

Final Report

Bangladesh Bridge Authority (BBA)

Dhaka Elevated Expressway PPP Project

Final Resettlement Action Plan

Volume I: Main Report



Tranches 1, 2 & 3

Hazrat Shahjalal Intl. Airport - Banani- Maghbazar - Kutubkhali

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Polli Unnayan Andolon (RDM)

in association with

Assistance for Humanitarian Development (AHD)

Final Resettlement Action Plan

Tranches 1, 2 & 3

Volume I: Main Report

Volume II: Project Affected Persons

Volume III: Inventory of Assets (Non-land)

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Executive Summary

1.0 The Resettlement Action Plan

The Dhaka Elevated Expressway Project (DEEP) will be implemented under Public-Private-Partnership (PPP) between the Government of Bangladesh, represented by the Bangladesh Bridge Authority (BBA), and the Italian-Thai Development Public Company Limited, represented by the First Dhaka Elevated Expressway (FDEE) Co. Ltd. The Project involves construction of a (1) Four-lane dual Main Carriageway of a total length of 19.73 km, (2) Four-lane dual Link-Road Carriageway of a total length of 3.1 km, (3) 30 on-off ramps of a total length of 23.9 km, and (4) 8 Toll Plazas and 43 Toll Collection Booths. The Elevated Expressway will take off from Hazrat Shahjalal International Airport (HSIA) and land on Dhaka-Chittagong Highway at Kutubkhali largely following the existing rail alignment. The 19.73 km Expressway along with other components will be constructed in three tranches namely Tranche 1 (0 to 7.450 km), Tranche 2 (7.450 to 13.300 km) and Tranche 3 (13.300 to 19.730 km). One Resettlement Action Plan (RAP) has been prepared for Tranche 1 (referred to as RAP-I) and one RAP has been prepared for tranches 2 and 3 (referred to as RAP-II). This RAP is the final RAP combining the RAP-I and RAP-II (referred to as FRAP). The main Expressway in the first Tranche is 7.450 km from Hazrat Shahzalal International Airport to Banani Rail Station. The second Tranche will be 5.85 km from Banani Railway Station to Maghbazar and that in the third Tranche will be 6.43 km from Maghbazar to Kutubkhali on the Dhaka – Chittagong highway. Tranche 2 has a 3.5 km link with Polashi and on-off ramps.

RAP-I has earlier been prepared and adopted for the Tranche 1 section in April 2015 (under implementation now). The RAP-I has been finalized following review comments by BBA and feedback from the disclosure workshop held on April 01, 2015 on Resettlement Policy Framework. RAP-I is under implementation now. The RAP-II was finalized with feedbacks from disclosure workshop held on September 13, 2015. The RAPs (RAP-I, RAP-II and FRAP) will be adopted upon approval by the Government of Bangladesh through the Ministry of Road Transport and Bridges. Finalization of the FRAP went through an internal review workshop on 10 March 2016 and scrutiny of the observations and recommendations from the review workshop on 4 April 2016 by a RAP review committee constituted by BBA. In case of policy discrepancy and entitlement provisions in RAP-I, RAP-II and FRAP, those in FRAP will prevail in all respect.

2.0 Scope of Land Acquisition

About 206 acres of land is being acquired for the DEEP of which approximately 27 acres is privately owned. BBA has started acquisition of land separately for the three tranches. Of the total privately

owned land 6.6959 acres have been acquired for Tranche 1, 16.5421 acres for Tranche 2, and 3.7056 acres for Tranche 3. Payment of compensation under law for private lands for the Tranches 2 and 3 is under process.

3.0 Resettlement Impacts

3.1 Resettlement Impacts in Tranche 1

Census of physical losses on public and private lands by private persons indicates that a total of 287 owner households will be losing their residential and commercial premises and productive sites causing physical and economic displacements. The displaced households include 144 legal owners of private land, 12 affected in their leased land and 131 others on public lands within the right of way. The alignment has also affected 6 community/social establishments, and structures of 4 public agencies and two legal entities. A total of 685 employees (employed for more than 6 months) will be affected due to displacement of the structures. The Tranche-1 section will also cause to shift 972 tenants: 835 families from residential premises and 137 persons from commercial premises.

3.2 Resettlement Impacts in Tranche 2

A total of 2,759 owner households will be losing their residential and commercial premises and productive sites in Tranche 2 causing physical and economic displacements. The displaced households include 335 legal owners of private land, 570 affected in their leased land/structures and 1,854 others on public lands within the right of way. The alignment has also affected 50 community/social establishments, and structures of public agencies and legal entities. A total of 3,107 employees (employed for more than 6 months) will be affected due to displacement of the structures. The Tranche-2 section will also cause to shift 4,085 tenants: 2,894 families from residential premises and 1,191 persons from commercial premises. The Tranche 2 has also affected one market complex on leased in Bangladesh Railway Land by the *Bangladesh Railway Karmachari Kalyan Trust* (BRKKT). This complex building will be completely demolished.

3.3 Resettlement Impacts in Tranche 3

Six hundred and twenty seven (627) owner households will be losing their residential and commercial premises and productive sites in Tranche 3 causing physical and economic displacements. The displaced households include 173 legal owners of private land, 17 affected in their leased land/structures and 437 others on public lands within the right of way. The alignment has also affected 27 community/social establishments, and structures of public agencies and legal entities. A total of 1673 employees (employed for more than 6 months) will be affected due to displacement of the structures. The Tranche-3 section will also cause to shift 777 tenants: 365 families from residential premises and 412 persons from commercial premises.

4.0 Resettlement Policy and Principles

Land is being acquired under the Acquisition and Reacquisition of Immovable Property Ordinance, 1982 (Ordinance II of 1982 with amendments up to 1994). The Dhaka Elevated Expressway (Land Acquisition) Act 2011 will also be used to facilitate the acquisition process. In addition to compensation under law to legal owners, BBA is considering

resettlement/rehabilitation of the project-affected persons covering both legal owners and non-titled affected persons including the tenants and squatters on the project right of way following the Environmental and Social Management Framework (ESMF) of Bangladesh Bank adopted for Investment Promotion and Financing Facility (IPFF) of private sector projects developed under Public Private Partnership (PPP).

4.1 Impact Mitigation Principles

Social impacts of the project can broadly be classified as those taking place during the pre-construction, construction and operation phases. The overall strategy has the following sequences:

- **Impact avoidance:** Changing project location, design and construction methods to avoid impacts.
- **Impact minimization:** Where impacts cannot be avoided, implementing mitigation measures to reduce the impact to acceptable levels.
- **Compensation:** Arranging compensation where impacts cannot be avoided or sufficiently mitigated.
- **Enhancement:** Measures, which, at an insignificant cost to the project, give appreciable social or developmental benefits.

4.2 Eligibility for Compensation and Assistance

BBA has identified and will recognize the following impacts eligible for compensation and assistance in the Tranche 2 and Tranche 3 alignments of the Expressway:

Private Landowners: Persons who have legal title to the affected lands and other assets, such as houses/structures, trees, etc. built and grown on the lands. In addition to compensation at replacement cost, other forms of assistance will also be considered following the guidelines included in this RAP.

Squatters: Persons /households who do not have legal title to the affected lands, but use them for residential and livelihood purposes constructing structures on the lands. Squatters will not be entitled to compensation for lands, but will be entitled for the structures and assets developed on it. They will be entitled to relocation and livelihood restoration assistance in addition to compensation for structures.

Nursery owners: Owners of affected nurseries operated on right of way land will be assisted for transfer of saplings in alternative sites arranged by the owners as well as subsistence allowance for temporary loss of business during the transfer. The affected nursery owners will be notified in advance for identifying alternative sites.

Tenants/ Lease Holder (Public or Private Land): Persons/ entities who do not have legal title to the affected lands, but rent or lease it in for commercial or other purposes. Compensation will be the replacement

cost of any physical structures on the land built by the tenant/lease holder and allowance for income subsistence. Any outstanding lease money will be refunded by the owner of land upon receipt of compensation as per condition of the lease agreement.

Allottees of affected Public Structures: Persons/ households using affected public structures for residential or commercial purposes. Affected allottees will be assisted with cash allowances for house transfer to alternative sites arranged by them as practiced locally. They will also be assisted for interim housing allowances to bridge gaps in arranging alternative housing by the government.

Tenants of affected Structures: Persons/ households renting in affected structures for residential or commercial use. Affected tenants of structures will be assisted with cash allowances for house transfer to alternative sites arranged by them as practiced locally.

Tenants/Lease Holders of Shops and Spaces: Lease holders and their tenants of shops in the Railway Market at Karwan Bazar, which land is being taken for the Expressway project, will be displaced physically. BBA will compensate the structures that will cover compensation to the owner of the structures, and compensate the lease holders and their tenants for loss of business, relocation and livelihood restoration. BBA will reconstruct the affected buildings at sites identified and acquired by the owners (if requested as an alternative to compensation) and provide transition allowance to the affected lease holders following this RAP.

Owners of Displaced Businesses: Compensation for income loss from businesses that are: (i) displaced from private lands and those belonging to public agencies; and (ii) required to close down temporarily during implementation of the civil works. In both cases, compensation/assistance will apply to the actual owners of the affected businesses.

Employees of Affected Businesses and Entities: Employees of affected business and institutions (engaged for more than 6 months at the time of census) will be compensated for the loss of salaries for the transitional period for assisting them reestablishment of the business and/or finding new jobs as defined in the entitlement matrixes.

Rental Income Earners: Income from built premises situated on public and private lands will be compensated for a period of up to three months.

Institution/Community and Groups: Where local institutions, communities and groups are likely to lose existing premises of the institutions and common property structures, the project will rebuild them at sites identified by the communities.

4.3 Resettlement Entitlements under the RAP

BBA will compensate the affected persons for the loss of land and structure at full replacement cost, and trees at current market price. In addition to the compensation, additional assistance will be provided for relocation and livelihood restoration of the affected persons irrespective of their title to land.

Compensation Top-up: The affected persons will receive cash compensation under law (CCL) for their land and other physical assets on acquired land. BBA, to ensure replacement cost at current market price, will determine the Top-up in case the replacement cost is higher than the CCL. Income tax charged

on compensation and entitlements will be refunded to the affected persons receiving compensation top-up for replacement costs.

Replacement Cost and Current Market Price: Replacement cost of land and replaceable physical structures, and current market price (CMP) of non-replaceable assets (trees, crops/fish stock) assessed by PVAC will be paid by BBA, if not paid by DC. Affected public structures will be compensated at PWD rate as Cost for Reconstruction (CFR) or reconstructed on sites identified by the respective public agencies.

Structure Transfer Grant (STG) for legal owners: Affected structures owners on titled land will be assisted for transfer of shiftable structures at the rate of BDT 10,000 (ten thousand) per household for structure area up to 1000 sft, BDT 15,000 (fifteen thousand) per household for structure area of 1001-2000 sft and BDT 20,000 (twenty thousand) per household for structure area above 2000 sft.

Resettlement Apartment for legal owners: Displaced households losing residential structures on their legally owned land (e.g., tin-shed house, semi-pucca buildings, single- and multi-stores buildings/apartments), affected apartment owners and those losing their vacant titled land, will be considered for resettlement apartments of various sizes (750 to 1100 sft) to be built on vacant lands acquired for resettlement township. Size of apartments will be equivalent to the land area and/or volume structures affected by the project.

Monthly Housing Allowance (MHA) for a period up to 6 (six) months for physically displaced residential households from their titled land at the rate of (a) BDT 10,000 (ten thousand) per month for structure volume up to 1000 (one thousand) sft; (b) BDT 15,000 (fifteen thousand) per month for structure volume between 1000 (one thousand) sft and 2000 (two thousand) sft and (c) BDT 20,000 (twenty thousand) per month for structure volume above 2000 (two thousand) sft.

Alternative Housing Allowance (AHA) for a period of up to 24 (twenty four) months for physically displaced residential allottees of public structures at the rate negotiated by BBA for equivalent housing structures at similar proximity.

Transfer Grant for non-titled persons: Affected households and business operators on non-titled land (squatters) will be entitled for Transfer Grant (TG) for shifting of movable materials at the rate of (a) BDT 2000 (two thousand) for katcha structures, (b) BDT 3000 (three thousand) for semi-pucca structures and (c) BDT 5000 (five thousand) for pucca structures. Affected pucca structures will be compensated at replacement cost and demolished and removed by the Project.

House Transfer Grant: Project will assist the affected tenants in shifting their furniture and belongings at the rate of BDT1000 (one thousand) for households and persons rented in affected katcha structures, BDT2000 (two thousand) for households and persons rented in affected semi-pucca structures and BDT3000 (three thousand) for households and persons rented in affected pucca structures.

Stock Transfer Cost: Project will assist the affected traders and nursery owners in shifting their stock at the rate of BDT 5,000 (five thousand) for small business/nursery; BDT 10,000 (ten thousand) for medium business/nursery and BDT 15,000 (fifteen thousand) for large business/nursery.

Transition Allowance for displaced business owner on public and private land (without any tax payment record): Transition allowance for affected business for 3 months' equivalent income subsistence at the rate of BDT 5,000 (five thousand) per month for Small businessmen (Capital less than BDT 50,000), BDT 10,000 (five thousand) per month for Medium businessmen (Capital BDT Between 51,000-250,000) and BDT 15,000 (fifteen thousand) per month for Big businessmen (Capital above BDT 250,000).

Transition Allowance for displaced business operator on public and private land (with tax payment record): Transition allowance for affected business for 3 months' equivalent income subsistence calculated on the basis of monthly net income not exceeding BDT 20,000 (twenty thousand) per month for Small businessmen (Capital less than BDT 50,000), BDT 50,000 (fifty thousand) per month for Medium businessmen (Capital BDT Between 51,000-250,000) and BDT 75,000 (seventy five thousand) per month for Big businessmen (Capital above BDT 250,000).

Transition Allowance for lease holders of affected markets: Lease holders of affected markets will receive Transition Allowance equivalent to 30% of the market price of affected structure proportionate to their deposits.

Transition Allowance for displaced owners of rented out premises: Transition allowance for three months for each affected rented out premise at the rate of (a) BDT 5,000 (five thousand) per month for lost housing or business premises with katcha structures, BDT 10,000 (ten thousand) per household for semi-pucca structures and BDT 15,000 (fifteen thousand) per household for pucca structure.

Transition Allowance for displaced employee: Transition allowance equivalent to the loss of wages for forty five (45) days for each affected employee at the rate of BDT 400 (four hundred) per day for unskilled workers and BDT 600 (six hundred) per day for skilled workers.

Transition Allowance for displaced nurseries: A total of 44 nurseries in Tranche 1 and 5 nurseries in Tranche 3 are operating on the right of way. The affected nurseries will be assisted for temporary income loss at one time Transition Allowance of BDT 15,000 (fifteen thousand) per small nursery (2000 - 50,000 saplings), BDT 25,000 (twenty five thousand) per medium nursery (50,000 to 100,000 saplings) and BDT 35,000 (thirty five thousand) per large nursery (above 100,000 saplings).

Vulnerable Household Allowance (VHA): One time cash assistance equivalent to 3 months' subsistence cost at the rate of BDT 5000 (five thousand) per month for vulnerable households including poor households and poor female-headed, disabled headed and elderly headed households.

Undefined impacts, issues and entitlements: Any impact or issue appeared during RAP implementation (*implementation of RAP-I and FRAP*) that is not defined herein, but important for smooth implementation of the project, will be placed with GRC for review and decision, and GRC with assistance from JVC and PVAC will recommend the entitlement rates/amounts for such impacts. Such recommendations will be placed with BBA for approval before implementation.

5.0 Community Engagement and Participation

The affected persons and communities have been engaged in consultation and participation process. A formal disclosure workshop was organized for key stakeholders including the affected persons. Arrangement for participation of communities and affected persons have been

provisioned in the RAPs for obtaining their opinions, complaints and suggestions through personal contact, group discussions and open community meetings. The consultation process will continue through the RAP implementation activities. A Joint Verification Committee (JVC) will be formed for official recognition of affected physical assets and other losses identified in this RAP, a Property Valuation Advisory Committee (PVAC) will be formed for valuation of affected land and other assets. Options for participation of the communities through their representatives will be accepted in PVAC and in Grievance Redress Committee (GRC). GRC will address resettlement related community grievances.

6.0 Institutional Arrangement

Bangladesh Bridge Authority (BBA) under the Bridges Division of the Ministry of Road Transport and Bridges (MRTB) is representing the Government of Bangladesh as the Executing Agency (EA) of the Project. The Project is being implemented under a Public-Private-Partnership (PPP) between the Government of Bangladesh represented by BBA and the Italian-Thai Development Public Company Limited, represented by the First Dhaka Elevated Expressway Co. Ltd. (FDEE). FDEE, as per the concessionaire agreement, is responsible to finance design and construction of the Expressway, operate it and transfer after expiry of concessionaire agreement (25 years including the construction period). BBA is responsible to finance land acquisition and resettlement of project-affected persons and provide lands for construction right of way to the FDEE. FDEE and BBA have jointly engaged an Independent Engineer (IE) for design and construction supervision. An Engineering and Procurement Constructor (EPC) has been engaged by FDEE for procurement of goods and civil works construction. The PPP Office under the Prime Minister's Secretariat is providing coordinating and policy support for execution of the concessionaire agreement. An Expert Committee is assisting BBA in contract management and quality control.

BBA has engaged an NGO for services in management of land acquisition and implementation of the resettlement action plans. The Special Works Organization-West (SWO-West) of Bangladesh Army has been engaged in utility shifting and building demolition for clearing sites following the acquisition and resettlement process.

7.0 Monitoring and Evaluation

BBA will establish a monitoring and evaluation (M&E) system as a systematic and continuous process of collecting, collating and analyzing information about the project progress and a tool for identifying strengths and weaknesses of the process. Also a periodic social auditing of the process and the outcomes will enable BBA to identify lapses, procedural weaknesses, policy inadequacies and institutional drawbacks to devise and implement corrective measures to achieve objectives of the RAP.

A comprehensive and relevant database and automated management information system (MIS) software will be established in the Project Office and updated periodically for monitoring various activities of RAP implementation. RAP implementing NGO (for all three tranches) will assist the Project Office to regularly update MIS providing latest information on payment of compensation, relocation and other activities.

Monitoring will be carried out at three levels. The Project Director (PD) will carry out regular internal monitoring with input from the help of the Senior Resettlement Specialist. An external social auditing will be commissioned by BBA employing independent external monitor (IEM). The IE will also carry out supervision and monitoring through its Senior Sociologist in the team to assist BBA. The FDEE themselves will also commission a periodic audit of the implementation of the RAP.

8.0 Land Acquisition and Resettlement Budget

The total estimated cost of land acquisition and resettlement of the project-affected persons in Tranche 1, Tranche-2 and Tranche 3 sections of the DEE Project is BDT 29,580.20 million (US\$ 383.41 million). The budget covers compensation for affected assets including BDT 22,929.82 million for cost of land (including registration cost amounting BDT 1,675.46 million for land purchase and DC's service charge amounting BDT 311.11 million), BDT 5,449.02 million for cost of structures, and BDT 30.62 million for cost of trees and fish stock. Cash for resettlement assistance includes BDT 1,162.55 million for relocation of housing, businesses and income/salary, and BDT 8.18 million for additional assistance to vulnerable affected households. The budget also includes BDT 483.67 million for reimbursement for income tax charged to the affected persons on compensation and compensation top-up for immovable assets and a 4.5% contingency (BDT 1,331.57 million) to meet expenses like costs for resettlement and rehabilitation not defined herein¹.

Table E.1 Summary Compensation and Resettlement Budget

Sl.No.	Items	Amount (BDT)			
		Tranche 1	Tranche 2	Tranche 3	Total
I. Land Acquisition and Resettlement (LA&R)					
A.	LAND				
	1. Current Market Price	2,647,920,820	15,775,394,576	2,519,932,454	20,943,247,849
	2. DC's Service Charge	52,958,416	235,453,650	22,702,094	311,114,161
	3. Registration cost	<u>211,833,666</u>	<u>1,262,031,566</u>	<u>201,594,596</u>	<u>1,675,459,828</u>
	Sub-Total (land cost)	2,912,712,902	17,272,879,792	2,744,229,144	22,929,821,838
B.	STRUCTURES	1,309,665,202	2,394,530,534	1,744,827,029	5,449,022,765
C.	TREES	3,516,178	6,134,082	20,837,997	30,488,257
D.	FISH STOCK	135,000	-	-	135,000
E.	R&R ASSISTANCE	292,519,200	643,435,000	226,591,000	1,162,545,200
F.	VULNERABLE HOUSEHOLDS	<u>585,000</u>	<u>6,795,000</u>	<u>795,000</u>	<u>8,175,000</u>
	Total	<u>4,519,133,482</u>	<u>20,323,774,408</u>	<u>4,737,280,170</u>	<u>29,580,188,060</u>
G.	Income Tax (2% of Replacement Cost)		393,470,888	90,197,883	483,668,771
H.	Contingency @4.5%	203,361,007	914,569,848	213,177,608	1,331,108,463
	Total Cost of LA&R	4,722,494,489	21,631,815,145	5,040,655,661	31,394,965,294

¹ Income tax on compensation for immovable assets for tranche 1 Land Acquisition and Resettlement will be reimbursed out of contingency amount as the budget approved for tranche 1 has not separate line for income tax but included in the contingency.

Sl.No.	Items	Amount (BDT)			
		Tranche 1	Tranche 2	Tranche 3	Total
II. Resettlement Site Development /Public Structure					9,650,000,000
III. RAP Implementation, M&E and Capacity Development					125,000,000
Grand Total (I+II+III)					41,169,965,294

Resettlement of the displaced titled owners of land and apartments involves an estimated amount of BDT 9,650 million for resettlement site development and reconstruction of public structures. RAP implementation, monitoring and evaluation of RAP implementation and BBA capacity enhancement measures using the services of individual consultants cost about BDT 125 million.

Total estimated cost for land acquisition, resettlement and rehabilitation of the project affected persons involve a sum of BDT 31,394.96 million (USD 406.93 million).

The compensation and entitlements rates have been determined through market price assessment; consultation with affected persons and their communities; review of relevant other projects in the country and the resettlement principles and approaches developed for the project. The expert opinions were also taken through consulting the Resettlement Advisor of BBA and the Independent Engineer of FDEE and BBA. These rates will be reviewed by the Property Valuation Advisory Committee (PVAC) to be constituted for implementation of this RAP. The budget will be finalized before implementation for each tranche based on inventory verification by Joint Verification Committee (JVC) and the rates finalized with review recommendation from PVAC.