,033.33</td>
</tr>
</tbody>
</table>
As shown in the above table the estimated cost of this RPF and RAPs preparation and implementation cost is estimated at M2, 7, 500.00 or USD 183,033 while compensation and restatement assistance cost is estimated at M39,000.00 or USD2.600.00 The overall RAPs cost is estimated at M41,775,500 or USD2,785,033.

All RAPs preparation and implementation costs, including cost of compensation, LRP implementation, will be considered an integral part of Project cost and will be contributed as a section indicating (i) unit compensation rates for all affected items and allowances, (ii) methodology followed for the computation of unit compensation rates, and (iii) a cost table for all compensation and livelihood restoration expenses including administrative costs and contingencies.

Based on the completed RAP, the LREEAP PIU will submit to the World Bank a detailed cost of resettlement and livelihood restoration, with a breakdown by agricultural land, residential land, houses, other assets, and livelihood restoration measures, allowances, transitional costs, etc. The cost estimates will make adequate provision for implementation services, monitoring and supervision and for contingencies.

A separate RAP is required wherever a subproject of the LREEAP program causes displacement of households, or where there is loss of, or loss of access to, assets, loss of income sources or means of livelihood. An outline of a RAP is presented in Annexure G. Each RAP must apply this Policy Framework. The content of each RAP needs not detail the information already covered in this RPF but should detail the characteristics of each subproject, the impacts and the measures to be implemented.

The RAPs will therefore be the vehicles for implementing this RPF, tailored to meet the particular sub-project activity circumstances and aligned to the World Bank O.P. 4.12. RAP requirements and planning and approval procedures have been detailed earlier.
ANNEXURES

ANNEXURE A: SCANNED LIST OF PARTICIPANTS FOR THE TWO PROJECT AREAS.

BUTHA – BUTHE URBAN COUNCIL MEETING PARTICIPANTS

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation/Position</th>
<th>Cell number</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thulane Motzeo</td>
<td>Mayor</td>
<td>59497701</td>
<td></td>
</tr>
<tr>
<td>Lelako Nhalakha</td>
<td>Chair</td>
<td>57182178</td>
<td></td>
</tr>
<tr>
<td>Thulane Motzeo</td>
<td>Councillor</td>
<td>58164214</td>
<td></td>
</tr>
<tr>
<td>Lelako Nhalakha</td>
<td>Councillor</td>
<td>58164214</td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td>Designation/Position</td>
<td>Cell number</td>
<td>Signature</td>
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17th April 2019
Ha B elo Industrial Park Development
Butha Butha World Bank Consultation Meeting
Lesotho Electricity Company (Pty) LTD

1CE
**SEMONKONG URBAN COUNCIL MEETING PARTICIPANTS**

<table>
<thead>
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<th>Name</th>
<th>Designation/Position</th>
<th>Cell number</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misekhe Mothapo</td>
<td>Town Clerk</td>
<td>591405901</td>
<td></td>
</tr>
<tr>
<td>Mabena Phakati</td>
<td>APP (Physical)</td>
<td>585431397</td>
<td></td>
</tr>
<tr>
<td>Motumelo Thokoana</td>
<td>Councillor</td>
<td>57515904</td>
<td></td>
</tr>
<tr>
<td>Sello Chabane</td>
<td>Councillor</td>
<td>58991867</td>
<td></td>
</tr>
<tr>
<td>Mpho Mabitsa</td>
<td>Councillor</td>
<td>56704649</td>
<td></td>
</tr>
<tr>
<td>Tebele Molokotho</td>
<td>Councillor</td>
<td>58605434</td>
<td></td>
</tr>
<tr>
<td>Montso Lekuma</td>
<td>Councillor</td>
<td>56707264</td>
<td></td>
</tr>
<tr>
<td>Kapingo Thengane</td>
<td>Councillor</td>
<td>57061555</td>
<td></td>
</tr>
<tr>
<td>Motloung Pana</td>
<td>Councillor</td>
<td>53982757</td>
<td></td>
</tr>
<tr>
<td>Mosili M Mapalala</td>
<td>Environment Officer</td>
<td>56882018</td>
<td></td>
</tr>
</tbody>
</table>
## AMOHELANG COMBINED SCHOOL MEETING PARTICIPANTS

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
<th>Designation/ Position</th>
<th>Cell number</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hinged Khanye-Hobie</td>
<td>Amohelang PS</td>
<td>Principal</td>
<td>58861934 / 63313311</td>
<td>Hanged</td>
</tr>
<tr>
<td>Tebogo Seleso</td>
<td>Amohelang PS</td>
<td>Principal</td>
<td>58898299 / 63240820</td>
<td>T. Seleso</td>
</tr>
<tr>
<td>Mamellela Koaboe</td>
<td>Amoheang P.H.S</td>
<td>Facilitator</td>
<td>58552643</td>
<td>Koaboe</td>
</tr>
<tr>
<td>Nomo Thobole</td>
<td>LEC</td>
<td>Customer Ed.Offer</td>
<td>58889578 / 9521</td>
<td>Thobole</td>
</tr>
<tr>
<td>Mosili M Letita</td>
<td>LEC</td>
<td>Accountant</td>
<td>58888019</td>
<td>Letita</td>
</tr>
</tbody>
</table>

Lesotho Electricity Company (PTY) LTD

Semonkong World Bank Consultation Meeting

09th April 2019
ANNEXURE B: SEMONKONG AND HA BELO CONSULTATION PROCEEDINGS

1. **Semonkong**
   
The meeting was held on the 09th April 2019 at Urban Council offices.
   
The following were discussed:

<table>
<thead>
<tr>
<th>Council Issues</th>
<th>LEC/DoE Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• As a council they appreciate/happy with the proposed development. The development has come at the right time because electricity is one of their greatest needs - electricity appliance, animals easily stolen due to darkness</td>
<td></td>
</tr>
<tr>
<td>◦ There is limited supply of electricity because it switches off at 10:00pm and therefore investors do not invest in their area as a result of this because their goods in fridges get off.</td>
<td>This is the initial stage</td>
</tr>
<tr>
<td>• About 100 households to be connected is not enough due to their large population and there a number of people without electricity. Therefore, request review of this number.</td>
<td>It is difficult to state if the connections will be subsidized or not. Maybe the norm that is being done with the projects of this nature of standardized cost will apply. As it has been said we will not know until the project is implemented.</td>
</tr>
<tr>
<td>• Will the cost of connections be subsidized?</td>
<td></td>
</tr>
<tr>
<td>• We are not the first people to propose development in their areas, but none have been implemented since 2012. Politicians have been coming here using this place for campaigns, we will watch and see if you will deliver, “rese rental boka ha lioroha”.</td>
<td>One of the councilors stated that maybe because the moifo include GoL officials there is a hope because most of the developers approaching us come by themselves.</td>
</tr>
<tr>
<td>• The council requested clarity if the area for solar panels have been identified.</td>
<td></td>
</tr>
<tr>
<td>• They informed us the identified has some issues and therefore were advised to look for another potential sites as soon as possible because</td>
<td>There is an area identified near “Wesele church”.</td>
</tr>
</tbody>
</table>
this area is in high demand for sites from people outside it. Then, the 25th April was proposed for identification of the potential site.

- Will there be compensations?
  Yes, where they are due, there are processes undertaken for compensations

- When will the project be implemented?
  We will know by June-July 2019 because there are some processes that are still underway. We will come back for progress after the decision has been done

- Be aware of encroachment issues
  If we work together we will overcome this issue

- How dangerous are solar panels?
  They are not dangerous, they are environment

- Are solar panels resist from hail storms?
  Some are resistant and some are not. Semonkong will be a pilot project for solar panels

**Livelihoods activities currently are:**

- Potato production, sheep and goats’ farmers (wool and mohair), rearing of pigs, chicken broilers and layers, crafts, sewing, etc.
- Tour guides, equine hire and these are organized by Semonkong lodge employing local people and hiring their horses and donkeys
- There is also 2 more accommodation facility by Serumula and Roman Catholic Mission
- There no homestays as yet

- Communication with the public is done through public gatherings

- Semonkong has been earmarked as town but due to lack of electricity, there are no investors. It is their plea that this proposed project be implemented

2. **Amohelang combined schools**

- They are also happy and hop this proposal will go through and implemented. This is our greatest need as a school
- They are currently using solar panels for lighting staff room, senior classroom and for printing and photocopying, charging of cellphones. Alternative is generator in winter, and it is expensive
They applied for connection and quotation was M65 0000. 00 and the second time quotation was M215 000

3. Ha Belo
The meeting was on the 17th April 2019, the following were discussed;

<table>
<thead>
<tr>
<th>ISSUE</th>
<th>COMMENT/RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>How are communities going to benefit from this project</td>
<td>Communities around project area will access electricity easily, there are job opportunities</td>
</tr>
<tr>
<td>Will there be compensations?</td>
<td>Yes, there are processes undertaken for compensations</td>
</tr>
<tr>
<td>When is the implementation?</td>
<td>We will know by June-July 2019 because there are some processes that are still underway. We will come back for progress after the decision has been done</td>
</tr>
<tr>
<td>Is this project not going to affect the load and end up with load shedding?</td>
<td>Analysis have been done and this will unlikely happen, for Butha Buthe we get electricity from ‘Muela, Eskom through Clarens and there is going to be an upgrade of Khukhune substation from 88kV to 132kV to mention a few initiatives to prevent load shedding</td>
</tr>
</tbody>
</table>

Their expectation is that there will be access roads to nearby communities/villages and bridges

- There are schools that are going to benefit, a primary school and Ha Belo High School
- There is also a clinic at Ha Majara which needs to be upgraded and currently some of the services are conducted at a nearby school
- There is construction of chicken abattoir in the vicinity of the proposed project area

There are two projects in a pipeline; water supply and wine production from a Mexican aloe

Consultation with the likely affected people is key

Noted, once the project has been appraised, we will come back for progress and then arrange consultations with those who are likely to be affected

There is a possible encroachment, this is because their pecks that are seen in the vicinity of the proposed project

- LEC and the council will work together to ensure that it does not take place.
<table>
<thead>
<tr>
<th>Foreseen challenges;</th>
<th>LEC was requested to submit proposed route of the electricity line so that encroachment is prevented.</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Employment of unskilled and semi-skilled labour, it seems to a practice by most companies. There is a petition at DA’s office pertaining to this issue because LNDC has already started some excavation and this has been an issue</td>
<td>LEC give first priority to affected community for unskilled and semi-skilled labour. And you are aware of this in our projects in the district. We also have internship/attachment programmes where your children are given experience while at school and they go to their respective districts</td>
</tr>
<tr>
<td>• People who have been compensated usually demand that they be given job opportunities because they have been directly affected</td>
<td></td>
</tr>
<tr>
<td>The corridor identified for electricity lines is at the fields and this is a swampy area</td>
<td></td>
</tr>
</tbody>
</table>
ANNEXURE C: PRE-CONSTRUCTION COMPENSATION AGREEMENT FORM

Lesotho Electricity Company (Pty) Ltd

FOROMO EA TUMELLO EA TSEBETO LE LITEFO TSA MATŠELISO-CONSENT FORM WITH COMPENSATION RATES

I ……………………………………………………………………………………………. (Name and surname) have reached an agreement with LEC on compensation amount as a result of a highly possible damage to my property as a result of the LREEAP. I have therefore agreed that LEC should continue with the electricity works with a clear understanding that my property will be affected as follows:

Kindly mark the type of property affected:

Field [ ]
Residential site [ ]
Tree (s) [ ]
Agricultural domestic site [ ]

The compensation rates are as follows:

• Wooden pole at M…….
• Tower at M……………
• Stay wire at M…………
• Tree (s) M……. per tree
• Trampling on agricultural land with produce at M……./ m²
• Trampling on agricultural land without produce at M……./ m²
• Access roads at M…………

I fully understand that at the time this form is completed, it is not yet known how I will be affected in terms of the number of structures that will be erected in my property and that I will receive the compensation once such work has been completed. I understand that the compensation that I receive will be commensurate with the number of structures in my property.

In Sesotho
Leah hole joalo, ha ho so tsebahale hore na thepa ea motlakase e tla ama thepa e aka (mobu le limela tsa oona) ka tselo e joang, kaha mosebetsi o e-so phetheloe. Kahoo, ke tla amohela matšeliso ha thepa eo ea tšebetso ese e hahiloe ho se ho tsebahala handle.
hore na ke thepa ea mofuta o feng? e kae e ammeng thepa ea ka eaka (tšimo, setša, sefate/lifate kapa jarete).

‘Na………………………………………………………………………….. (Lebitso le Fane) ke bile le puisano k’hamphani ea motlakase (LEC), mabapi le thepa kapa eona tšebeto e amang le motlakase e ka nnang ea ama tšimo, setša, sefate/lifate kapa jarete ea ka. Ka hona, ke lumellane le LEC hore e tsoelepele ho ama tse latelang;

Tšoaea ho ea kamoo tšebeto ea ho ntlafatsa marang-rang e ka nnang ea ama thepa ea hau ka teng:____________STRUCTURE NUMBER_____________________________

<table>
<thead>
<tr>
<th>Tšimo</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Setša</td>
<td></td>
</tr>
<tr>
<td>Sefate/Lifate</td>
<td></td>
</tr>
<tr>
<td>Jarete</td>
<td></td>
</tr>
</tbody>
</table>

Litefo tsa Matšeliso (Rate) li eme ka tsela e latelang:
- Palo ke M……
- Tora ke M…………
- Terata e tšeheetsang palo ke M……
- Sefate/Lifate ke M…… sefate ka seng
- Ho hatikeloa hoa tšimo e nang le lijalo ka sekoeremeta ka seng ke M……
- Ho hatikeloa hoa tšimo e se nang lijalo ka sekoeremeta ka seng ke M……
- Ho buloa hoa tsela ho tla ipapisa le tefo e kaholimo ho e aka boemo lijalo, boteng kapa bosiko ba tsona moo tsela e buloang teng

Leha hole joalo, ha ho so tsebahale hore na thepa ea motlakase e tla ama thepa e aka (mobu le limela tsa oona) ka tselo e joang,kaha mosebetsi o e-so phetheloe. Kahoo, ke tla amohela matšeliso ha thepa eo ea tšebeto ese e hahiloe ho se ho tsebahala hantle hore na ke thepa ea mofuta o feng? e kae e ammeng thepa ea ka eaka (tšimo, setša, sefate/lifate kapa jarete).

____________________________________________________

Lebitso le fane (Name and surname): ____________________________________________________________

Date: .................................................................

Signature/tekeno:
.................................................................................................................................

Contacts/nomoro tsa mohala: ________________________________________________________________
PAKI (Witness)
Lebitso le fane (name and surname) : .................................................................

Date: ...........................................................................................................

Signature/tekeno:
...........................................................................................................

Contacts/nomoro tsa mohala:
...........................................................................................................

Setempe sa Morena (Chief’s stamp):

FOR OFFICE USE ONLY

LEC representative: ..................................................................................

Date:
.............................................................................................................

Signature: …
.............................................................................................................
ANNEXURE D: ACTUAL COMPENSATION RECEIPT FORM

PAYMENT OF COMPENSATION FOR LREEAP

I ___________________________ from the village of ____________________________ in the district of ____________________________, hereby confirm that I have received compensation amounting to ____________________________ from the LREEAP for all my affected property as per the re – construction form which was completed.

I hereby confirm that I am satisfied with the compensation given and that I am not expecting any other compensation except this one.

Name and Surname: ____________________________

Signature: ____________________________ Date: ____________________________

Witness Name and surname: ____________________________

Signature: ____________________________ Date: ____________________________

HO LEFSHOA HOA MATŠELISO PROJECT EA LREEAP

‘Na ____________________________ oa motseng oa ______________ seterekeng sa ____________________________ ke bolela mona hore ke amohetse chelete a kaalo ka M600.00 ho tsoa LEC ele matšeliso a karoloana ea t’simo ea ka e ileng sa angoa ke ho hloma lipalo ha hone ho etsoa tsebetso thepeng ea motlakase.

‘Me ke khotsofetse ke matšeliso ana, ha kea labella a mang.

Lebitso le fane: ____________________________

Tekeno: ____________________________ Letsatsi: ____________________________

Paki: ____________________________ Letsatsi: ____________________________
## ANNEXURE E: GRIEVANCE RESOLUTION FORM

### Project Grievance Register Template

<table>
<thead>
<tr>
<th>Identifiers</th>
<th>About the PAP</th>
<th>About the Complaint</th>
<th>Method of Resolution</th>
<th>Escalation</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>ID</td>
<td>Date received</td>
<td>Date closed</td>
<td>Name &amp; Surname</td>
<td>Date closed</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>District</td>
<td>Name &amp; Surname</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Community council/village</td>
<td>District</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Stakeholder (employee, PAP, community)</td>
<td>Community council/village</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Reporting method (F2F, suggestion box, online, social media, email, in writing)</td>
<td>Stakeholder (employee, PAP, community)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Type of grievance (administrative or operational)</td>
<td>Reporting method (F2F, suggestion box, online, social media, email, in writing)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Root cause of the grievance (see also Explanations tab and List of Root Causes)</td>
<td>Type of grievance (administrative or operational)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>If a resolution was offered please indicate ‘accepted’ or ‘not accepted’</td>
<td>Root cause of the grievance (see also Explanations tab and List of Root Causes)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Methods of resolution (optional) eg: negotiated, mediated, arbitration</td>
<td>If a resolution was offered please indicate ‘accepted’ or ‘not accepted’</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Escalation of grievance (e.g. LEC/DoE PIU)</td>
<td>Methods of resolution (optional) eg: negotiated, mediated, arbitration</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Notes</td>
<td>Escalation of grievance (e.g. LEC/DoE PIU)</td>
<td>Notes</td>
</tr>
</tbody>
</table>
# ANNEXURE F: EXPLANATIONS OF FIELDS IN THE GRIEVANCE REGISTER

<table>
<thead>
<tr>
<th><strong>Type of grievance (please indicate 'administrative' or 'operational')</strong></th>
<th>Please indicate whether the grievance was classified as 'administrative' or 'operational' in nature, according to the Complaints and Grievances Procedures.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service provider</strong></td>
<td>LEC/DoE</td>
</tr>
<tr>
<td><strong>Root cause of the grievance (if possible please choose cause from list under the Explanations tab)</strong></td>
<td>Please name the process or type of decision that was the root cause of the grievance.</td>
</tr>
<tr>
<td><strong>Escalation of grievance (ie: LEC, DoE)</strong></td>
<td>Please indicate if you are aware of the stakeholder pursuing the matter further through other avenues outside the PIU. If not known, indicate 'unknown'. The timelines for external reviews can be lengthy in many cases. Information in this column will only reflect what is known at the time of reporting, either via notification by the external body or stakeholder.</td>
</tr>
</tbody>
</table>
ANNEXURE G: OUTLINE OF THE LREEAP RAP

Guidance of contents of a RAP

The scope and level of detail of a resettlement plan varies with the magnitude and complexity of the resettlement. RAPs are context and project specific and have to be adapted for each project’s circumstance, as there is no “one-size-fits-all” plan. However, there are clear international guidelines as to what a good practise RAP should contain. The RAP must also adhere to the principles and guidelines set out in the RPF including the Entitlement Matrix and take into account all provisions of OP4.12.

The table below describes a typical RAP outline and content of such a plan and is intended to be indicative. Each RAP should include the sections indicated in the table below and where a section is not relevant to the project in question (e.g. the project does not result in physical displacement), this should be noted in the document so that there is no room for doubt. Additional elements, as site specific issues may require, should be added.

<table>
<thead>
<tr>
<th>Section</th>
<th>Section Heading</th>
<th>Content Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction</td>
<td>General description of the project activities and infrastructure (including any ancillary and associated facilities) and identification of the project area. Identify the project component or activities that unavoidably cause land acquisition and resettlement. Outline the main objectives of the resettlement program and a summary of studies undertaken in support of resettlement minimization, planning and implementation, e.g., alternative analyses, census surveys, socio-economic studies, meetings, site selection studies, etc.</td>
</tr>
</tbody>
</table>
| 2       | Potential Project Impacts | Describe and analyse the resettlement impacts. These impacts may involve some or all of the following and may be permanent or temporary:  
- loss of homes and ancillary structures (houses, chicken coops, stalls, etc.);  
- loss of agricultural land and possible loss of crops;  
- Loss of grazing land;  
- Loss of fruit trees;  
- Loss of access to communal resources (e.g. foraging, firewood collection, wildlife and the like);  
- Loss of graves and sacred sites;  
- Loss of social infrastructure (schools, clinics and water pumps);  
- Loss or access to markets or services  
- Disruption of livelihood activities, business or employment including lost income  
- Temporary loss of access to some resources due to restrictions on access during construction for safety or connectivity reasons; and  
- Permanent loss of access to some resources as a result of exclusion zones around certain project infrastructure. |
- Transitional and transaction costs
Host communities may also experience impacts from receiving resettled communities. These impacts will depend on the nature of the selected replacement sites but may include:
  - Increased demands on existing social facilities (e.g. schools, clinics, etc.);
  - Increased demands on existing roads and services (e.g. water, waste management, etc.);
  - Increased demands on common resources (e.g. foraging, firewood collection, wildlife and the like).
Describe efforts made to minimize displacement and the results of these efforts including alternatives considered to avoid or minimize resettlement and why not selected, and the mechanisms established to minimize resettlement and livelihood impacts to the extent possible during project implementation.

### Census and Socio-economic Surveys

Socio-economic studies and census surveys are conducted of affected households to define pre-project standards of living and livelihoods and to gain an understanding of households’ systems of production and income sources. Both quantitative and qualitative survey techniques may be utilized. The socio-economic surveys will contribute to the Resettlement team’s understanding of local livelihood systems and the type of mitigation options that would be appropriate.

Information needs to be collected about households, number of members and individuals affected by the project, the size of affected land (cultivated land and/or gazing land, improvements to land such as buildings), number of trees, land ownership, land use, occupiers of land and access to natural resources from which people derive their livelihoods. If the land is cultivated, information needs to be gathered on the type of plants, expected yield, and other similar data.

The study investigates the patterns of social interaction in the affected communities, the social and cultural characteristics including social networks and social support systems. Data on public infrastructure and social services that will be affected are also gathered.

The asset and activity inventory will provide the basis for defining which households are eligible for compensation, the extent of their losses and what their entitlements will be for compensation and other forms of resettlement assistance.

The studies will also be tailored to provide baseline information against which the effectiveness of post-resettlement livelihood restoration programs can be monitored.

### Assistance to Vulnerable Persons and Groups

Vulnerable persons and groups who might require special assistance need to be identified and consulted with. The following criteria for the classification of people/groups as vulnerable may be considered:
  - Physical disability;
| 5 | Regulatory and Legal Framework | An analysis of the legal framework reflecting the gap analysis presented in this RPF covering the following aspects:
- Law governing land tenure, valuation of assets and losses, compensation, and customary law regarding natural resource usage rights.
- Law covering rights and obligations regarding consultation.
- The legal and administrative procedures available to displaced persons in the judicial process.
- The gap-filling measures to fulfill the requirements of OP4.12
It is considered good practice to prepare the RAP also taking into account the norms and practices of the affected communities. |
| 6 | Replacement Area selection and Resettlement Sites | Describe the consultation process with affected communities, the Provincial and Local Governments in the identification, evaluation, and selection of preferred replacement land. Activities will include:
- Consultation with affected communities to identify their preferences and requirements;
- Consultation with affected communities about allocation of agricultural or grazing land;
- Identification and evaluation of potential replacement site options;
- Description of site investigations to confirm the suitability of the preferred land;
- Consultation with any host or receiving communities;
- Developing housing designs in consultation with affected communities;
- Developing replacement housing construction budgets and schedule. |
| 7 | Compensation Framework valuation, -- | Define the compensation framework for the Project. This will be developed in accordance with the eligibility matrix included in this RPF and in close consultation with the Affected Community and will define the following: |

- Mental disability;
- Social handicaps (i.e. albinos);
- Ethnic, religious or gender minorities
- Those living below the poverty line (ultra-poor)
- Single mothers;
- Widows;
- Female headed households;
- Orphans;
- Child headed households;
- Elderly (above the age of 60);
- Persons with chronic/incapacitating disease; and
- Any other marginalized group(s) that are identified by census and surveys.
<table>
<thead>
<tr>
<th></th>
<th>eligibility and entitlements</th>
</tr>
</thead>
</table>
|   | • Valuation basis – the types of assets, land improvements and losses that will be considered for compensation, the basis for their measurement and valuation, and rates for compensation to achieve full replacement cost;  
|   | • Eligibility criteria – to define which categories of displaced land users, occupiers and enterprises will be eligible to receive compensation and resettlement assistance through the application of the Entitlement matrix to the situation on the ground; and  
|   | • Entitlements – to define the entitlements (compensation, livelihood restoration assistance, and other kinds of resettlement assistance) for each category of eligible user, occupier, etc.  
|   | • In consultation with affected communities, the Project will develop packages of monetary compensation, in-kind compensation, and other forms of assistance to assist eligible households and individuals to restore or improve their living conditions and livelihoods. These will be documented in signed agreements (including co-signing by spouses and domestic partners or co-owners) at the household level |

<table>
<thead>
<tr>
<th>8</th>
<th>Livelihood Restoration Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In consultation with affected persons and communities, develop livelihood restoration plan covering agriculture and non-land based livelihoods to ensure the improvement of productive strategies of physically and economically displaced communities and households. Identify the indicators of success including income HH income streams, food security, better housing and assets; access to markets and services</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>9</th>
<th>Institutional Arrangements</th>
</tr>
</thead>
</table>
|   | Describe the organizational framework and arrangements for implementing resettlement, livelihood restoration and all supporting aspects of the RAP:  
|   | • including identification of agencies responsible for delivery of resettlement and livelihood restoration measures and provision of services;  
|   | • arrangements to ensure appropriate coordination between agencies involved in implementation;  
|   | • measures (including technical assistance) needed to strengthen the implementing agencies' capacity to design and carry out resettlement activities;  
|   | • provisions for the transfer to local authorities or PAPs themselves of responsibility for managing facilities;  
|   | • Arrangements for services provided under the project and for transferring other such responsibilities from the resettlement implementing agency. |

<table>
<thead>
<tr>
<th>10</th>
<th>Implementation Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Prepare a time bound implementation schedule for land acquisition and resettlement and livelihood restoration in conjunction with the agreed implementation schedule for project components, showing how PAPs will be compensated</td>
</tr>
</tbody>
</table>
and receive all relocation related assistance before actual acquisition of the affected land. Describe the implementation schedule covering all resettlement activities from preparation through implementation, including target dates for compensation to PAPs and implementing the various forms of assistance including livelihood restoration. The schedule should indicate the linkage between resettlement and initiation of civil works for each of the project components and timelines for deliverables and all post resettlement assistance.

<table>
<thead>
<tr>
<th>11</th>
<th>Stakeholder Engagement and Affected Community Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The participation of the affected communities, as well as host communities, is a vital aspect of the development and communication of the resettlement plan. Resettlement and livelihood restoration will never succeed without the full participation of the affected community. Decisions need to be taken with, and not for, the community. The following is a summary of important aspects regarding stakeholder engagement and community participation:</td>
</tr>
<tr>
<td></td>
<td>• A strategy for consultation and participation of PAPs, in the design, implementation and monitoring of the resettlement activities, needs to be designed.</td>
</tr>
<tr>
<td></td>
<td>• Pertinent project impact and resettlement and livelihoods related information is to be disclosed to the affected people at key points, and specific opportunities provided for them to participate in choosing and planning the resettlement options.</td>
</tr>
<tr>
<td></td>
<td>• Institutional arrangements need to be developed and communicated on how PAPs can communicate their concerns or grievances to project authorities.</td>
</tr>
<tr>
<td></td>
<td>• Measures to ensure a transparent and fair consultation process should be designed; this implies that vulnerable groups and women are adequately represented.</td>
</tr>
<tr>
<td></td>
<td>• The resettlement process should be an educational process, which informs people of their rights in a clear and unambiguous manner.</td>
</tr>
<tr>
<td></td>
<td>• Community leaders should be approached to facilitate access to the community, but consultation and decision-making needs to involve the entire community.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>12</th>
<th>Grievance Procedure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grievance procedures should be developed which incorporates transparent and fair procedures for communication and settlement of disputes. The grievance mechanisms should take into account community and traditional dispute settlement mechanisms. Grievance procedures should describe:</td>
</tr>
<tr>
<td></td>
<td>• The step-by-step process for registering and addressing grievances and provide specific details regarding a process for registering complaints, response time, and communication modes.</td>
</tr>
<tr>
<td></td>
<td>• The mechanism for appeal.</td>
</tr>
</tbody>
</table>
The provisions for approaching Courts and WBG mechanisms if other options fail.
- The mechanism needs to be available from the early stages of RAP preparation

<table>
<thead>
<tr>
<th>13</th>
<th>Monitoring and Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Describe the arrangements for monitoring of resettlement activities by the implementing agency, supplemented by community monitoring and independent monitoring to ensure complete and objective information. The objective of Monitoring and Evaluation is to evaluate the impact of resettlement and livelihoods restoration for a reasonable period after all resettlement and related development activities have been completed. The monitoring process should incorporate PAP feedback mechanisms. The system must have indicators of success selected in consultation with PAPs to be measured against pre-resettlement guidelines (such as HH income streams, food security, better housing and assets; access to markets and services, etc.)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>14</th>
<th>Costs and Budgets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare budget showing itemized cost estimates for all resettlement and livelihood restoration activities, including allowances for inflation, and other contingencies; timetables for expenditures; sources of funds; and arrangements for flow of funds.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>15</th>
<th>Annexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide copies of census and survey instruments, interview formats, and any other data gathering tools. Provide information on all public consultation including announcements and schedules of public meetings, meeting minutes, and lists of attendees and summary of community concerns, how addressed in the RAP and feedback provided</td>
<td></td>
</tr>
</tbody>
</table>
# ANNEXURE II: LEC SERVITUDE CLEARANCE

## CLEARANCES OF POWER LINES

<table>
<thead>
<tr>
<th>MAXIMUM VOLTAGE PHASE TO PHASE</th>
<th>MINIMUM CLEARANCE IN METRES</th>
<th>ABOVE GROUND OUTSIDE TOWNSHIP</th>
<th>ABOVE GROUND IN TOWNSHIP</th>
<th>BUILDINGS &amp; OTHER STRUCTURES FORMING PART OF POWER LINES</th>
<th>TO OTHER LINES, ILS, OR CONDUITS OR CABLES BETWEEN POWER LINES &amp; CABLES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MINIMUM SAFETY CLEARANCE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>-</td>
<td>4.9</td>
<td>5.5</td>
<td>3.0</td>
<td>0.6</td>
</tr>
<tr>
<td>11kV</td>
<td>0.20</td>
<td>5.1</td>
<td>5.5</td>
<td>3.0</td>
<td>0.8</td>
</tr>
<tr>
<td>22kV</td>
<td>0.43</td>
<td>5.3</td>
<td>(5.5)</td>
<td>3.0</td>
<td>1.0</td>
</tr>
<tr>
<td>33kV</td>
<td>1.00</td>
<td>5.9</td>
<td>5.9</td>
<td>3.4</td>
<td>1.6</td>
</tr>
<tr>
<td>66kV</td>
<td>0.77</td>
<td>5.7</td>
<td>5.7</td>
<td>3.2</td>
<td>1.4</td>
</tr>
<tr>
<td>112kV</td>
<td>1.45</td>
<td>6.3</td>
<td>6.3</td>
<td>3.8</td>
<td>2.0</td>
</tr>
</tbody>
</table>

## SERVITUDE CLEARANCE:

<table>
<thead>
<tr>
<th>MAXIMUM VOLTAGE PHASE TO PHASE</th>
<th>MINIMUM DISTANCES IN METERS FROM CENTRE CONDUCTOR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SERVITUDE</td>
</tr>
<tr>
<td>11kV</td>
<td>8</td>
</tr>
<tr>
<td>22kV</td>
<td>13</td>
</tr>
<tr>
<td>33kV</td>
<td>16</td>
</tr>
<tr>
<td>66kV</td>
<td>14</td>
</tr>
<tr>
<td>112kV</td>
<td>18</td>
</tr>
</tbody>
</table>
The evaluator to undertake the assignment during field visit of the site. The evaluator to undertake the assignment after prior briefing of the exercise. The form to be completed by consensus of at least three people.

<table>
<thead>
<tr>
<th>Project Name:</th>
<th>Estimated Cost:</th>
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<tbody>
<tr>
<td>Project Location:</td>
<td>Project Objectives</td>
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<tr>
<td>Chief:</td>
<td>Proposed Main Project Activities:</td>
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<tr>
<td>District:</td>
<td>Name / Signature and Position of Evaluator</td>
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<tr>
<td>SCOPE AND FOCUS OF SCREENING</td>
<td>METHODOLOGY OF SCREENING</td>
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<td>Appraisal of Impacts</td>
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**SCREENING CRITERIA FOR PROPOSED SITE FOR THE PROJECT**

**Will implementation of the agricultural activity within proposed site generate the following socio-economic impacts?**

- Loss of private land/gardens
- Loss of private residential premises
- Loss of private commercial premises
- Loss of crops for a person/persons
- Loss of forest trees for a person/persons
- Loss of fruit trees for a person/persons
- Eviction of squatters/pirates
- Eviction of vendors
| Loss of rental accommodation |  |
| Closure/blockage of public footpath/road |  |
| Blockage of pathways for livestock |  |
| Loss of grazing land |  |
| Loss of cultural sites – graveyards, ritual sites |  |
| Loss public facilities – church, borehole, water kiosks, |  |
| Loss of access to public water resources |  |
| Loss of access to natural resources |  |

**OVERALL EVALUATION OF THE RESETTLEMENT SCREENING PROCESS.**

The results of the screening process will be (i) that the proposed activity on the proposed site be funded from LREEAP (entries of “NO” against each of the social impact in column 4 in table above by Village Development Committee); (ii) that the proposed agricultural activity is rejected for funding from LREEAP (an entry/entries of “YES” against each social impact in column 4 {high impact] in table above by Village Development Committee); or (iii) in case the proposed site and project have identified any resettlement impacts, the District team will forward the sub-project for further consideration by other stakeholders. The Resettlement Screening Form will be considered as part of the overall sub-project approval processes.
Annexure J: Protocol for Voluntary Land Donation (VLD)

Voluntary land donation will be allowed

For small civil works XXXXX and the Technical Resettlement Committee will follow this Protocol for VLD.

Proposals including voluntary contributions will not be submitted or considered for approval where they would significantly harm incomes or living standards of individual owners or users.

During project implementation, XXXXX and the Technical Resettlement Committee will conform a provincial and district multi-stakeholders committee (“Committee”) to oversee the process and ensure that the voluntary land donations process is followed and implemented. The process will include the following protocols:

1. Official information and initial assessment. Determining the appropriateness of VLD in the circumstances of the project. The proponent will inform the village head and villagers or land owners and users through official notification of the areas needed for the project. Record and document the reasons why donation of land is appropriate for the project. The proponent and Technical Committee will take in consideration the following details for such documentation:
   - What the land will be used for;
   - How much land the project will require on both a permanent and temporary basis;
   - How much of the land will be donated;
   - What alternatives to donation exist (e.g., right of use, right of way, temporary permission to use);
   - The terms of the donation;
   - The identities of the parties who intend to donate;
   - The beneficiary of the donation; and
   - Any details that are relevant to why donation may be appropriate.

2. Verification of voluntary donations. The following conditions will be confirmed by the Multi-stakeholder Committee including the village chief.
   - Confirmation that affected people agree to donate land and/or asset, based on a face to face meeting without presence of the proponent.
   - No individual PAP or household would lose more than 10% of their total productive assets.
   - The total land holding of any affected person should be 200m² or more.
   - No physical relocation will be necessary as a result to the donation.

3. Initial Village Consultation. Under the village head leadership, a consultation process will be launched to invite different interested parties, including land owners and users to discuss and ratify the appropriateness of the voluntary basis of land donation.

4. Transferring and formalizing the land. The proponent shall establish and communicate to the PAPs, including potential donors, a process for land donation that includes very clear procedures that explain the process that should be followed to transfer the land, and appropriate ways to formalize the respective transfer. The process must include consideration of the legal and administrative
requirements based on the Mozambican legal framework. The process will describe a clear and transparent decision making process.

5. Verification process (surveys) to identify land ownership and use. The proponent and the Technical Committee will carry out specific surveys to understand the type of land rights and uses that exist in the project area, and to identify any particular issues relating to land ownership and use. Specific surveys must be conducted on each parcel of land proposed for donation to identify:

   • The owner or owners of the land;
   • The users of the land, or any parties that occupy the land (either physically or through ownership of an asset or conduct of livelihood or business activities or resource use on the land);
   • Any competing claims of ownership or use;
   • Structures and assets on the land;
   • Any encumbrances on the land.

5. Scope of Donation. It is important to: (i) identify the right that is being transferred (an ownership right, a use right, a right of way, etc.); and (ii) check whether the transferor actually has the right s/he claims to have. In many circumstances where careful due diligence is not carried out, significant conflict can arise at a later stage when another party claims that they have the same or a competing right. Documentary evidence that the transferor has the necessary rights is highly preferred and it must be validated by the due diligence process. However, where no documentary evidence exists, the due diligence can also establish rights by documenting the results of consultations with local community officials and neighbors. There should be a clear agreement as to whether the donation includes the land and all assets on it, or whether compensation for improvements, crops, trees, and any other standing assets as of the cut-off date is expected.

6. Public consultations and disclosure. The decision to donate must be taken on the basis of a full understanding of the project and the consequences of agreeing to donate the land. Accordingly, the parties that will be affected by the donation (the owners and users of the land) must be provided with accurate and accessible information regarding what the land will be used for, for how long, and the impact the donation will have on them and their families. It is important that prior written notification indicating the location and amount of land that is sought be provided and that its intended use for the project is disclosed.

Where the intention is to deprive the parties affected by the donation of the land permanently, or for a significant length of time, this must be made clear. It should be noted that in many communities the concept of alienation of land is uncommon and difficult to understand, and care needs to be taken to ensure that the implications of this are fully understood. It is also important to decide who else should be consulted about the proposed donation; for example, spouses and older children.

There should be a clear agreement as to which party will pay the costs associated with the transfer of the donated land. This could include measurement costs, documentation and notarial fees, transfer taxes, registration fees. It should also include the costs of re-measuring/re-titling the transferor’s remaining land and any new documentation relating to it.

7. Establishing informed consent
The proponent and the Committee will verify the informed consent or power of choice by the people who would donate the land/or assets. In particular, the following will be verified and documented in the voluntary donation report:

- What the land is going to be used for, by whom and for how long;
- That the donors and any users will be deprived of the ownership or right to use the land, and what this really means;
- That the donors have a right to refuse to donate the land and any users have the right to object;
- Whether there are alternatives to using this land;
- What the donors will need to do to donate the land (e.g., execute documents, get spousal consents, pay taxes);
- The effect of the donation on their family, and what they can do if they (or their family or heirs) want the land back.
- All conditions provided in the para. 2 above.

The right to refuse must be a legitimate right, unconditional, and the potential transferor must be capable of exercising it in the local community and political context. For this reason, it is important to be sure that the decision to donate is undertaken without coercion, manipulation, or any form of pressure on the part of public or traditional authorities. For collective or communal land, donation must be based upon the informed consent of all individuals using or occupying the land.

8. Proper documentation. During the VLD process for each project or ancillary area, it is important to distinguish between: (a) the agreement to donate the land; and (b) the document that carries out and evidences the legal transfer of the land. While it is important to have evidence of an intention and agreement to donate the land, it is equally important to ensure, where required and appropriate, that the land is legally transferred. While the process relating to the legal transfer of the land is frequently complicated and time consuming, it must be addressed. In specific circumstances, for example where the land is being transferred to or by a community, experience indicates that lack of formal transfer can create significant uncertainty in the future, which impacts on the sustainability of the infrastructure and services, and can have a negative effect on community relations.

The proponent must:

- Identify the appropriate documentation, including the agreement to make the transfer and any legal documentation that may be required;
- Ensure that the agreement:
  - Refers to the consultation that has taken place;
  - Sets out the terms of the transfer;
  - Confirms that the decision to transfer was freely made, and was not subject to coercion, manipulation, or any form of pressure;
  - Confirms that the donors are aware of their right not to donate and/or to be compensated;
  - Attaches an accurate map of the land being transferred (boundaries, coordinates);
  - Sets out who will bear the costs of the transfer (e.g., notarial fees, taxes, title issues) and documenting the residual land rights;
• Ensure that all necessary parties sign the documents, including obtaining consent from spouses and children over a certain age;
• Ensure that the transfer and title is registered or recorded; and
• Ensure that the land remaining after the donated land is excised is properly titled, registered or recorded.

It is also important to maintain a record of the process that has been followed, including:
• The notification indicating the location and amount of land that is sought and its intended use for the project, with a record of when and where this was made public;
• Records of the consultations that were held and what was discussed and agreed;
• Evidence of the due diligence that was conducted, including primary data, photographs, communications interchanged, etc.;
• Copies of each of the formal statements of donation, establishing informed consent as described above, and signed by each owner or user involved;
• Copies of all documents, registrations or records evidencing the legal transfer of the land;
• A map, showing each parcel of land.

The proponent will maintain a record with documentation for each parcel of land donated. Such documentation must be available for World Bank review, and for review in relation to any grievances that may arise.

9. Grievance redress arrangements. The project provides access to a GRM and specifies means by which donors (and, potentially, persons whose use or occupancy was not recognized in the transfer of land) may raise grievances, and measures to ensure consideration of, and timely response to, grievances raised. The grievance process includes participation of reviewers not directly affiliated with the proponent. The grievance process imposes no cost upon those raising grievances, and participation in the grievance process does not preclude pursuit of legal remedies under the laws of the country.

**FORM for Voluntary Land Donation**

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<th>Province / Region:</th>
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<td>District:</td>
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<tr>
<td>Community:</td>
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<tr>
<td>Sub-project ID:</td>
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<tr>
<td>Name of land owner:</td>
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<th>Sex:</th>
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<tr>
<th>Description of land that will be taken for the project:</th>
<th>Area affected:</th>
<th>Total landholding area:</th>
<th>Ratio of land affected to total land held:</th>
<th>Map code, if available</th>
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| Description of annual crops growing on the land now and project impact: |
|------------------------------------------------------------------------|----------|-------------------------|
| Details                                                                 | Number   |
| - Trees that will be destroyed                                         |          |
| - Fruit trees                                                          |          |
| - Trees used for other economic or household purposes                  |          |
| - Mature forest trees                                                  |          |
| - Other                                                                |          |

Describe any other assets that will be lost or must be moved to implement the project:

Value of donated assets:
- Land rights
- Other assets

The land user or donor confirms that he/she received information on the project and understands that the above assets will be (permanently/temporarily) transferred and that he/she will have no access to the land or assets for (specify time or restricted uses).

By signing or providing thumb-print on this form, the land user or owner agrees to contribute assets to the project. The land user or owner confirms that the contribution is voluntary and that he/she understands that he/she has the choice to require compensation, and that by signing or providing his/her thumb print he/she agrees not to request any such compensation now or in the future [except as agreed in Annex
XX hereto –Note: include an annex with any compensation for assets, transfer costs, etc.—if applicable]

If the land user or owner does not want to contribute his/ her assets to the project, he or she should refuse to sign or provide thumb print\(^\text{13}\), and ask for compensation instead.

Date: ............................... Date: ............................... 

District PMO representative's signature 

Affected persons signature (both husband and wife)

\(^{13}\) If thumb print used, provide a witness statement or, if allowed, a video recorded statement.
REFERENCES

3. IFC Good Practice Note Addressing Grievances from Project-Affected Communities (2009).
4. Lesotho Data Portal
5. Lesotho Rural Livelihood Baseline Profile (2012)
10. World Bank Study